Strapped
Week 3: Habits

You and I are constantly managing two finite resources: our money and our time. And, I imagine we all want to spend both of them wisely. We want to make the most of what's been entrusted to us.

Last Fall, I realized that, when it came to my time, I wasn't really managing it as well as I could. And, I was convicted by the thought that all of us have a limited number of days on this earth, and I wanted to make the most of them. So, I'm trying to practice some new habits that will help me spend my time wisely because our time is limited.

And, in a way, the same is true about our money, but with one small caveat…you can't borrow more time, but you can borrow more money! While your money is limited, to a degree, there are people out there who, *out of the sheer kindness of their hearts,* are ready and willing to give you more money…all you have to do is sign on the line and promise to pay them back…with just a LITTLE bit of interest tacked on.

Well, early on in my adult life, I took them up on their kind offer. I remember buying my first car when I graduated from High School, and after I signed the papers, my dad said, "Welcome to the world of debt. You'll never be able to escape!"

That should have been my first warning sign that this stuff should be handled with care! But in my mind, this was just normal. It's what everyone did. I thought, if you want anything, you have to borrow money for it, or put it on a credit card, and try to pay it back. You base your standard of living by the monthly payments you're able to afford. And so, that's what I did. And, that mindset is especially dangerous when you buy into the lie that your quality of life is directly related to your standard of living. That, if you get more or newer or better, then your life is going to improve. So, that's how we lived.

And all of this got Amber and I into a place where we were both making decent money, we were able to pay our bills…like, we didn't default on anything, we just weren't getting ahead. Most of what was coming in was going right back out to pay our bills. We didn't have much margin. There were even a couple of times we wanted to give to something, but we couldn't, or we couldn't give as much as we wanted.

While we weren't necessarily strapped for cash, our hearts were strapped by cash. I think it's fair to say that we weren't making the most of what had been entrusted to us. What we needed were ***new habits***. So, we started making some small changes that would add up to make a big difference in our lives and financial health.

And, we all know this…whatever change you're trying to make in life, whether it's how you spend your time or money, eating healthier, reading more…whatever change it might be…there's a universal principle that works in our favor when we embrace it…New habits lead to new outcomes.

In other words, if you want to arrive at a place you've never been, you have to do some things you've never done. If you want new outcomes, you have to form new habits. So, if you want to read more, it might mean turning the TV off an hour earlier than you normally do, or putting your phone in another room so you're not tempted by the 'gram or Be Real. If you want to eat healthier, you might start tracking what you eat or doing more of your shopping on the outside isles.

If you want to make a change in your life, it often starts by forming some new habits. Because, you can't get where you want to go by doing what you've always done. New habits lead to new outcomes. And, the same is true with our money. I know this firsthand because we lived it.

Amber and I's journey to financial health and freedom didn't include some drastic increase in our income. We didn't get this sudden flood of cash flow. It came down to hard work and developing new habits, like the ones we're talking about today. Habits based on principles found in Scripture.

And, here's the best part, whether you have a little or a lot…whether you're strapped for cash or strapped by cash…these biblical principles are universal. They work at any income level and in every financial situation. They work in a bull market just as well as in a bear market.

Since these habits are taken right from Scripture, they're timeless and true. Even if you're a skeptic about faith, I encourage you to listen with open ears to see if there's any wisdom in what the Bible teaches about money that might help your life, too. For those of us who are followers of Jesus, these habits are a way for us to live out our faith. But, if you're not yet a follower of Jesus, they're just good wisdom to live by.

We're going to get super practical today, so let's dive in. Habit 1: Spend less than you earn. The truth is, every success in your financial life depends on this habit. Credit cards and loans have made it possible for us to spend more than we earn. In fact, more than 50% of Americans spend over 100% of their annual income. But, if you're able to spend less than you earn, you are well on your way to making some financial gains.

And, really, what this comes down to is something we've talked a lot about in this series. It's learning to be content with what we have. In 1 Timothy 6:8 and 9, the Apostle Paul says, "If we have food and clothing, we will be content with that. Those who want to get rich fall into temptation and a trap and into many foolish and harmful desires that plunge people into ruin and destruction."

