



Money Management

Personal Finance and Savings Basics



CONCORDIA PLANS

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Financial wellness is an important part of your stewardship. God provides all that we need, and in our response to His goodness, we strive to make strategic, thoughtful decisions. You're learning how to care for His good gifts and manage your money better.

This booklet will help guide you through the money management basics so you can focus on your ministry and your family. The goal is to obtain a comfortable level of financial wellness by meeting these three objectives:

- Knowing your overall financial status (*what you owe and what you own*).
- Managing your day-to-day finances (*income and expenses*).
- Preparing for emergencies and for the future (*budgeting*).

“

Know well the condition of your flocks, and give attention to your herds.

– Proverbs 27:23

”

Financial Document Checklist

Below is a list of financial documents to gather before you complete the worksheets in this booklet. If you're married, your spouse will need his or her financial documents, too!

Income

- Pay statements for the last two pay periods
- Tax returns for the last two years
- Other income sources

Expenses

- Record of regular expenses for the past six months (*groceries, utilities, dining out, charitable and gift giving, etc.*)

Residence

- Mortgage or rent payments
- Property tax statement
- Homeowner's insurance statement
- Other

Cash Accounts

- Checking account
- Savings account
- Money market account/certificates of deposit
- Other

Retirement Accounts

- CRSP 403(b)
- CRP supplemental benefits
- IRAs
- Other 403(b)s/401(k)s
- Other investments

Liabilities

- Outstanding credit card debt
- Student loans
- Auto loans
- Past-due Taxes or Bills
- Other

Insurance

- Health insurance premiums
- Life insurance premiums
- Auto insurance premiums
- Other insurance premiums



Remember, some of your expenses may be quarterly, twice a year, or once a year. For some of the worksheets, you'll need to calculate the annual expenses, and then break it down by month. You also may have to do the same with some of your sources of income.



Personal Net Worth Statement

The first step toward financial well-being is knowing your net worth.

Completing the worksheet on the opposite page will help you compare what you currently have (your assets) against what you owe (your liabilities) to establish your net worth.

The goal is to have a positive net worth. That means if you had to pay off all of your liabilities (what you owe), you would still have assets left.



We are managers, not owners.

We are entrusted by God with life and life's resources and given the privilege of responsibly and joyfully managing them for Him.

Personal question:

Do I recognize that all these things, including money (which I often think of as my own to do with as I choose) really belong to God and are only entrusted to me to manage in a way which pleases Him?

Once you complete your statement, take a few minutes to absorb your financial "big picture." Whether this is the first time that you have looked at your finances or you are updating your statement, you'll need time to consider what the numbers mean and what you'll want to do next.

If you're married, make sure that you work with your spouse to complete the financial worksheets and set goals. Open discussions about your finances is an important part of a healthy marriage.

TIPS FOR WORKING ON YOUR STATEMENT

Be as accurate as possible to get a clear picture of your worth. Leave some lines blank if they don't apply or add new categories when necessary.

- If you and your spouse don't agree, take time to discuss and find a compromise.
- Use the current value of items, not what you paid several years ago.
- Monitor your plans from month to month, adapting your financial plan as circumstances change.

“

The earth is the Lord's and the fullness thereof, the world and those who dwell therein.

– Psalm 24:1

”

Personal Net Worth Statement

DATE _____

ASSETS (What You Own)	YOU	SPOUSE	JOINT
Checking Account			
Savings Accounts			
Money Market Account			
LCEF Stewardship Accounts/Certificates			
Certificates of Deposit (CDs)			
Government Savings Bonds			
Government Securities			
Concordia Retirement Savings Plan (CRSP) 403(b)*			
Concordia Retirement Plan – Retirement Cash Account*			
Concordia Retirement Plan – Retiree Medical Supplement*			
Concordia Retirement Plan – Supplemental Retirement Account*			
IRAs			
Business Interests			
Individual Stocks/Bonds			
Mutual Funds, 401(k)s, all other Investments			
Residence			
Other Real Estate			
Personal Property/Collectibles			
Other Assets			
TOTAL			

LIABILITIES (What You Owe)	YOU	SPOUSE	JOINT
Mortgage			
Loans			
Credit Card Balances			
Outstanding Taxes			
Other Liabilities			
TOTAL			

TAKING THE DIFFERENCE BETWEEN WHAT I OWN (TOTAL ASSETS) AND OWE (TOTAL LIABILITIES), MY NET WORTH IS: _____

** Not all workers will have all these benefits. For information on your individual benefits and for your personal retirement projections, log in to Retirement Connection through the Member Portal at ConcordiaPlans.org/MemberPortal or visit RetirementConnection.ehr.com.*

Personal Income Statement

The second step toward financial well-being is knowing where your money is and where it is going.

Before you begin completing the Income Statement on the opposite page:

- Collect all of your receipts, bills and paystubs for a month. That includes asking for receipts when you purchase items like a candy bar or coffee at a gas station.
- Write down any donations or purchases you make. Keep paper in your car or by your bedside to write down cash purchases. If you're married, you'll need your spouse to do the same.
- Break out the taxes, premiums and savings that are automatically taken from your paycheck rather than just using your net income. This will give you a clear picture of where your money is going.



