



Money Management

Personal finance and savings basics



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

– Proverbs 27:23

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. When your finances are in order you have less stress and are better able to carry out the service of your ministry.

This booklet will help guide you through money management basics so you can obtain a comfortable level of financial wellness. Financial wellness starts by creating and maintaining healthy financial habits:

- You're in control of your day-to-day finances. You live below your means, create a plan and monitor your spending.
- You set goals, start saving for long-term goals early and make regular contributions.
- You manage debt effectively. You minimize short-term and consumer debt, make payments on time and pay off credit cards in full each month.
- You are protected from risk. You have an emergency fund, protect your assets and have an estate plan.

» 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 wellness 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.

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.

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:

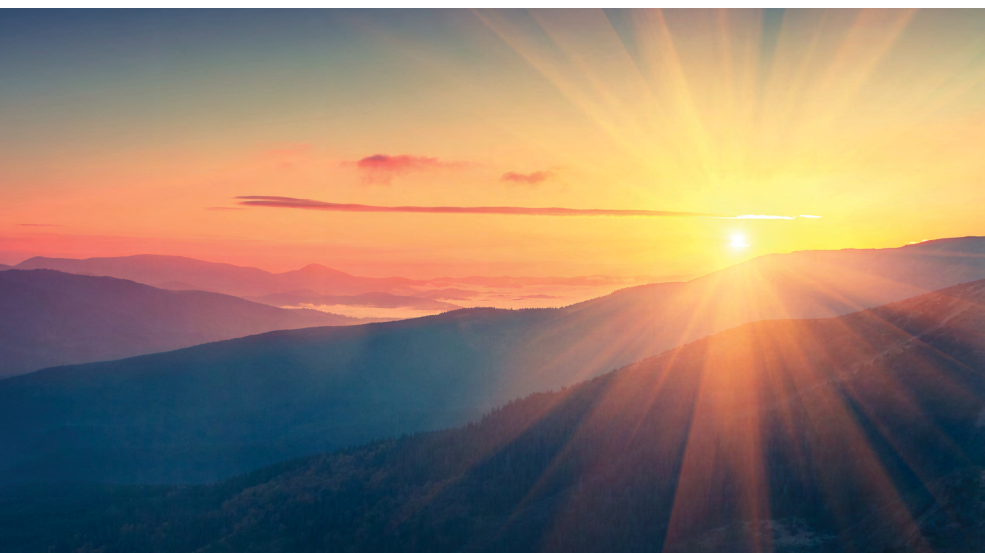
Do I recognize that all these things, including money (which I often think of as my own to do with as I choose) really belong to God and are only entrusted to me to manage in a way which pleases Him?

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.



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.



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

– Psalm 24:1

| ASSETS (WHAT YOU OWN) | YOU | SPOUSE | JOINT |
|--|-----|--------|-------|
| Checking Accounts | | | |
| Savings Accounts | | | |
| Money Market Accounts | | | |
| LCEF Stewardship Accounts/Certificates of Deposit (CDs) | | | |
| Government Savings Bonds and Securities | | | |
| Health Savings Accounts | | | |
| 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 | | | |

*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.

| LIABILITIES (WHAT YOU OWE) | YOU | SPOUSE | JOINT |
|----------------------------|-----|--------|-------|
| Mortgage | | | |
| Loans | | | |
| Credit Card Balances | | | |
| Outstanding Taxes | | | |
| Other Liabilities | | | |
| TOTAL | | | |

Taking the difference between what I own and owe is my net worth.

$$\boxed{} - \boxed{} = \boxed{}$$

TOTAL ASSETS **TOTAL LIABILITIES** **NET WORTH**

» Personal Income Statement

The second step toward financial wellness 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 pay statements 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 a small notebook or use a notes app 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.

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?



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

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

$$\boxed{} - \boxed{} = \boxed{}$$

TOTAL MONTHLY INCOME **TOTAL MONTHLY EXPENSES** **DIFFERENCE**

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're spending more than you earn. 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.

| INCOME | YOU | SPOUSE | JOINT |
|-----------------------------|-----|--------|-------|
| Monthly Salary (ies) | | | |
| Mileage Compensation | | | |
| Honoraria and other Income | | | |
| Other Income | | | |
| TOTAL MONTHLY INCOME | | | |

| CATEGORY | EXPENSES | YOU | SPOUSE | JOINT |
|----------------------------------|--|-----|--------|-------|
| Giving | Stewardship | | | |
| | Charitable Gifts | | | |
| Residence | Mortgage or Rent | | | |
| | Utilities | | | |
| | Home Maintenance and Furnishings | | | |
| | Phone/Internet/Cable | | | |
| Transportation | Vehicle Payment | | | |
| | Gas | | | |
| | Maintenance | | | |
| Living Expenses | Groceries | | | |
| | Clothing and Personal Care | | | |
| | Childcare, Education and Activities | | | |
| | Prescription, Medical and Dental Expenses | | | |
| | Gifts | | | |
| | Dining Out and Entertainment | | | |
| | Subscriptions and Streaming Services | | | |
| Insurance | Medical Insurance | | | |
| | Auto Insurance | | | |
| | Life Insurance | | | |
| | Umbrella Policy and Other Insurance | | | |
| Taxes | Real Estate/Personal Property | | | |
| | Social Security (FICA or Self-Employment Tax) | | | |
| | State and Federal Taxes | | | |
| Savings & Investments | Contributions to CRSP and/or other Investments | | | |
| | Savings Accounts and Emergency Fund | | | |
| Loans | Personal/Student Loans | | | |
| Other | 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 you can manage your money.