In other words, those who have bought into the lie that quality of life is directly related to standard of living with find themselves strapped by their money. But, when we learn to be content with what we have and spend less than we earn…when we avoid the love of money and the things money can buy…we're taking the first steps towards financial health and freedom.

For Amber and I, that meant creating a budget. Naming every dollar and where it was going. We used a cash envelop system for a while as we started this new habit, and even though we don't use that anymore, we still give ourselves a monthly allowance to make sure we don't spend too much.

I remember when we first set that up I was like, "Really?! I'm 30 years old and I'm getting an *allowance!"* It honestly felt ridiculous at the time. Dave Ramsey became a four letter word in our house! But setting a budget and sticking to it ended up being the discipline we needed to develop the habit of spending less than we were earning.

Habit 2: Give generously. We could spend an entire sermon series on the power of generosity, but I'll just repeat something I've said already. If your heart is consumed by money, the best cure is to start giving some of it away. Loosen your grip on money and money will loosen its grip on you because generosity breaks the power of money in your life.

When you invest in things that really matter and people who need a hand up, you find that you start caring a lot more about those things and those people than you used to.

It's why Jesus says in Matthew 6:19-21, "Do not store up for yourselves treasures on earth, where moths and vermin destroy, and where thieves break in and steal…"

- Don't just use your earthly money for earthly gain and pleasure that is here today and gone tomorrow.

"But store up for yourselves treasures in heaven, where moths and vermin do not destroy, and where thieves do not break in and steal…"

- Invest in things that can't be taken away from you. Use your earthly money for Heavenly gains that will last an eternity.

"For where your treasure is, there your heart will be also."

We typically think that our money follows our heart, but the truth is, our heart usually follows our money. The things we invest in get our attention. Jesus is inviting us to invest in eternity through our generosity so he has our heart, not the temporary things of this world.

Habit 3: Avoid the use of debt because debt always mortgages the future. In other words, if I take on debt today, I'm committing to how I will spend a portion of my money tomorrow. And, there may be some things I'd rather spend my money on tomorrow, but I can't because I'm using it to pay for what I bought today.

Something I've learned about myself is that I have a greater tolerance for debt than I do discipline. Maybe you do, too. If it comes down to getting something now and making payments on it, versus saving for a few months or even a couple of years, and the discipline that takes, I'm always going to lean towards debt over discipline. I'm going to lean towards instant gratification. It's something I just have to be aware of.

But, every time I borrow money, I'm entering into a relational power dynamic that doesn't favor me as the borrower. I think that's what Solomon means when he says in Proverbs 22:7, "The rich rule over the poor, and the borrower is slave to the lender."

There's a power dynamic in the borrower/lender relationship. It's a dignity thing. When you owe someone something, that person has a certain amount of power and control over you. Christ came to set us free and he doesn't want us to be bound by anything or anyone other than him. And so Scripture encourages us to avoid the use of debt.

Habit 4: Plan for financial margin. And, the reason this is so important is because the unexpected will always happen. So, it's just wise to create breathing room in our finances, even if it's just a little. You never know when you might need it and it just might keep an emergency from becoming a catastrophe.

And, we can plan for financial margin in a couple of ways. We can tighten up our spending so we have a little money left at the end of the month instead of a little bit of month left at the end of our money. We can also create an emergency fund of a thousand dollars or so.

And, when you're living paycheck to paycheck, this might seem absolutely impossible, but I promise, you can do it. You might have some things lying around the house that you can sell on Marketplace. You might need to lower your standard of living for a little while and look for ways to save some money here and there that you can put back.

I'm not saying you have to live like a pauper…I'm just saying the relief you'll feel when you have a little margin in your finances is worth every bit of the effort you put into it.

And this habit isn't just for people who feel strapped for cash. I think planning for financial margin is just as important for those who are on their feet and doing okay. Again, that's where me and Amber were, but we didn't have any breathing room in our bank account. I like how Lynn Richardson put it. She says, "Everybody knows how to spend less when they have none. That's not the challenge. The challenge is to have money and learn not to spend it."

