

# Dollars and \$ense Ministry

A Christian Practical Approach to  
Living on One Income.

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# Disclaimer

- Dennis Millburn is not a Certified Financial Planner (CFP)
- Dennis Millburn is attempting to share information from personal experience and encourage individuals to learn for themselves what applies to their circumstances
- Do not take information as absolute, please read for yourself from books written by professionals who work with this data daily

# Who Are We?

Dennis & Bobbie (Platt) Millburn

One salary in non-profit organization for 44+ years,  
spouse part time except for 4 years



His parent: Hourly workers, Her parents: Salary, hourly

Both have Masters Degrees: Business, Nursing

Canvassing, Calves, Secretarial, and Nursing to pay way  
through Academy and College.



# How We Handled Our Finance

- Both were fairly frugal, paying as they went, but had to decide how to jointly pay bills and make purchases.



- Hated debt and used credit cards sparingly.
- Always faithful with returning tithe and liberal with offerings.
- Live simply, frugally, but happily!!!



# Result With God's Help

- Retired with 80% of previous earnings, with Social Security and modest pension
- Reasonable amount in investments
  - Married 40+ years. One child.
- Never paid interest on credit card, no car payments for 30+ years
- House paid off 4+ years ago (35years)
  - Visited all 50 states, 38 countries

# Presentation Outline Sessions:

- ◆ Getting It Together
- ◆ The Big Things
- ◆ Input/Output
- ◆ Making it Last
- ◆ Paying Ahead

# Getting It Together

## Session 1

# Understanding Christian Priorities

- God owns everything
- We are His managers
- We live to glorify God
- Prosperity is having our needs met
  - Debt is a curse
- Tithe is the minimum evidence of Christian commitment
- In the judgement we must give an account



# The Christian's Purpose for Money

Money has great value, because it can do great good....But money is of no more value than **sand**, only as it is put to use in providing for the necessities of life, in blessing others, and advancing the cause of Christ”

E. White COL 351



# Thriving Defined

Not splurging but rather having what you need and being *content* with what you have.

We can have everything we want! It is just that we have trained ourselves to not be clamoring for all the latest and greatest things.

Peoples spending grows to meet their income



# The Original Sin Gen. 3:6,7

So when the *Man* saw that the *Car* was good for *speed*, that it was *beautiful* to the eyes, and a *car* desirable to make one's *head turn*, he took the *sales pitch* and *bought* it. Then the eyes of both of them were opened, and they knew that they *were in debt*. *NKJV DMV* (Dennis Millburn Version)

# Christians Should Be Ambitious and Generous

John Wesley the well-known  
Methodist founder and evangelist said

“Make all you can, save all you can,  
and give all you can”



# Changing Times Challenges

Four money problems that didn't exist 50 years ago:

- 1. Credit card debt
- 2. Saving for retirement
- 3. Identity theft
- 4. Extra high healthcare costs

# Changing Times – Little Things

**“Take care of the pennies and the dollars will take care of themselves.”** Looks like it was originally attributed to a man named William Lowndes back in the 1700s. Today we might say **“Take care of the dollars and the hundreds will take care of themselves.”**

# Danger Signals of Financial Bondage

- Charge when you **don't** have money
  - Put off paying bills till next month
- When you borrow to pay off fixed expenses such as taxes or insurance
  - When creditors are calling
- When you can't put money in savings
  - When you take savings to pay bills
- When you open a new credit card to pay off another one
- When it's difficult to return tithe and pay offering to God
  - When you and your spouse **argue** about finances



O. J. McKinney, revised list

# 2017 Credit Status From Experian





Someone Has Said We Should

Give your way out of  
debt!

# Condition Today

- Debt robs you of the freedom of choice
- Financial maturity is giving up today's desires for **tomorrow's** benefit



# Credit

A credit card is what you use today to buy what you can't afford tomorrow, while you're still paying for yesterday.

Properly managed, credit cards can be handy as well as **harmless**. Mismanaged, they can **ruin** one's financial future.

