

BULLSEYE BUDGETING





MONEY MANAGEMENT IS TOUGH— AND IT'S GOING TO GET TOUGHER

- Not only are Canadian governments deeply in debt, but Canadians themselves are also carrying record-high debt. Our demographic picture is getting ugly as the elderly need more health care and fewer young workers are producing wealth. The future doesn't look good. We need to address the root cause individually. We all have spending problems. So how do we manage our personal spending and not become financial casualties? Perhaps getting back to basics is a solution, even in an increasingly complex world.

Bullseye Budgeting starts with the basics. By Bullseye Budgeting I do not mean hitting your budget; instead I mean making a budget with proper priorities. Bullseye Budgeting separates needs from wants by identifying and ranking our common types of spending. If we consider starting with fundamental measurement, let's add that every kind of measurement has a fixed point of

reference. For instance, the equator is the starting point for measuring latitude, just as zero degrees Celsius is the universal guide for gauging temperature, and altitude begins at sea level. As these facts suggest, can there not be a benchmark for personal money management also? As the answer is yes, let's consider some of the ramifications that play into how we can determine this benchmark for personal money management.



"Although 46% of Canadians reduced their personal liabilities, roughly 37% added more debt in larger amounts on average, according to the credit reporting agency's latest report."

Armina Ligaya, "Canadian household debt hits \$1.8T as report warns of domestic risk," The Globe and Mail, March 12, 2018.

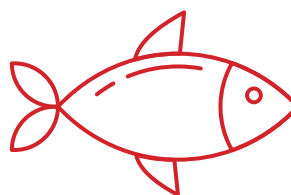
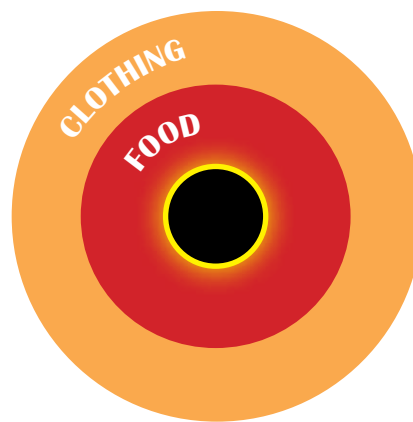


First off, we must proceed with caution. After all, how we handle our finances is a very emotional issue, as it's a reflection of how we conduct our whole life. Much as the condition of our home helps reveal the state of our mind, and perhaps heart, so also how we handle our finances reveals much of how we conduct the rest of our lives. And when such a thing as managing our finances is to a large extent hinged on emotion, we then are wise in trying to conduct our whole life in a way that will be reflected in our financial reality. So, to take this a step further, let's attempt to project our lives into how we handle our finances.

Everyone has some highly-personal core value. It's their "raison d'être." It's most precious to them—their greatest love. Temporarily, let's ignore our most precious personal value. Let's just acknowledge it. It's very powerful and motivational. For now, I want to show it as a glowing yellow centre point covered with a black mask to be removed later.

Instead let's talk about universal financial needs. Some have suggested that we are financially free when we have investments worth ten times our required income, but who knows what our required annual income is, and how it will change in the future? Rather than starting with a specific amount of money, we will start with everyone's two core needs.

The Bible speaks of them: "If we have food and covering, with these we shall be content," 1 Timothy 6:8 NASB. The Bible gives us the baseline for contentment: Two daily needs in food and clothing. That's where budgeting starts. We should first aim to be content with food and clothing. This is the cross-cultural, timeless poverty line. Everyone who has less than their core needs of daily food and clothing is truly poor, and everyone who has more than their daily requirements of food and clothing is living above the poverty line. We now have three parts of the Bullseye target.



WHERE TO START? TWO ESSENTIALS



Please understand. I am NOT suggesting that we should target to only food and clothing for survival, but that's where it starts. Most of us have much more, while there are many living with less. Multi millions do not have enough food or clothing for one day. Let me reinforce the Biblical identification of these two essentials.

In the Gospel of Matthew chapter 6, Jesus spoke about the birds that do not sow or reap, yet God feeds them daily, and the flowers that do not work, yet God clothes them magnificently. Christ identifies food and clothing as the basic needs that God provides day by day to those who seek Him first. Note the key message in these words is not to stop saving for the future, but to stop worrying about the future. Read the following passage and note all the references to food and clothing shown in red.