After you've completed the income and expense sections of the form, subtract the total to find the difference.

TOTAL MONTHLY INCOME \$ _____	—	TOTAL MONTHLY EXPENSES \$ _____	=	DIFFERENCE \$ _____
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WHERE DID YOUR NUMBER FALL?

POSITIVE NUMBER

You're spending about what you earn or a little less. This can mean that you are doing a good job of "living within your means." That doesn't mean your work is done! There may still be room to improve your net worth and increase your savings.

NEGATIVE NUMBER

You've spent more than you earned. If that's the case, don't be too hard on yourself or your spouse. This may be the first time that you've looked at your spending habits. What's important is that you look at the numbers and work together to make them better!

Keep in mind there are two kinds of expenses – those you can control and those you can't. Don't dwell on those out of your control: yes, Uncle Sam takes a good chunk; but no, there isn't much you can do about it. Focus instead on what you can change and how you can improve your finances.

Visit our website, ConcordiaPlans.org, for an Excel worksheet that allows you to customize the expense and income lines to specifically fit your family's needs.

We are loved and loving.

We recognize that our stewardship flows out of God's act of love for us in Christ, which empowers us, in turn, to love others in acts of Christ-like love.

Personal question:

Is my love for the God who first loved me evident also in the planning of my finances?

We loved because He first loved us.

– 1 John 4:19

Personal Income Statement

DATE _____

INCOME	
Monthly Salary (ies)	
Mileage Compensation	
Honoraria and other Income	
Other Income	

TOTAL MONTHLY INCOME: _____

EXPENSES	
Stewardship Gifts	
Charitable Gifts	
Mortgage or Rent	
Utilities	
Home Maintenance and Cleaning	
Phone/Internet/Cable	
Vehicle Payment and Maintenance	
Gas	
Groceries	
Childcare and Tuition	
Clothing and Personal Care	
Prescription/Medical/Dental Expenses	
Medical Insurance	
Auto Insurance	
Life Insurance	
Umbrella Policy and other Insurance	
Dinning Out and Entertainment	
Gifts	
Taxes	
Contributions to CRSP and/or other Investments	
Money Market or Savings Accounts	
Subscriptions	
Other	
Other	

TOTAL MONTHLY EXPENSES: _____

Expense Summary

Now that you have a better understanding of your financial picture, you can start to make improvements. The Expense Summary worksheet on the opposite page will help.

This section helps you recognize your spending habits by focusing on spending less money on non-essentials, balancing your monthly income statement and saving more.

AS YOU WORK THROUGH AND COMPLETE THIS WORKSHEET, KEEP IN MIND:

- Record the expense in the month you spent it. Some bills are due on a quarterly basis or every six months. Report the entire amount in the month you paid the bill.
- Expenses fall into two categories – needs and wants. Be honest about what you “need” for living, and what non-essential “wants” can be reduced or eliminated.



- Take baby steps when cutting expenses, and don't rush to extremes. You are more likely to stick with a budget if you make it realistic. For example, don't set a goal to quit eating out all-together. Instead, limit yourself to eating out once a week or to a certain dollar amount.
- Be creative to cut back on expenses. For example, find another couple to trade nights with you so that you don't have to pay a sitter. Take one-day trips to visit local tourist attractions, parks and events instead of an expensive family vacation.
- Complete the Expense Summary for the past 12 months to be even more accurate.

Complete a new Expense Summary each month and hopefully you will see a change in your spending and improvement in your financial situation. Change takes time – just keep working at it.

DEBT DIFFERENCES

Good debt, such as your mortgage, helps you achieve better net worth. This debt is often backed by tangible assets that can serve as collateral for the loan. They may also provide you with other financial benefits, such as the interest you pay on your mortgage is tax deductible.

Bad debt, such as credit card debt, does not provide any benefit to your net worth and can cause havoc with your credit score. This debt you will want to pay off soon because it robs you of your future instead of supporting your dreams.



We are God's stewards.

We are stewards by virtue of creation and our re-creation in Holy Baptism; therefore, we belong to the Lord.

Personal question:

Do I recognize that I am a child of God by God's doing and that His claim on my life has impact for all of life, even my handling of finances?



For by grace you have been saved through faith. And this is not your own doing; it is the gift of God

– Ephesians 8:2



Expense Summary

DATE _____

INCOME	MONTH 1	MONTH 2	MONTH 3	MONTH 4	MONTH 5	MONTH 6	AVERAGE
Stewardship							
Charitable Gifts							
Mortgage or Rent							
Utilities							
Home Maintenance and Cleaning							
Phone/Internet/Cable							
Vehicle Payment							
Gas							
Maintenance							
Groceries							
Clothing and Personal Care							
Childcare and Tuition							
Children's Lessons/Sports							
Prescription/Medical/Dental Expenses							
Gifts							
Dinning Out and Entertainment							
Subscriptions							
Medical Insurance							
Auto Insurance							
Life Insurance							
Umbrella Policy and other Insurance							
Real Estate/Personal Property							
Income (State and Federal)							
Contributions to CRSP and/or other Investments							
Money Market or Savings Accounts							
Personal/Student Loans							
Other Expenses							
Other Expenses							
TOTAL MONTHLY EXPENSES							

Personal Budget

Now that you have looked at your financial position and your spending habits, it's time to create a budget so that you can manage your money.

