

“FIRST THINGS FIRST - GETTING OUT OF DEBT !”

(Finding Financial Peace in Troubled Times – Week 4)

(First Things First – Week 1)

January 1, 2012

Seven steps we must take to get out of debt:

I. Commit to become debt free NOW.

Give everyone what you owe him: If you owe taxes, pay taxes; if revenue, then revenue; if respect, then respect; if honor, then honor. Let no debt remain outstanding, except the continuing debt to love one another, for he who loves his fellow man has fulfilled the law.

Romans 13:7-8

If you don't COMMIT nothing will change.

If you want to live a life of financial freedom you must get out of debt first. It takes DISCIPLINE.

II. Start paying God and yourself FIRST.

Honor the Lord with your wealth, with the firstfruits of all your crops; then your barns will be filled to overflowing ...

Proverbs 3:9-10

The wise have wealth and luxury, but fools spend whatever they get.

Proverbs 21:20

People in debt often balk at this.

Do you want God's HELP in this endeavor or do you want him to remain on the sideline?

When you honor God first, he PROMISES to bless you and help you.

For many, deciding not to save until they are completely out of debt, means they will NEVER save anything.

Remember this: Whoever sows sparingly, will also reap sparingly, and whoever sows generously will also reap generously.

1Corinthians 9:6

You need to do all three simultaneously – tithe, save, and repay your debt.

Later on you can enjoy three more joyous activities: have fun, invest and bless others. If you enlist God's help and remain steady and determined, you CAN do it.

III. Add no NEW debt.

Stay away from the love of money; be satisfied with what you have. Hebrews 13:5 (NLT)

You have to stop TODAY ! Go cold turkey.

If you are in debt, do not borrow another dime. Cut up your credit cards.

If you can't get rid of your card, at least agree to these guidelines:

1) Use the card for only BUDGETED items

- 2) Pay off the bill **COMPLETELY** every month
- 3) The **FIRST** month you can't pay it off, get rid of the card

Be honest with YOURSELF.

IV. Have a SALE.

Watch out! Be on your guard against all kinds of greed; a man's life does not consist in the abundance of his possessions. *Luke 12:15*

You need an emergency fund to take care of those things without going FURTHER into debt.

Be brutally honest with yourself. Ask of every item, "Do I REALLY need this? Could I convert this into cash?"

"Any item is worth only what someone else is willing to pay for it."

This step may include the need to get rid of that second car or to sell your house and downsize into something you can actually AFFORD.

Sacrifice now so that you can have peace later. It is worth it!

V. Create a repayment PLAN.

You will never get out of debt ACCIDENTALLY.

Good planning and hard work lead to prosperity.

Proverbs 21:5 (NLT)

SHARE your plan with creditors.

Creditors hate to have to CHASE their money.

Just as the rich rule the poor, so the borrower is servant to the lender.

Proverbs 22:7 (NLT)

On bankruptcy: First, don't do it – you OWE the money! The Bible says:

The wicked borrow and do not repay.

Psalm 37:21

Every Christian has a moral and ethical responsibility to pay their debts - ALL of them. In God's eyes, you owe it all.

Secondly, even if you use bankruptcy to remove debt, you will NEVER escape the stigma and the guilt.

VI. Get an EDUCATION about handling finances.

We cannot have a financially healthy CHURCH unless its people are healthy in this area. That's why we are offering Dave Ramsey's Financial Peace course here beginning next month.

VII. Stick WITH it!

Getting out of debt takes determination, effort, sacrifice and a good plan. It is time for YOU to take control. Its time for a new beginning in your financial life.

Don't get discouraged and give up, for we will reap a harvest of blessing at the appropriate time. *Galatians 6:9 (NLT)*