O.J. McKinney

# Credit Debt Magnitude

Let's assume one currently has a \$2,000 debt on one of his/her cards, which is typical, and routinely sends in only the required (minimum due) payment. It will take 33 years to pay off that \$2,000 debt. The INTEREST during that period at 20% will be \$7,125.98. In short, you borrow \$2,000 and pay back \$9,125.98!



O. J. McKinney

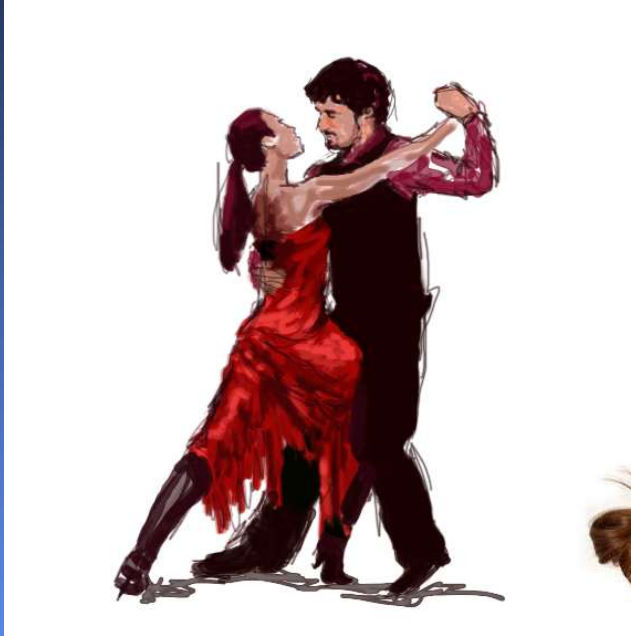
What a deal! For the lender that is!!

# Finances, Marriage and Relationships

*Money Habits and Confessions Survey* was recently completed with backing from Learn Vest and took a look at what exactly causes tension in your average relationship. **Sixty eight percent** of the 1,000 survey participants reported that **finances were a source of strife** in their relationships.

**One in four** of the participants stated that they had previously **broken up with a spouse due to financial issues**, and 58 percent of participants claimed that they would prefer to stay single than to date a spouse who was financially irresponsible.

# It Takes Two to Tango and Tangle



Changing Attitudes  
You Can Do This!  
You Must Work Together



# Ways to Solve Financial Strife

- Plan **together**
- Make a **budget** together
- Purse holder needs to give other spouse some cash to spend with NO accounting
- Review status together on regular basis
  - Purse holder needs to keep spouse informed in case of illness or death
  - Be flexible on both sides
  - Pray together





***The Average Home Has Two Washing Machines***



***Washing Machine***



***Brain Washing Machine***

# A Thirst for More Things

**“A luxury, once enjoyed,  
becomes a necessity.”**

— C. Northcote Parkinson

# Changing Attitude

Get over the idea that getting and staying in control of your finances has to be a burden!

It is actually a **RELIEF** once you go through the effort of getting there



# New vs. Gently Used

- You do not have to have a **NEW** car.
- You do not have to **ALWAYS** have a car payment.



- You do not have to have ALL new furniture when you buy your first house.

# Adopting New Ideas

*“The only thing harder than getting a new idea into the mind is getting an old one out.”*

B. H. Liddell Hart

# Credit Debt

You do not have to have a high interest credit balance, just because everyone else does.



**BE DIFFERENT, ZERO IS GREAT!**



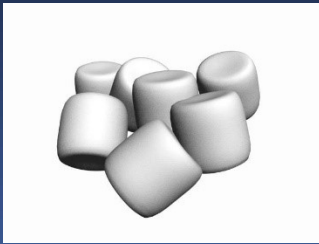
# Things Worth Having are Worth Waiting For

Quote from My Mom

When saved for we appreciate things better!



# Think Long-term Benefits



## Marshmallow Experiment

Psychologist Walter Mischel in the 1970's offered children a small reward immediately (one marshmallow) or a bigger reward if the child would wait fifteen minutes (two marshmallows). He and others studied the lives of some of those children forty years later and found that the ones who delayed gratification had much better life outcome, including higher grades.

