

III MoneyWise Financial Workshop

Eight Financial Priorities

The eight financial priorities that we hope you will take from these workshops are:

1. Pay the Lord First

Tithing is the law upon which financial blessings are predicated. Pay a full tithing and be generous with offerings, and the windows of heaven will be opened (Mal. 3:10). “And when we obtain any blessing from God, it is by obedience to that law upon which it is predicated” (D&C 130:21). My/our goal in this area is:

Example: I/we will pay a full tithe of 10% and a generous fast offering of \$____ each month.

2. Manage Your Money and Use a Budget

“Every family should have a budget. Why, we would not think of going one day without a budget in this Church or our businesses. We have to know approximately what we may receive, and we certainly must know what we are going to spend. And one of the successes of the Church would have to be that the Brethren watch these things very carefully, and we do not spend that which we do not have” (Spencer W. Kimball, April Conference, 1975, pp. 166-167). My/our goal in this area is:

Example: I/we will develop a budget and track finances using Mint.com, Quicken, Spreadsheets, etc.

3. Avoid and Pay Off Debt

“The Lord desires his Saints to be free and independent in the critical days ahead. But no man is truly free who is in financial bondage” (Ezra Taft Benson, “Prepare Ye,” *Ensign*, Jan. 1974, p. 69). Follow a debt elimination calendar and cut spending wherever possible to make this happen. This priority alone may take multiple years, but the benefits will be great. Think of debt reduction as an investment with the highest possible returns and no risk. Cut up cards and close accounts if they are too great a temptation.

My/our goal in this area is:

*Example: I/we will pay off all credit card debt by paying \$____ down on principle each month.
I/we resolve to never go into debt for anything except a modest home and education.*

4. Prepare for Emergencies and Build a Reserve

A good financial plan has to start with a cushion for rough times. Most financial planners recommend 3 to 6 months' worth of living expenses be set aside in a savings account or money market fund. Emergency funds are for very specific purposes—lost job, hospital or medical bills, major home or car repairs, travel to a funeral, or other unexpected events. In addition to monetary preparation, build up appropriate food storage, 72-hour kits, first aid, and other emergency essentials. My/our goal in this area is:

*Examples: I/we will build a reserve (____ month's income or \$____) by putting aside \$____ a month.
I/we will save \$____ a week to build our emergency fund.*

5. Save and Invest for Short- and Long-term Goals

Begin saving and investing for long-term goals. It is appropriate to borrow as necessary for education and home, but be cautious. A mortgage is the likely largest financial obligation you will take on, and it will be a burden on your shoulders until the day it is paid. President Hinckley’s advice is to “get a modest home and pay off the mortgage” (*Ensign*, May 1998). Save for retirement and understand your available options. If your employer offers a matching contribution, contribute enough to get the full match. Choose plan investments for the long term and don’t try to time the market. With your consumer debt paid off and your emergency funds in place, start regularly contributing to Roth or traditional IRA or 401k (if available). My/our goal in this area is:

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*Examples: I/we will begin to save \$_____ each month for my children’s education.
I/we will invest in a modest home and pay \$_____ extra each month on principle.
I will begin to save \$_____ each month for my retirement and future missions.*

6. Protect Yourself and Family Through Adequate Insurance

“Appropriately involve yourself in an insurance program. It is most important to have sufficient medical, automobile, and homeowner’s insurance and an adequate life insurance program. Costs associated with illness, accident, and death may be so large that uninsured families can be financially burdened for many years” (Marvin J. Ashton, “Guide to Family Finance,” *Liahona*, Apr. 2000, 42). Be sure to have adequate insurance against catastrophic losses as your financial stewardship increases. This should include, at a minimum, health, auto, life, and homeowner’s/renters insurance. My/our goal in this area is:

*Examples: I/we will get health, auto, and life insurance by _____.
I/we will look into homeowner’s/renters insurance by _____.*

7. Open Communication about Finances

“Management of family finances should be full and equal, and mutual between a husband and a wife. Control of the money by one spouse as a source of power and authority causes inequality in a marriage and is inappropriate. Conversely, if a marriage partner voluntarily removes himself or herself from family financial management, that is an abdication of necessary responsibility” (Marvin J. Ashton, *One for the Money*, Intellectual Reserve, 2006, p. 3). Christ-like attitudes and relationships toward money should be developed by all couples. My/our goal in this area is:

Example: I/we will work on finances every week on _____ (day) at _____ (time).

8. Teach Your Children and Family

Teach family members why we want to be financially responsible. Teach them the principles of financial management. Involve them in creating their own budgets and in the family budgets as well. Teach the principles of hard work, frugality, and saving. Stress the importance of obtaining as much education as possible. My/our goal in this area is:

*Examples: I/we will discuss finances in our weekly FHE lesson on _____.
I/we will share the family budget each month (consistent with the children’s age and abilities).*