

Making Do with What You Have Being Thrifty

Apply the Lords laws of Finances

Elder M. Russell Ballard

“Earthly Debts, Heavenly Debts”

- 5 key points
 1. Pay your tithing
 2. Spend less than you earn
 3. Learn to save
 4. Honor your financial obligations
 5. Teach your children to follow your example

1. Pay your tithing

Do you want the windows of heaven opened to you? Do you wish to receive blessings so great there is not room enough to receive them? Always pay your tithing and leave the outcome in the hands of the Lord. Obedience to God's commandments is the foundation for a happy life. Surely we will be blessed with the gifts of heaven for our obedience...

Elder M. Russell Ballard "Earthly Debts, Heavenly Debts" April
2004 General Conference

2. Spend less than you earn

This requires using a Budget, the “B” word

• BUDGET FOR _____		
• INCOME	PLANNED	ACTUAL
• Wages/Salaries (after taxes)	_____	_____
• Other income	_____	_____
• Total income	_____	_____
• EXPENSES	PLANNED	ACTUAL
• Church donations	_____	_____
• Savings	_____	_____
• Food	_____	_____
• Mortgage or rent	_____	_____
• Utilities	_____	_____
• Transportation	_____	_____
• Debt payments	_____	_____
• Insurance	_____	_____
• Medical	_____	_____
• Clothing	_____	_____
• School expenses	_____	_____
• Other	_____	_____
• Total expenses	_____	_____
• Income less expenses	_____	_____

“When you budget, you’re spending on paper, on purpose, before the month begins.” Dave Ramsey

Stick to the budget

- Break it down into manageable intervals – weekly, bi-monthly etc.
- Get kids involved with meal planning
- Search for recipes using ingredients you have – helps rotate food storage
- Be thrifty with gifts, clothes and vacations
- Use coupons – many are already good at this

Those who live safely within their means know how much money comes in each month, and even though it is difficult, they discipline themselves to spend less than that amount. M. Russell Ballard April 2004 Conference “Earthly Debts, Heavenly Debts”

Break the Cycle of Debt

- Debt can be a grinding, crushing burden
In spite of the teachings of the Church from its earliest days until today, members sometimes fall victim to many unwise and foolish financial practices. Some continue to spend, thinking that somehow the money will become available. Somehow they will survive...Far too often the money hoped for does not appear...Remember this: debt is a form of bondage. It is a financial termite. When we make purchases on credit, they give us only an illusion of prosperity. We think we own things, but the reality is, our things own us. M. Russell Ballard April 2004 Conference "Earthly Debts, Heavenly Debts"
- www.godslawsoffinance.com
 - Booklet free to download