American Psychological Assn. What You Need to Know About Willpower. The Science of Self-Control, report 2012



# Simple Formula

*Spend less than you*  
*make!* (Income – payments)

# Simple Math

'If your output exceeds  
your input, then your  
upkeep will be your  
downfall'



Are your finance weighing you down?

The best time to plant an oak  
tree is 30 years ago, the next best  
time is:

Today!



# Dave Ramsey Recommendations:

- **Baby Step 1:** **\$1,000** cash in a beginner emergency fund
- **Baby Step 2:** Use the debt snowball to pay off all your **debt** but the house (smallest bills first)
- **Baby Step 3:** A fully funded emergency fund of **3 to 6** months of expenses
- **Baby Step 4:** Invest **15%** of your household income into retirement
  - **Baby Step 5:** Start saving for **college**
  - **Baby Step 6:** Pay off your **home** early
  - **Baby Step 7:** Build wealth and give **generously**

# Ten Steps to Make in Your 20's

USA Today Magazine April 12, 2017

1. Create a budget
2. Build an emergency fund
3. Start saving for retirement
4. Pay off costly credit card debt
5. Knock out your school loans
6. Save for a house
7. Create a will
8. Get health insurance
9. Decide on Graduate school
10. Ask for a raise



# Find Out Where You Are! Net Worth

**Net-Worth Calculation Worksheet**

An important step in gaining financial control is to calculate your net worth (assets - debts). Every year, your net worth should be tabulated to review your progress and compare it with your financial goals. In addition, a net-worth statement is a valuable aid in planning your estate and establishing a record for loan and insurance purposes.

<p><b><u>Assets (What You Own)</u></b></p> <p><b>Cash:</b></p> <p>Cash On Hand _____</p> <p>Checking Account _____</p> <p>Savings Accounts _____</p> <p>Money Market Funds _____</p> <p>Cash Value of Life Insurance _____</p> <p>Other _____</p> <p><b>Real Estate/Property:</b></p> <p>Home _____</p> <p>Land _____</p> <p>Other _____</p> <p><b>Investments: (Market Value)</b></p> <p>Certificates of Deposit _____</p> <p>Stocks _____</p> <p>Bonds _____</p> <p>Mutual Funds _____</p> <p>Annuities _____</p> <p>IRAs _____</p> <p>401(k), 403(b), 457 Plans _____</p> <p>Pension Plan _____</p> <p>Other _____</p> <p><b>Personal Property: (Present Value)</b></p> <p>Automobiles _____</p> <p>Recreational Vehicle/Boat _____</p> <p>Home Furnishings _____</p> <p>Appliances and Furniture _____</p> <p>Collections _____</p> <p>Jewelry and Furs _____</p> <p>Other _____</p> <p><b>Total Assets</b> _____</p>	<p><b><u>Liabilities (What You Owe)</u></b></p> <p><b>Current Debts:</b></p> <p>Household _____</p> <p>Medical _____</p> <p>Credit Cards _____</p> <p>Department Store Cards _____</p> <p>Back Taxes _____</p> <p>Legal _____</p> <p>Other _____</p> <p><b>Mortgages:</b></p> <p>Home _____</p> <p>Land _____</p> <p>Other _____</p> <p><b>Loans:</b></p> <p>Bank/Finance Company _____</p> <p>Bank/Finance Company _____</p> <p>Automobile _____</p> <p>Recreational Vehicle/Boat _____</p> <p>Education _____</p> <p>Life Insurance _____</p> <p>Personal (from family or friends) _____</p> <p>Other _____</p> <p><b>Total Liabilities</b> _____</p>
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**Total Assets Minus Total Liabilities = Net Worth** \_\_\_\_\_

# Understand the Problem by Analyzing Your Situation Put Together a Budget on Paper

My Budget Monitor - Always Pay Yourself First!

