
**ALL YOU NEED TO
KNOW ABOUT MONEY
ON AN INDEX CARD**

Alistair Huang, ChFC®

A LITTLE ABOUT ME

- Chartered Financial Consultant
- Business major, math teacher
- Master's degree from SAU, debt-free
- Paid off house in 2 years (2013-2015)
- Became parents in 2015, again in 2021
- In 2016: Spent 25%, Gave 26%, Saved 49%
- In 2022: Spent 18%, Gave 27%, Saved 55%
- 1 Ministry Income, 1 Stay-at-Home-Mom
- No secret windfall!



Saving the
CRUMBS.

 **ADVENTEDGE**
FINANCIAL

 **AudioVerse**



$$\$5.25 \times 10 = \$52.50$$



$$\$5.25 \times 10 = \$52.50$$

$$\$5.25 \times 16 = \$84.00$$

NEED. MORE. MONEY!!!



THE NARRATIVE ON WEALTH

Happiness = Consumption at All Costs

THE AMERICAN ~~DREAM~~ NIGHTMARE

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Earning 6 figures isn't enough to buy the American Dream anymore

Hillary Hoffower Dec 22, 2021, 8:22 AM

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☰ npr WUTC88.1 CHATTANOOGAS NPR STATION [DONATE](#)

BUSINESS

Paycheck-To-Paycheck Nation: Why Even Americans With Higher Income Struggle With Bills

December 16, 2020 · 5:07 AM ET

<https://news.yahoo.com/jp-morgan-economic-hurrica...> ⋮

JPMorgan expects 'a Category 1 economic hurricane' in 2023

Nov 17, 2022 — The economic hurricane that JPMorgan CEO Jamie Dimon warned about in **June** may be less intense than originally feared, according to a new report ...

“The best financial advice for most people would fit on an index card.”

–Harold Pollack, PhD, University of Chicago

MAX your 401(k) or equivalent employee contribution,
Buy inexpensive, well-diversified mutual funds such as
Vanguard Target 20xx funds.

Never buy or sell an individual security. The person on the
other side of the table knows more than you do about the
stuff.

Save 20% of your money.

Pay your credit card balance in full every month.

Maximize tax-advantaged savings vehicles like Roth, SEP,
and 529 accounts.

Pay attention to fees. Avoid actively managed funds.

Make financial advisor commit to a fiduciary standard.

Promote social insurance programs to help people when
things go wrong.

GROSS VS. NET

- Pay God before Uncle Sam or ourselves. He gets the first fruits.
- For individuals: Before payroll deductions and taxes.
- For businesses: After business expenses but before taxes. On the increase/profit. (Deut. 14:22, 28; 2 Chron. 31:5)
- God is honest. If you overpay, He'll pay you back.

HOW MUCH?

The contributions required of the Hebrews for religious and charitable purposes amounted to fully one fourth of their income. So heavy a tax upon the resources of the people might be expected to reduce them to poverty; but, on the contrary, the faithful observance of these regulations was **one of the conditions of their prosperity.** On condition of their obedience God made them this promise: "I will rebuke the devourer for your sakes, and he shall not destroy the fruits of your ground; neither shall your vine cast her fruit before the time in the field. . . . And all nations shall call you blessed: for ye shall be a delightsome land, saith the Lord of hosts." Malachi 3:11.

AN APPEAL

In the days of Israel the tithe and freewill offerings were needed to maintain the ordinances of divine service. **Should the people of God give less in this age? The principle laid down by Christ is that our offerings to God should be in proportion to the light and privileges enjoyed.** "Unto whomsoever much is given, of him shall be much required." Luke 12:48...The work of the gospel, as it widens, requires **greater provision to sustain it than was called for anciently**; and this makes the law of tithes and offerings of **even more urgent necessity now than under the Hebrew economy.**

Go to the ant, thou sluggard; consider her ways,
and be wise: Which having no guide, overseer, or
ruler, **Provideth her meat in the summer,
and gathereth her food in the harvest.**

—Proverbs 6:6-8

The wise store up choice food and olive oil, but fools gulp theirs down.

—Proverbs 21:20 NIV

There is treasure to be desired and oil in the dwelling of the wise; but **a foolish man spendeth it up.**

—Proverbs 21:20 KJV

YOUR SAVINGS RATE IS #1 PREDICTOR OF FUTURE WEALTH

Wealth is determined not by how much you **EARN**
or SPEND, but by how much you **KEEP**.

For even when we were with you, this we commanded you, that **if any would not work, neither should he eat.**

-2 Thessalonians 3:10

And whatsoever ye do, do it heartily, **as to the Lord**, and not unto men

-Colossians 3:23

A slack hand causes poverty, but **the hand of the diligent makes rich.**

-Proverbs 10:4 ESV

And the LORD God took the man, and put him into the garden of Eden
to dress it and to keep it.

-Genesis 2:15

Thorns also and thistles shall it bring forth to thee; and thou shalt eat the
herb of the field; **In the sweat of thy face** shalt thou eat bread

-Genesis 3:18-19

Whoever works his land will have plenty of bread, but he who
follows worthless pursuits lacks sense.

-Proverbs 12:11 ESV

2 GROUPS IN RECESSIONS

Stable Income

Fully fund your emergency fund

Pay down debts

Build cash cushion for deals on assets

Opportunity to grow net worth

Look for ways to help others

Focus on opportunity

Unstable Income

Fully fund your emergency fund

Pay down debts

Build cash cushion to weather a storm

Secure your job or prepare for new one

Look for ways to increase income

Focus on security

LIVE WITHIN OUR MEANS

- Spend less than you earn each month.
- Every dollar should be accounted for. (Budget!)
- Budget percentages aren't recommendations, they're guardrails.

