

Avoiding Financial Disasters
Shred
Mark Phillips
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CAUSES OF FINANCIAL DISASTERS

- Lack of a **Plan**

“But don’t begin until you count the cost. For who would begin construction of a building without first calculating the cost to see if there is enough money to finish it? ²⁹ Otherwise, you might complete only the foundation before running out of money, and then everyone would laugh at you” Luke 14:28-29

- **Impulsive** Buying

“The wise have wealth and luxury, but fools spend whatever they get.” Proverbs 21:20

- **Uncontrolled** Spending

“Just as Death and Destruction are never satisfied, so human desire is never satisfied.” Proverbs 27:20

“And I’ll say to myself, “You have plenty of grain laid up for many years. Take life easy; eat, drink and be merry.””²⁰ “But God said to him, ‘You fool! This very night your life will be demanded from you. Then who will get what you have prepared for yourself?’” Luke 12:19-20

“Then he said, “Beware! Guard against every kind of greed. Life is not measured by how much you own.” Luke 12:15

- **Overextended** on Credit

“Just as the rich rule the poor, so the borrower is servant to the lender.” Proverbs 22:7

- **Hiding** Spending from our **Spouse**

HOW TO AVOID FINANCIAL DISASTERS

- **Plan** Ahead

“Know the state of your flocks, and put your heart into caring for your herds,” Proverbs 27:23

*“Good planning and hard work lead to prosperity, but hasty shortcuts lead to poverty.”
Proverbs 21:5*

- Practice **Self-Control**

“So think clearly and exercise self-control.” 1 Peter 1:13

“But the Holy Spirit produces this kind of fruit in our lives: love, joy, peace, patience, kindness, goodness, faithfulness,²³ gentleness, and self-control.” Galatians 5:22, 23

- **Enjoy** what you have

“Enjoy what you have rather than desiring what you don’t have. Just dreaming about nice things is meaningless—like chasing the wind.” Ecclesiastes 6:9

“Don’t love money; be satisfied with what you have. For God has said, “I will never fail you. I will never abandon you.” Hebrews 13:5

- **Acknowledge** God

“Have I put my trust in money or felt secure because of my gold?²⁵ Have I gloated about my wealth and all that I own? ...²⁸ If so, I should be punished by the judges, for it would mean I had denied the God of heaven.” Job 31:24, 28

HOW TO GET OUT OF A FINANCIAL DISASTER

“Honor the Lord with your wealth and with the best part of everything you produce.¹⁰ Then he will fill your barns with grain, and your vats will overflow with good wine.” Proverbs 3:9-10

The Baby Steps to Financial Peace

1. Emergency Fund of \$1,000
2. Pay off debt using the debt-snowball method
3. Emergency Fund of 3 – 6 months of basic living expenses
4. Save for retirement – 15% of your pay
5. College Savings for kids
6. Pay off your home mortgage
7. Live and Give like no one else

The Biblical Principle of Generosity

*“You must set aside a tithe of your crops—one-tenth of all the crops you harvest each year.”
Deuteronomy 14:22*

The Biblical Principle of Saving

“Send your grain across the seas, and in time, profits will flow back to you. ² But divide your investments among many places, for you do not know what risks might lie ahead. ⁶ Plant your seed in the morning and keep busy all afternoon, for you don’t know if profit will come from one activity or another—or maybe both.” Ecclesiastes 11:1-2, 6

The Biblical Principle of Life

“My purpose is to give them a rich and satisfying life.” John 10:10