"Therefore, I tell you, do not be anxious about your life, what you will eat or what you will drink, nor about your body, what you will put on. Is not life more than food, and the body more than clothing? Look at the birds of the air: they neither sow nor reap nor gather into barns, and yet your heavenly Father feeds them. Are you not of more value than they? And which of you by being anxious can add a single hour to his span of life? And why are you anxious about clothing? Consider the lilies of the field, how they grow: they neither toil nor spin, yet I tell you, even Solomon in all his glory was not arrayed like one of these. But if God so clothes the grass of the field, which today is alive, and tomorrow is thrown into the oven, will he not much more clothe you, O you of little faith? Therefore, do not be anxious, saying, 'What shall we eat?' or 'What shall we drink?' or 'What shall we wear?' For the Gentiles seek after all these things, and your heavenly Father knows that you need them all. But seek first the kingdom of God and his righteousness, and all these things will be added to you. Therefore, do not be anxious about tomorrow, for tomorrow will be anxious for itself. Sufficient for the day is its own trouble."

Matthew 6:25-34 NASB





image by Masaaki Komori via Unsplash.

DIGGING DEEPER: CONTENTMENT ☺

This identification of our basic need goes back many years before Christ. “Two things I asked of you, do not refuse me before I die: Keep deception and lies far from me, give me neither poverty nor riches; feed me with the food that is my portion, That I not be full and deny you and say, “Who is the LORD?” or that I not be in want and steal, and profane the name of my God,” Proverbs 30:7-9 NASB.

To gain a deeper understanding of this passage go to the answer to the question, “Should I pray for more money?”

Look up the keyword “contentment” on wisdomwithwealth.org, and you will find over 20 questions and answers from the Book of Proverbs dealing with an aspect of contentment. Write down the one that is most interesting to you in the space below, and then study the associated Proverb. for new insights.

The question I found most interesting is:

Proverb:

What this means for me:

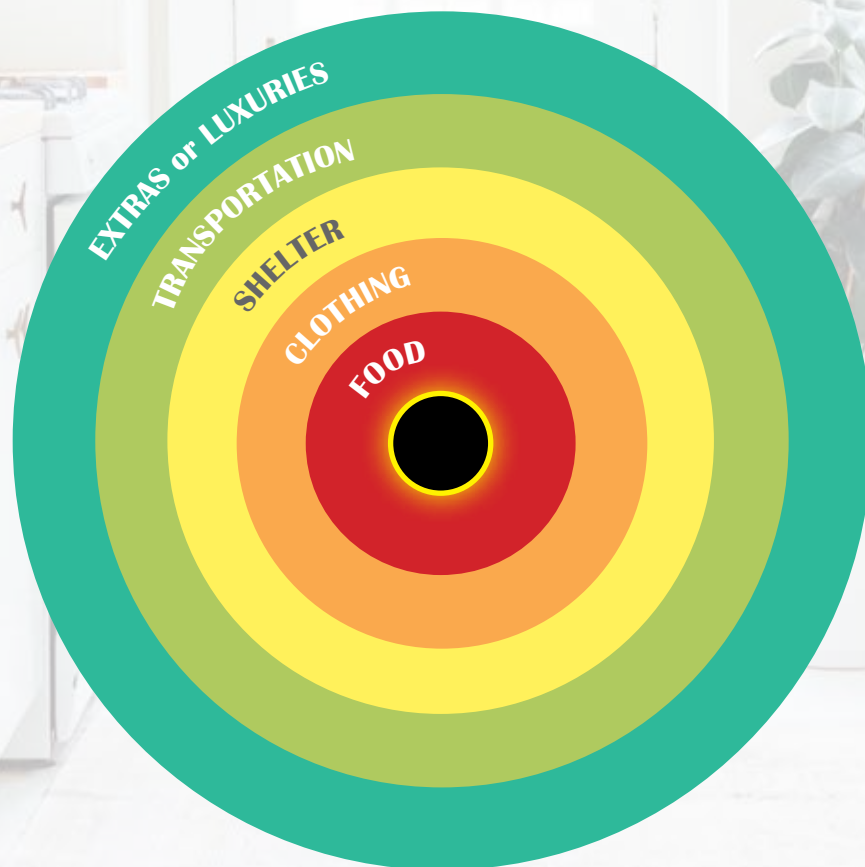


NEXT TARGET: SHELTER, TRANSPORTATION, AND EXTRAS

After we have the two basics everything else is a frill, except perhaps shelter. Shelter from the harsh elements is also essential to survival in most parts of the world—whether it's an igloo in the dark, cold Canadian north, or a straw hut in the blazing heat of central Africa. In most places of the world, we need protection from the weather, sooner or later, depending on the season and time of day. You can't sleep in your bank account or mutual fund.