File Tools Help

View: Month: July Year: 2002 Show: Detail Budget Monthly ALL

Note: ☒ Show Budgeted ☒ Show Difference

Group/Category	Total Budgeted \$	Total Actual \$	Difference \$	Unde Budgeted \$	Unde Actual \$	Difference \$	Sav Budgeted \$	Sav Actual \$	Difference \$
1 BALANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2 Income	6,500.00	6,500.00	0.00	2,900.00	2,900.00	0.00	3,600.00	3,600.00	0.00
3 Salary									
4 Salary	3,200.00	3,200.00	0.00	2,700.00	2,700.00	0.00	3,500.00	3,500.00	0.00
5 Bonus	100.00	100.00	0.00	0.00	0.00	0.00	100.00	100.00	0.00
6 Other Income									
7 Gift	200.00	200.00	0.00	200.00	200.00	0.00	0.00	0.00	0.00
8 Interest/Dividend Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9 Tax Refund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10 Social Security	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11 Savings	1,000.00	1,000.00	0.00	500.00	500.00	0.00	500.00	500.00	0.00
12 Bank Savings									
13 Bank Savings	200.00	200.00	0.00	100.00	100.00	0.00	100.00	100.00	0.00
14 Marketable Security									
15 Stock	100.00	100.00	0.00	100.00	100.00	0.00	0.00	0.00	0.00
16 Mutual Fund	150.00	150.00	0.00	0.00	0.00	0.00	150.00	150.00	0.00
17 Bond	50.00	50.00	0.00	50.00	50.00	0.00	0.00	0.00	0.00
18 College Savings									
19 Trust	100.00	100.00	0.00	100.00	100.00	0.00	0.00	0.00	0.00
20 Educational IRA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21 Retirement									
22 401(k) Plan	250.00	250.00	0.00	0.00	0.00	0.00	250.00	250.00	0.00
23 IRA	150.00	150.00	0.00	150.00	150.00	0.00	0.00	0.00	0.00
24 Mandatory Expenses	4,710.00	4,710.00	0.00	2,200.00	2,200.00	0.00	2,510.00	2,510.00	0.00
25 Housing									
26 Mortgage	1,000.00	1,000.00	0.00	1,000.00	1,000.00	0.00	0.00	0.00	0.00

Note To: Salary



# Write Out the Budget

**BUDGET WORKSHEET**

CATEGORY	MONTHLY BUDGET AMOUNT	MONTHLY ACTUAL AMOUNT	DIFFERENCE
<b>INCOME</b>			
Wages and Bonuses			
Miscellaneous Income			
<b>Income Subtotal</b>			
<b>INCOME TAXES WITHHELD</b>			
Federal Income Tax			
State and Local Income tax			
Social Security/Medicare Tax			
<b>Income Taxes Subtotal</b>			
<b>Spendable Income</b>			
<b>EXPENSES</b>			
<b>Home</b>			
Mortgage or Rent			
Homeowners/Renters Insurance			
Property Taxes			
Home Repairs/Home Improvements			
Association Dues			
<b>UTILITIES</b>			
Electricity			
Water and Sewer			
Natural Gas/Oil			
Telephone (Land Line, Cell)			
<b>FOOD</b>			
Groceries			
Eating Out (Lunches, Snacks, Dinner)			
<b>FAMILY OBLIGATIONS</b>			
Child Support			
Alimony			
Child Care Expenses			
<b>HEALTH AND MEDICAL</b>			
Insurance (Medical, Dental, Vision)			
Unreimbursed Medical Expenses, Copays			
Fitness (Yoga, Massage, Gym)			

<b>TRANSPORTATION</b>			
Car Payments			
Gasoline/Oil			
Auto Repairs/Maintenance/Fees			
Auto Insurance			
Other Transportation (Tolls, Bus, Taxi, Subway)			
<b>DEBT PAYMENTS</b>			
Credit Cards			
Student Loans			
Other Loans			
<b>ENTERTAINMENT/RECREATION</b>			
Cable TV/Videos/Movies			
Computer Expense			
Hobbies			
Subscriptions and Dues			
Vacations			
<b>PETS</b>			
Food			
Grooming, Boarding, Vet			
<b>CLOTHING</b>			
New Items			
Dry Cleaning			
<b>INVESTMENTS AND SAVINGS</b>			
401(K) or IRA			
Stocks/Bonds/Mutual Funds			
College Fund			
Savings			
Emergency Fund			
<b>MISCELLANEOUS</b>			
Toiletries/ Household Products			
Gifts/Donations			
Grooming (Hair, Make-up, Other)			
Other Miscellaneous Expense			
<b>TOTAL INVESTMENTS AND EXPENSES</b>			
<b>SURPLUS OR SHORTAGE</b>			
(Spendable Income Minus Total Expenses and Investments)			
<b>ACTION REQUIRED</b>			