Cycles of Prosperity or Pride

Which one are you and which one do you want to be? 😊



Debt Snowball Example

Date	Total Debt	Personal Loan (0.00%)		Medical (0.00%)		Visa (6.99%)		MasterCard (15.99%)		Car Loan (8.90%)		Total Debt (EOM)	Interest
		Balance	Payment	Balance	Payment	Balance	Payment	Balance	Payment	Balance	Payment		
August 2011	\$17,044.00	\$650.00	\$92.00	\$1,500.00	\$60.00	\$2,164.00	\$38.00	\$4,230.00	\$85.00	\$8,500.00	\$325.00	\$16,444.00	\$130.71
September 2011	\$16,574.71	\$558.00	\$92.00	\$1,440.00	\$60.00	\$2,138.62	\$38.00	\$4,201.29	\$85.00	\$8,236.79	\$325.00	\$15,974.71	\$124.04
October 2011	\$16,098.75	\$466.00	\$92.00	\$1,380.00	\$60.00	\$2,112.69	\$38.00	\$4,170.39	\$85.00	\$7,969.67	\$325.00	\$15,498.75	\$125.58
November 2011	\$15,624.33	\$374.00	\$92.00	\$1,320.00	\$60.00	\$2,087.01	\$38.00	\$4,140.87	\$85.00	\$7,702.45	\$325.00	\$15,024.33	\$119.04
December 2011	\$15,143.38	\$282.00	\$92.00	\$1,260.00	\$60.00	\$2,060.78	\$38.00	\$4,109.18	\$85.00	\$7,431.42	\$325.00	\$14,543.38	\$120.38
January 2012	\$14,663.75	\$190.00	\$92.00	\$1,200.00	\$60.00	\$2,034.79	\$38.00	\$4,078.83	\$85.00	\$7,160.14	\$325.00	\$14,063.75	\$117.76
February 2012	\$14,181.51	\$98.00	\$92.00	\$1,140.00	\$60.00	\$2,008.64	\$38.00	\$4,048.06	\$85.00	\$6,886.80	\$325.00	\$13,581.51	\$107.69
March 2012	\$13,689.20	\$6.00	\$6.00	\$1,080.00	\$146.00	\$1,981.59	\$38.00	\$4,013.41	\$85.00	\$6,608.20	\$325.00	\$13,089.20	\$112.38
April 2012	\$13,201.59			\$934.00	\$152.00	\$1,955.12	\$38.00	\$3,981.76	\$85.00	\$6,330.70	\$325.00	\$12,601.59	\$106.16
May 2012	\$12,707.75			\$782.00	\$152.00	\$1,928.14	\$38.00	\$3,947.98	\$85.00	\$6,049.63	\$325.00	\$12,107.75	\$106.95
June 2012	\$12,214.70			\$630.00	\$152.00	\$1,901.36	\$38.00	\$3,915.44	\$85.00	\$5,767.90	\$325.00	\$11,614.70	\$100.86
July 2012	\$11,715.56			\$478.00	\$152.00	\$1,874.07	\$38.00	\$3,880.78	\$85.00	\$5,482.72	\$325.00	\$11,115.56	\$101.44
August 2012	\$11,217.00			\$326.00	\$152.00	\$1,846.97	\$38.00	\$3,847.33	\$85.00	\$5,196.70	\$325.00	\$10,617.00	\$98.66
September 2012	\$10,715.66			\$174.00	\$152.00	\$1,819.70	\$38.00	\$3,813.42	\$85.00	\$4,908.53	\$325.00	\$10,115.66	\$92.77
October 2012	\$10,208.42			\$22.00	\$22.00	\$1,791.94	\$168.00	\$3,777.42	\$85.00	\$4,617.06	\$325.00	\$9,608.42	\$92.23
November 2012	\$9,700.65					\$1,633.58	\$190.00	\$3,742.57	\$85.00	\$4,324.50	\$325.00	\$9,100.65	\$85.62
December 2012	\$9,186.27					\$1,451.88	\$190.00	\$3,705.64	\$85.00	\$4,028.76	\$325.00	\$8,586.27	\$84.66
January 2013	\$8,670.93					\$1,269.37	\$190.00	\$3,669.81	\$85.00	\$3,731.75	\$325.00	\$8,070.93	\$80.84
February 2013	\$8,151.77					\$1,085.78	\$190.00	\$3,633.49	\$85.00	\$3,432.51	\$325.00	\$7,551.77	\$69.55
March 2013	\$7,621.32					\$900.58	\$190.00	\$3,592.02	\$85.00	\$3,128.72	\$325.00	\$7,021.32	\$73.04
April 2013	\$7,094.36					\$714.80	\$190.00	\$3,554.64	\$85.00	\$2,824.91	\$325.00	\$6,494.36	\$66.90
May 2013	\$6,561.26					\$527.81	\$190.00	\$3,518.24	\$85.00	\$2,518.20	\$325.00	\$5,961.26	\$65.17
June 2013	\$6,026.43					\$339.82	\$190.00	\$3,476.83	\$85.00	\$2,209.78	\$325.00	\$5,426.43	\$59.23
July 2013	\$5,485.65					\$150.68	\$150.68	\$3,436.41	\$124.32	\$1,898.57	\$325.00	\$4,885.65	\$56.87
August 2013	\$4,942.53							\$3,357.06	\$275.00	\$1,585.46	\$325.00	\$4,342.53	\$51.38
September 2013	\$4,393.91							\$3,123.92	\$275.00	\$1,269.99	\$325.00	\$3,793.91	\$44.35
October 2013	\$3,838.26							\$2,886.36	\$275.00	\$951.90	\$325.00	\$3,238.26	\$40.20
November 2013	\$3,278.47							\$2,646.83	\$275.00	\$631.64	\$325.00	\$2,678.47	\$33.41

Can feel like you're climbing a tough mountain

Beginning of our journey doesn't seem like a big deal

End is sweet (in our case will be sweet 😊)



Keep on working at it

- Distinguish between needs and wants
- Have a poster on fridge and cross off when you have paid a debt off – gets the whole family involved and is fun to watch debt amounts go lower and lower
- Sell stuff
- Eat rice and beans

Learn to Save

- Weekly amount in jar
- Kids have jars – give, save, spend
- Teach kids to work hard for things they might want, usually end up liking the fun of the money instead
- Awesome tools on lds.org under provident living can calculate how much you will save in a year, 10, 20

Too often, people assume that they probably never will be injured, get sick, lose their jobs, or see their investments evaporate...The wise understand the importance of saving today for a rainy day tomorrow. They have adequate insurance that will provide for them in case of illness or death. Where possible, they store a year's supply of food, water, and other basic necessities of life. They set aside money in savings and investment accounts. They work diligently to reduce the debt they owe to others and strive to become debt free. M. Russell Ballard April 2004 Conference "Earthly Debts, Heavenly Debts"

Fix it up, wear it out, make it do, or do
without

- Fix it up, or use it up
- Wear it out
- Make it do
- Do without