The next practical priority is some form of transportation, whether it's a bicycle, dog sled, scooter, or limousine. All of us put a high priority on travelling.

Finally, and to keep things simple, I suggest that all else is really a luxury; it's a want rather than a need. Here we find many goods and services: Cosmetics, vacations, books, soaps, jewels, electronic toys, insurance, perfumes, telephones, artwork, and much more. Of course, some people consider most of their items as "necessities" rather than luxuries, but that's a matter of personal lifestyle—not true priority. Now our Bullseye Budget looks like this.



CATEGORICAL PURITY, SUPPORTING ITEMS, AND CONCENTRIC IMPORTANCE

Before we get to the centre of the bullseye we need to look at three additional concepts: Categorical purity, supporting items, and concentric importance.

CATEGORICAL PURITY

By categorical purity I mean the quality or pureness within a category. For purity within a category let's look at food and use breakfast cereals as an example. A person could eat Sugar Pops or Rolled Oats. Both are breakfast foods, but they differ widely in nutritional value with the rolled oats being much healthier than the candy cereal. At the grocery till, both are classified as food, but the human body treats them much differently. All food is not the same. Food is primarily about nutrition and secondly about taste. Make sure the food is true food. This concept applies to every category. When you buy a car, are you buying transportation or a status symbol? We must work at maintaining categorical "wholeness" lest we introduce impurity or emptiness in a category.

SUPPORTING ITEMS

Every category also has unique supports. For the food category this includes tools such as dishes, a stove, and perhaps a refrigerator. For clothing it may include a dresser, a washer, and perhaps a dryer. The closer we come to the center of the bullseye, the more important the supports. For example, a good stove is more important than a good dryer. You can use this mental framework to prioritize purchases when it comes to replacing the stove or the dryer. It's more important to get a good-working, reliable stove than a dryer. This brings us to the third additional concept, namely radiating concentric importance.

CONCENTRIC IMPORTANCE

The closer we get to the core of the Bullseye, the more important quality and purity becomes. For example, it's much more important to use high-quality food to feed your body than that using a high-quality cellphone to surf the net. It's also more important to have a good house than a good car. Similarly, good footwear (clothing), is more important than a good house or good car. The closer we get to our hearts, the more important it becomes to avoid financial confusion and conflicting goals.





It's not easy to keep goals clear in our own minds. We all struggle with mixed motives. Often, we buy prestige when we buy a house or car. Sometimes our motives are influenced by tax regulations, which give us a tax break. For example, we may lease a luxury vehicle rather than buying a plain car, simply to take advantage of enhanced lease deductions. Tax incentives can make our spending desires even more complex. For example, many people buy more house than they can afford to take advantage of personal residence capital gains tax exemption (Canada), or the deductibility of mortgage interest on personal residences (USA). Unfortunately, many become "house poor," having spent far too much on their house and lacking for life's other priorities.

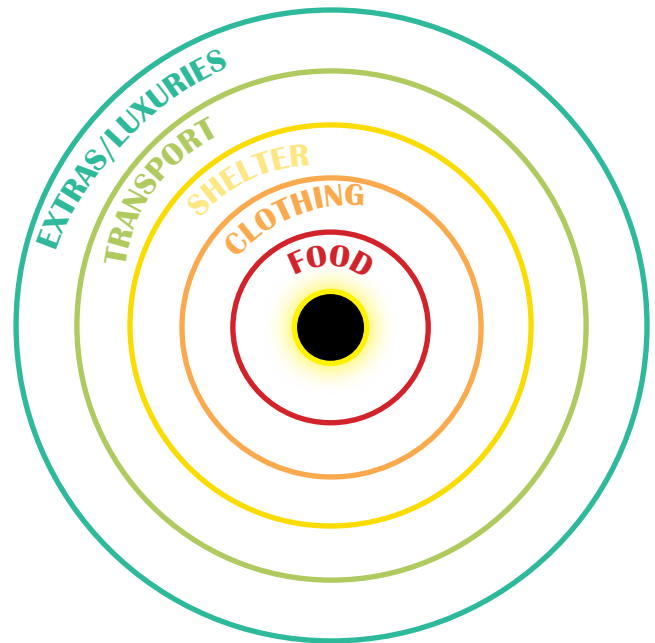
We also struggle with mixed motives when it comes to cars. Transportation takes many forms. It can be public transit, bicycle, car, or taxi. In the western world, the car is a major source of financial success or failure. In the classic book, *The Millionaire Next Door* (1996 By T. J Stanley and W.D Danko), we learn that most millionaires buy used cars. Millionaires understand that transportation does not need to be expensive and because of their frugality have amassed much wealth, but let's get back to the bullseye.