# Budget Recommended % Priorities

**Tithe and Offerings** – 10 to 15%

**Food** – 5 to 15%

**Savings** – 10 to 15%

**Housing** – 25 to 35%

Then, the rest of your budget — (50-20%)  
including clothing, transportation,  
insurance and entertainment—would be  
allocated to come up to 100%. Dave Ramsey

# Problem, Promise, & Provisions

Proverbs. 22:7

The rich rules over the poor and the borrower is servant to the lender.

Phil. 4:19

And my God shall supply ALL your needs according to His riches in glory by Christ Jesus.

Mal. 3:8-10

Will a man rob God?...You are cursed with a curse...Bring all the tithe into the storehouse...I will open the windows of heaven in blessing.

# Freedom Through Self-Denial

Deny yourself a thousand things rather than run in debt....Avoid it as you would the smallpox....Take care of the pennies and the dollars will take care of themselves.....Work them off as fast as possible. When you can stand forth a free man again, owing no man anything, you will have achieved a great victory. E.

E. White COS 257



# How to Get Out of Debt

1. Give **ownership** of everything to God
2. Give God His honest portion to His church
3. Stop all spending not absolutely essential
4. Stop all new indebtedness **immediately!**
5. **Promise** to put all extra income on debt paydown
6. Sell/replace cheaper all depreciating items causing debt
7. Closely examine food cost – cut 15% minimum
8. Begin immediately to “do it yourself” for services
9. Set a challenging goal for debt payment each payday
10. Make getting out of debt a **family** effort, include children

# Choose The Paydown Method

## HOW TO PAY DOWN DEBT

*comparing 2 repayment strategies*



*the*  
**DEBT AVALANCHE**  
*method*

PAY DEBTS IN ORDER OF INTEREST RATE.

START WITH THE HIGHEST INTEREST RATE.

FOCUS ON PAYING OFF ONE BALANCE AT A TIME IN ORDER OF INTEREST RATE WHILE STILL PAYING MINIMUM BALANCE ON ALL THE OTHER DEBTS.

*Benefit:*  
PAY DEBTS OFF FASTER AND PAY LESS INTEREST

VS.

PAY DEBTS IN ORDER OF BALANCE AMOUNT.

START WITH THE SMALLEST BALANCE.

IF DEBTS HAVE THE SAME BALANCE PUT THE DEBT WITH HIGHER INTEREST RATE FIRST.

FOCUS ON PAYING OFF ONE BALANCE AT A TIME, IN ORDER OF SMALLEST TO LARGEST, WHILE STILL MAKING MINIMUM PAYMENTS ON OTHER DEBTS.

*Benefit:*  
QUICK SATISFACTION

*the*  
**DEBT SNOWBALL**  
*method*



# The Plan to Pay it Off!

## Debt Reduction Worksheet

[illegible]

# Make Decisions for Changes Needed

## – Remember Four things:

- Set Goals and Times for Accomplishments.  
If deviate, Get Back on Track
- Rejoicing at Achieving each Goal
- Staying on Track
- It All Takes Discipline!



# Booklet from Consumer Credit With Lots of Detailed Help

<http://www.consumercredit.com/media/11401/financial-workbook-feb-2013.pdf>

# Evaluate Method of Payment:

Cash/checking, Debit & Credit Cards, Payroll Deduction, Bank Withdrawals

Which may be your problem? If so, what changes will you make?