The column marked "Budgeted" is where you note the amount you plan 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.

Throughout the month, update 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.

Throughout the month, the Personal Budget worksheet should be monitored, and the Actual and Difference columns should be updated to make sure that you are following your plan. If you find that you have overspent some expenses, you should underspend other expenses to keep your total budget balanced. When creating your budget remember:

- Make sure that your total expenses do not exceed your total income for the month!
- 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.
- 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.



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 obtain 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?

| CATEGORY | EXPENSES | BUDGETED | ACTUAL | DIFFERENCE |
|----------------------------------|--|----------|--------|------------|
| Giving | Stewardship | | | |
| | Charitable Gifts | | | |
| Residence | Mortgage or Rent | | | |
| | Utilities | | | |
| | Home Maintenance and Furnishings | | | |
| | Phone/Internet/Cable | | | |
| Transportation | Vehicle Payment | | | |
| | Gas | | | |
| | Maintenance | | | |
| Living Expenses | Groceries | | | |
| | Clothing and Personal Care | | | |
| | Childcare, Education and Activities | | | |
| | Prescription, Medical and Dental Expenses | | | |
| | Gifts | | | |
| | Dining Out and Entertainment | | | |
| | Subscriptions and Streaming Services | | | |
| | | | | |
| Insurance | Medical Insurance | | | |
| | Auto Insurance | | | |
| | Life Insurance | | | |
| | Umbrella Policy and Other Insurance | | | |
| Taxes | Real Estate/Personal Property | | | |
| | Social Security (FICA or Self-Employment Tax) | | | |
| | State and Federal Taxes | | | |
| Savings & Investments | Contributions to CRSP and/or other Investments | | | |
| | Savings Accounts and Emergency Fund | | | |
| Loans | Personal/Student Loans | | | |
| Other | Other Expenses | | | |
| | Other Expenses | | | |
| | TOTAL | | | |

» Expense Summary

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

This section helps you recognize your spending habits so you can identify where changes can be made to accomplish your goals, balance your monthly budget and save more.

As you complete this worksheet, keep in mind:

- At the end of each month, record the amount you spent for each expense. Some bills are due on a quarterly basis or every six months. Report the entire amount in the month you paid the bill.
- Complete a new column 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.
- Complete the Expense Summary for 12 months to be even more accurate.

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** or email MoneyMatters@ConcordiaPlans.org.

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?



What's the easiest way to track expenses during the month?

You can use pen and paper, a spreadsheet, or an app (like YNAB, Simplifi, Every Dollar, etc.). The most important thing is to find something that you like and will stick with.

When you see where your money is going, you can determine the best course of action for moving forward and accomplishing your goals!

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

– Ephesians 2:8

| EXPENSE | MONTH 1 | MONTH 2 | MONTH 3 | MONTH 4 | MONTH 5 | MONTH 6 | AVERAGE |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Stewardship | | | | | | | |
| Charitable Gifts | | | | | | | |
| Mortgage or Rent | | | | | | | |
| Utilities | | | | | | | |
| Home Maintenance and Furnishings | | | | | | | |
| Phone/Internet/Cable | | | | | | | |
| Vehicle Payment | | | | | | | |
| Gas | | | | | | | |
| Maintenance | | | | | | | |
| Groceries | | | | | | | |
| Clothing and Personal Care | | | | | | | |
| Childcare, Education and Activities | | | | | | | |
| Prescription, Medical and Dental Expenses | | | | | | | |
| Gifts | | | | | | | |
| Dining Out and Entertainment | | | | | | | |
| Subscriptions and Streaming Services | | | | | | | |
| Medical Insurance | | | | | | | |
| Auto Insurance | | | | | | | |
| Life Insurance | | | | | | | |
| Umbrella Policy and Other Insurance | | | | | | | |
| Real Estate/Personal Property | | | | | | | |
| Social Security (FICA or Self-Employment Tax) | | | | | | | |
| State and Federal Taxes | | | | | | | |
| Contributions to CRSP and/or other Investments | | | | | | | |
| Savings Accounts and Emergency Fund | | | | | | | |
| Personal/Student Loans | | | | | | | |
| Other Expenses | | | | | | | |
| Other Expenses | | | | | | | |
| Other Expenses | | | | | | | |
| Other Expenses | | | | | | | |
| TOTAL MONTHLY EXPENSES | | | | | | | |

Questions?

CALL 888-927-7526 EMAIL info@ConcordiaPlans.org
7 a.m.-6 p.m. CT, Monday-Friday

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