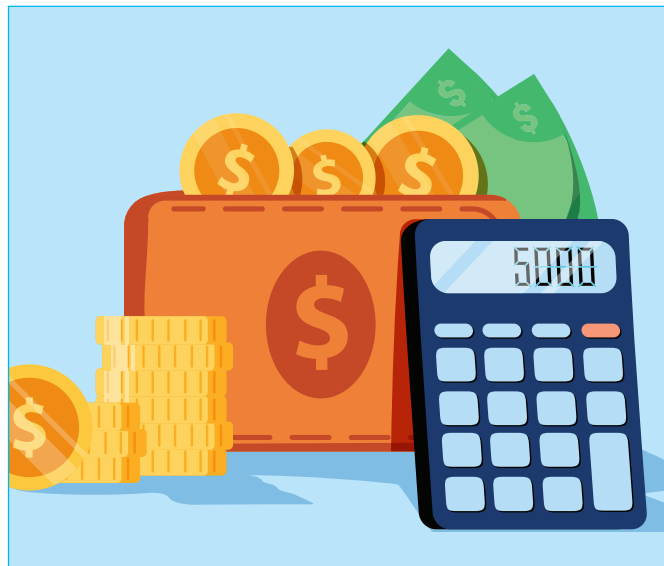
The column marked "Budgeted" is where you note the amount you have determined to spend in each category.

In the event that you have a bill that is due annually or quarterly, you should set aside an amount each month so that the money is available when the bill is due.

At the end of the month, enter the total amount actually spent (or set aside) in the "Actual" column.

In the column marked "Difference", subtract the amount you spent from the amount you budgeted. If the number is positive, you have spent less than you budgeted. If the number is negative, you have spent more than you budgeted. The ultimate goal is to have the "Difference" equal zero.

The Personal Budget worksheet should be completed twice per month until you start to see positive results and are confident that you are living within your budget.



FINANCIAL EDUCATORS

Have questions about your finances, budgeting or retirement? Contact a Financial Educator to get answers. Let one of our friendly educators help you on your path to financial wellness. Call: **888-927-7526, ext. 6865** Email: **MoneyMatters@ConcordiaPlans.org**

HELPFUL WEBSITES

- **ConcordiaPlans.org** – Visit our website for information and e-learning presentations on financial planning.
- **Retirement Connection** – To visit Retirement Connection log in to your Member Portal at **ConcordiaPlans.org/MemberPortal** or visit **RetirementConnection.ehr.com**. You can see your projected retirement benefits and take steps to begin planning for your retirement.
- **SSA.gov/myaccount** – Create a profile and log in to see your reported income and projected benefits.
- **MyMoney.gov** – The Financial Literacy & Education Commission website that provides financial planning information.
- **IRS.gov** – Obtain important tax information and forms, contribution limits and the latest news.
- **AnnualCreditReport.com** – The website endorsed by the Federal Trade Commission to get your free annual credit reports.

We are saints and sinners.

We rejoice in and live out what God has declared us to be through the cross. At the same time we recognize that we are sinners who fight sin and its consequences each day.

Personal question:

How do I deal with my old sinful nature, which tempts me to over-pursue worldly and material things?

... to put off your old self, which belongs to your former manner of life and is corrupt through deceitful desires, and to be renewed in the spirit of your minds, and to put on the new self, created after the likeness of God in true righteousness and holiness.

– Ephesians 4:22-24

Personal Budget

DATE _____

CATEGORY	EXPENSES	BUDGETED	ACTUAL	DIFFERENCE
GIVING	Stewardship			
	Charitable Gifts			
RESIDENCE	Mortgage or Rent			
	Utilities			
	Home Maintenance and Cleaning			
	Phone/Internet/Cable			
TRANSPORTATION	Vehicle Payment			
	Gas			
	Maintenance			
LIVING EXPENSES	Groceries			
	Clothing and Personal Care			
	Childcare and Tuition			
	Children's Lessons/Sports			
	Prescription/Medical/Dental Expenses			
	Gifts			
	Dinning Out and Entertainment			
	Subscriptions			
INSURANCE	Medical Insurance			
	Auto Insurance			
	Life Insurance			
	Umbrella Policy and other Insurance			
TAXES	Real Estate/Personal Property			
	Income (State and Federal)			
INVESTMENTS	Contributions to CRSP and/or other Investments			
	Money Market or Savings Accounts			
LOANS	Personal/Student Loans			
OTHER	Other Expenses			
	Other Expenses			
	Other Expenses			
	Other Expenses			
	MONTHLY TOTALS			



FOR FURTHER QUESTIONS

CALL 888-927-7526 **EMAIL info@ConcordiaPlans.org**

The Lutheran Church–Missouri Synod
1333 South Kirkwood Road • St. Louis, MO 63122-7295

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