# Credit Card Pros & Cons



- Pros:
  - Cash back, miles or points
  - Purchase/fraud protection
  - Grace period give interest-free loan
    - Builds credit history
- Cons:
  - Interest charges build up if not paid in full
  - Fees for late payments and some transactions
    - Easy to overspend



# Debit Card Pros and Cons

## Pros:

- Spending limited to your bank account balance
  - No interest charges or monthly payments
  - May qualify for high interest checking

## ➤ Cons:

- Few debit cards offer cash back or rewards
- Weaker fraud protection than credit cards
  - Fees for overdraft
- Doesn't build credit history

# Cash/Checking Pros and Cons



## ➤ Pros:

- Easy to set spending limits
- Can't be stolen in data breach
- Some retailers offer a cash discount

## ➤ Cons:

- Can't track spending automatically
- Typically, fees for out of network ATM withdrawals
  - No protection if stolen
  - Doesn't build credit history

# Payroll Deductions & Bank Withdrawals

## Pros and Cons

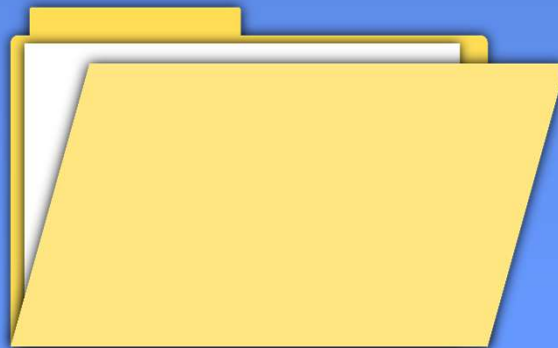
- **Payroll deductions** for savings is great!
  - Out of sight out of mind savings.



- **Automatic bank withdraws**
  - Benefit is: No worry for missed payment
    - Save stamp and time
  - Disadvantage is: if you don't have to write a check and see the amount you are less concerned about the amount

# Keeping Records –Keep It *Simple!*

- 2 Check Books – 1 With running balance
- 2 File Folder – One for credit card **charges**  
One for paid credit card **statements**
- Small Accordion File – for Paid Bills, Cash Receipts, Payroll Stubs, Donations receipts –  
Everything!



# Record Retention

- **6** yrs. for receipts, bills, credit card statements, payroll stubs in according file
  - **Permanent** for tax records
- **Shred** any documents that have Social Security numbers, credit card and bank account numbers, check deposit slips
- Lock box for important papers or home safe
  - Written or video record of all home assets

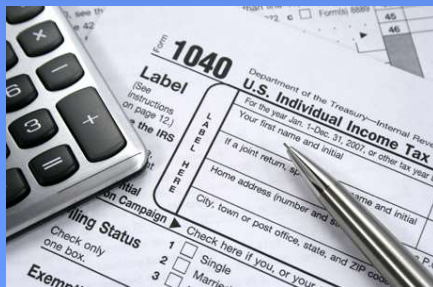


# Reconcile!

- Check **credit** card statement for problems before paying – for correct amounts, fraud, ID theft
- Review **checking** account monthly for accuracy
- If banking on line, make sure the charges are correct

# Taxes

- ! Keep It Simple!
- All Records in **One** Place
- Summarize for CPA or Better Yet Do it Yourself With Software! – State AND Federal!
- Keep each year in 9X12 closed flap folder labeled with felt tip marked year
- Plan your W-4 exemptions to give you a **refund**



# Avoiding Identity Theft

- Have passwords for internet logins – written down
  - Make those passwords long enough – **8+** characters. Best to use phrase.
- **Shred** document with Social Security and credit card numbers, birthdates, passwords, etc.
- **Freeze** your credit – 3 Credit agencies that need your request – Keep info to unfreeze. You can unfreeze for a day(s) with verbal pin code verification.



 Experian<sup>®</sup>



 TransUnion<sup>®</sup>



**EQUIFAX<sup>®</sup>**

Being Happy doesn't  
Mean you Have it all



it Means being thankful  
to the Lord For  
all you Have

JOHN  
DANIEL



# Sessions 2-5

Session 2 The Big Things – (Houses and Cars)

Session 3 Input/Output – (Income and expenses)

Session 4 Making It Last – (Savings, investment,  
healthcare, retirement)

Session 5 Paying Ahead – (Gifting, children, estate  
planning)



# End of Session 1