



The goal of Heart in Focus is to help you become faithful in managing what God has given and discover the joy in living for Jesus.

Review:

Fix your eyes on Jesus as the real treasure – not the alluring things of the world

- Describe the **pull of the heart** problem
- **Five Steps to get on track:** Assess...Set Goals... Implement... Compare... Adjust... The importance of identifying your values and goals
- **The Spending Plan** – the key to moving ahead
- The **Changed Mindset** and Approach to Spending

Overcome worry by trusting in the heavenly Father's care

1. **Determine your true income**
2. **Put Giving first** – building from a percentage of your income
3. Build your **three tiers of savings:**
 - **Emergency Savings** of _____ – building toward _____ months expenses
 - **Major Purchase Savings** – first for needed replacements...then for pleasures
 - **Long Term Savings**

This week's FOCUS: Conquer the obstacles – the adverse effect of debt

Borrow cautiously

Proverbs 22:7 – Debt can make the borrower _____ to the _____ .

Proverbs 17:18 – Debt may be poor _____ that risks losing what you have.

Proverbs 15:27 – Debt can have a _____ affect upon your family.

James 4:13-15 – Debt often makes _____ that can _____ affect your future.

Luke 12:29-31 – Debt may keep you from relying on _____ _____ to supply your need.

Proverbs 6:1-6 - Dealing with debt may need _____ action.

What about credit cards?

The focused life: perseverance toward the joys ahead

Hebrews 12:2 – focus on Christ's life

Titus 2:11-14 – God's love for us impacts the way we live our lives

Hebrews 12:1-3 - what helps us become free of burdensome debt?

2Peter 1:3-10 – God provides the power to help us overcome the odds

Types of debt choices to eliminate

Level 1 – credit cards, payday loans, high interest loans

Level 2 – major purchases (automobiles, vacations, appliances, recreational vehicles)

Level 3 – investment purchases (home mortgage, education, business)

Debts that may be considered beneficial: investments with increasing value

Prepare for debt elimination:

1. Recognize the problem – how did I get here?
2. Create a spending plan (budget) and stick with it
3. Establish your initial emergency fund of \$1,000
4. Change spending habits to make more money available for accelerator payment (be a gazelle!)
5. Consider selling off some assets and/or increasing income if necessary

Avoid using debt consolidation companies!!!

Other debt elimination considerations

- ✓ Put God first in your giving
- ✓ Stop NOW using any credit cards or purchasing anything on credit
- ✓ Place a stake in the ground and make a commitment to God and self - “no more debt!”
- ✓ Consider negotiating with credit card companies
- ✓ Work on eliminating the debts by
 - Designing a debt elimination repayment plan
 - Adjusting your lifestyle
 - Seeking an encourager

Debt elimination plan

1. Add no new debt
2. List your current debts
3. Determine your accelerator payment amount to aggressively pay off debt
4. Use the accelerator payment to aggressively pay off your smallest debt first (while faithfully paying the minimum on the rest)
5. As debt is repaid, roll that full amount into the next largest debt
6. As level 1 debts are eliminated, roll that amount into paying off level 2 debts
7. When targeted debts are paid in full, you are now ready to build up your savings plan. Roll the full accelerator amount into the following savings categories:
 - a. Emergency savings (4-6months of expenses)
 - b. Major purchase savings
 - c. Long term savings

A key to financial wealth and independence is to spend less than you make.

Paying off debt is like giving yourself a 5-25% raise and freeing up money for investment.