You might today have had a capital of means to use **in case of emergency** and to aid the cause of God, **if you had economized as you should**. Every week a portion of your wages should be reserved and **in no case touched unless suffering actual want**, or to render back to the Giver in offerings to God....

–Adventist Home, 395.3

EMERGENCY FUND

- Minimum 3-6 months of living expenses
- Kept in an FDIC/NCUA insured account
- It's a safety net, not an investment
- Not to be touched except for genuine emergencies
- You'll find you have fewer emergencies!

Diligence in business, abstinence from pleasure, even privation, so long as health is not endangered, should be cheerfully maintained by a young man in your circumstances, and you would have a little competency untouched should you become sick, **that the charities of others would not be your dependence.**

–Selected Messages, Vol. 2, 330.2

The borrower is **servant** to the lender.

–Proverbs 22:7

Be determined never to incur another debt. Deny yourself a thousand things rather than run in debt. This has been the curse of your life, getting into debt. **Avoid it as you would the smallpox.**

–Adventist Home, 393.4

I now write to ask you if you will **let me have the use of two thousand dollars** to help me in bringing out books that the people need....If I should fall in the conflict before the Lord's appearing, my sons would carry forward the work of circulating my books according to my plans. When the expense of issuing my books is lessened, **the sales will soon pay up all my debts....**

–Publishing Ministry, 209.4-5

THE WIDOW'S OIL (2 KINGS 4:1-7)



- A single mother with collectors coming to take her sons as slaves.
- Elisha told her to borrow containers from her neighbors.
- The containers were filled with the miracle oil.
- The oil was sold to pay back the debt.
- **What she borrowed helped pay back the debt.**

RULES FOR DEBT

1. Borrowing is acceptable only if what you're buying can pay off the debt.
2. Never borrow money for something that only goes down in value.

DO THEY PASS THE “DEBT RULES”?

- Student Loans **YES...**
- Home Mortgage **YES...**
- New iPhone **NO!**
- Car Loan **NO!**

DO THEY PASS THE
“DEBT RULES”?

Just because it's permissible doesn't
mean you must!

Crumb Saver Notecard

1. Pay God first: Aim for +25% (He owns everything.)
 2. Pay myself second: Aim for +50% savings rate.
 3. Don't work, don't eat. So work as unto the Lord.
 4. The ideal budget is \$0. Prioritize efficiency over convenience.
 5. Have adequate insurance, including a 3-6 month emergency fund.
 6. Never pay interest for a depreciating asset, save up and buy in cash.
 7. Pay off credit cards in full every month.
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THOUGHTS ON CREDIT CARDS

- Credit cards are not dangerous.
- Credit card use **without self-control** is dangerous.
- You can live without credit cards.
- Credit cards do have benefits.

PROPER CREDIT CARD USAGE



- Don't use them to buy stuff you don't need. (Have a budget!)
- Credit card debt is unacceptable. Never carry a balance. Pay them off every month.
- If you violate either of these two rules, cut them up.
- Consolidate use to concentrate rewards.

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WHY INVEST AT ALL?

You ought to have **invested my money** with the bankers, and at my coming I should have received what was my own **with interest.**

–Matthew 25:27

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9. Buy and hold broad-based, low-cost index funds/ETFs. Diversify. Don't speculate.

DIVERSIFICATION

Give a portion to seven, and also to eight; for thou knowest not what evil shall be upon the earth.

–Ecclesiastes 11:2

Wealth gained hastily will dwindle,
but whoever gathers little by little will
increase it.

–Proverbs 13:11 ESV

A faithful man will abound with blessings,
but **whoever hastens to be rich will
not go unpunished.**

–Proverbs 28:20 ESV

SPECULATING VS. INVESTING

Speculating

Hoping for quick riches

Motive is to get rich

Based on arbitrary price movement

“What is the price?”

Investing

Patient and steady for the long-term

Motive is to meet needs

Based on expected productivity of asset

“What is the value?”

THE 4% “RULE”

The 1998 Trinity study concluded that 4% was a safe withdrawal rate with a 95% rate of success for a typical ~30 year retirement and a diversified 60% stock/40% bond portfolio while accounting for inflation.

25X ANNUAL EXPENSES

THE 4% “RULE”

Retirement Portfolio	Annual Withdrawal
\$500,000	\$20,000
\$750,000	\$30,000
\$1,000,000	\$40,000
\$1,500,000	\$60,000
\$2,000,000	\$80,000

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10. Forget keeping up with the Jones'. Wealth is having enough with contentment.

Remove far from me falsehood and lying;
give me neither poverty nor riches;
feed me with the food that is
needful for me, lest I be full and deny you
and say, “Who is the LORD?” or lest I be poor
and steal and profane the name of my God.

– Proverbs 30:8-9

“Wealth consists not in having great possessions, but in having few wants.”

– Epictetus

“But godliness with contentment is great gain.”

– I Timothy 6:6

SECRET TO CONTENTMENT

Not that I am speaking of being in need, for I have learned in whatever situation **I am to be content**. I know how to be brought low, and I know how to abound. In any and every circumstance, I have learned the secret of facing plenty and hunger, abundance and need. I can do all things through him who strengthens me.

—Philippians 4:11-13 ESV

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