That is the challenge, but there's wisdom in it, because as James, the half-brother of Jesus, says, "Now listen, you who say, 'Today or tomorrow we will go to this or that city, spend a year there, carry on business and make money.' Why, you do not even know what will happen tomorrow."

We don't know what will happen tomorrow, but that doesn't mean we shouldn't plan for the things that might.

Finally, Habit 5: Set long-term goals because there's always a trade-off between the short-term and the long-term. Meaning, it's really easy to get caught up in the short-term want, and forget about our long-term goals.

And, I think what makes setting any long-term goal so hard, especially long-term financial goals, is that the need, or more likely, the want, is right in front of us, singing it's siren song! The only cure is to separate from it. Avoid eye contact at all cost, because it might cost you all you have!

So, that might mean staying away from the mall. That you stop going to that electronic store or opening up their app. You skip the home show or boat and RV show. Look the other way as you drive past a car lot.

The point is, don't expose yourself to the environments that make you discontent with what you have. Separating from short-term temptations to spend your money will empower you to make, and keep, long-term goals. Again, Solomon says in Proverbs 21:20, "The wise store up choice food and olive oil, but fools gulp theirs down."

Set long-term goals and don't let short-term wants keep you from the things you truly desire.

So, those are the five habits. And, as you can see, Financial wisdom is simple to understand (…I didn't say anything groundbreaking today…) it's simple to understand, but it's not always easy to practice. I think the thing that keeps so many people from developing these habits isn't that they don't work or they're too complicated, it's that forming new habits can be hard. But, it always, always pays off. And, in our case, it paid off quite literally.

After finishing Financial Peace University in the Spring of 2010, Amber and I started putting these habits into practice. We made a budget and stuck to it so we'd spend less than we earned. We started giving more to our church and some ministries that we cared about so that money would loosen its grip on our hearts. We cut up our credit cards and started tackling our debt little by little. We put away $1,000 for an emergency fund and set a long-term goal of having 6 months of our living expenses in savings in case something were to happen.

In the Fall of 2010, about 6 months into our journey, we had all of our credit card debt paid off. Later that year, we paid off our student loans. In the Spring of 2011 we were tackling our car payments and putting a little each month towards our 6 month emergency fund. And, it was around that time, we found out we were pregnant. And all of this work we had put into our financial health really started to make sense. But, in June of 2011, we went through what many of you have gone through. Amber had a miscarriage and we lost our baby.

It was a devastating time for our family. She went in for the procedure and we spend a lot of time crying together. A couple of months later, the bill came in from the hospital. And, as a husband whose wife pays the bills, I can't tell you how grateful I was that we had the money in our account and were able to pay it in full. We wouldn't have been able to do that just a few months earlier. I was grateful that the monthly bill wouldn't be just another reminder of the loss of our child when she went to pay it each month. To me, that made all the hard work we'd been putting in and new habits we'd been forming absolutely worth it.

Through the end of 2011 and into the beginning of 2012, we put every dollar we could into paying the last of our loans and building our savings account. And, on March 16th, 2012, we made the deposit that allowed us to meet our goal of a 6 month emergency fund.

We were debt free, except for our house, and feeling the most financially healthy and happy that we had ever felt. We had finally met our goals, but, little did we know that God had something in store for that money that we couldn't even imagine. And, His plan was so much better than ours. More on that next week, but as we close, I want to put those 5 habits on the screen one more time (show full list).

As you look at that list, how are you doing? If you had to rate yourself on a scale from 1 to 5 for each one, where would you put it? (Go line by line.)

God gives us wisdom for all things in our life, including our finances. It's the kind of gracious Father He is to us. But, the greatest gift He gave us is Jesus. Through Jesus, God lavishes His love on us. He spared no expense to show us the fullness of his love and grace and He invites us into a relationship with him.

When we put our faith in Jesus, our sin debt is canceled once and for all and we are set free and made new. If you're ready for a fresh start today, we want to help you find it.