We have identified the essentials of food, clothing, shelter, and transportation, and now we'll group everything else as a luxurious "extra." Remember we are not discussing savings, but just daily spending. This seems unrealistic! What about insurance which is a legal obligation for mortgages and motorists? Those costs support the housing and transportation categories. What about the high costs of education? Education is not necessary for basic survival.

EXPENSE IDENTIFICATION EXERCISE

Now that we've covered all the rings of the bullseye, it's time to try a bit of Bullseye Budgeting for yourself. Think of the last three expenses you made and indicate them on the bullseye below. Next, think of the next three expenses you plan to make and plan those out too. The results may surprise you.

As I stated at the beginning of this study guide, our culture has mixed up needs and wants. We have confused essentials with non-essentials. It's hard to shift from traditional spending categories to Bullseye Budgeting. Let's look at a specific case.



CASE STUDY: BILL & JENNY SPENDING CATEGORIES

Look at Bill and Jenny's monthly expenses for the month. This is the monthly expense for an average family of four. They earn an average of \$4,214 between the two of them, but they've spent \$4,695.20. Not all expenses are consistent, but in this month alone they have spent more than they earn by \$481.20. Naturally, if this trend continues they'll dig themselves deeper and deeper into debt. That is a big problem, but even worse, far too much is being spent on peripheral extras. This means they are not getting much true blessing and benefit for their spending.

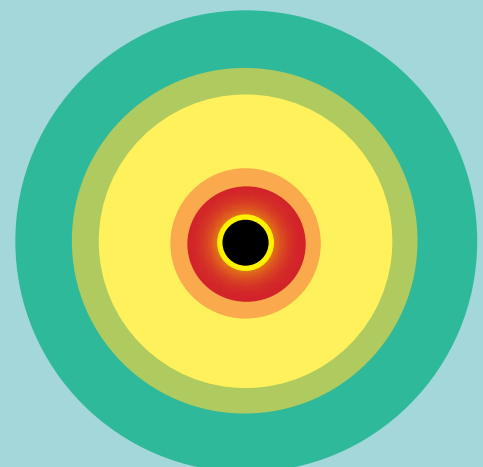
TRADITIONAL	\$	BB
Groceries	371.28	F
Fast Food	176.25	E
School Lunch	74.00	F
Restaurants	267.10	E
School Expenses	15.00	E
*Debt Payments	430.00	-
Gas & Fuel	171.03	T
Vehicle Maintenance	125.00	T
Cell Phones	178.00	E
Cable TV	45.00	E
Newspaper	6.00	E
Pharmacy	30.79	F
*Gifts	64.52	-
Housekeeper	180.00	E
Beauty & Barber	124.50	E
Clothing & Dry Cleaning	177.75	C
Utilities	228.50	S
Mortgage	975.00	S
Home Maintenance	101.98	S
Car Payment	273.00	T
Miscellaneous	680.00	E

Average Monthly Income: \$4,214.00
 Total Spent This Month: \$4,695.20
 Net Total: (\$481.20)

BULLSEYE BUDGETING

Food	\$476.07
Clothing	\$177.75
Shelter	\$1,305.48
Transportation	\$569.53
Extras	\$1671.85

Here's what their Bullseye would look like; showing their priorities to be housing and extras.



*Debt Payments and Gifts have not been categorized with Bullseye Budgeting.

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THE CORE

Now let's address the centre. This might be surprising. Food, clothing, shelter, and transportation are all tangible. While the extras are not all tangible they are, nonetheless, still impersonal things. The most important things in our lives are not things at all, but persons. We are fundamentally relational beings. People are more important than things. The centre of the bullseye contains values and emotions related to persons. The most important person in our lives is an invisible Person: God our Maker. God is the source of our life. We receive life in our relationship with Him. Thus, relating to our Creator is our core priority. It's the opposite of narcissism; the opposite of self-worship: The "me first" mentality.

How does this work financially? Does God need our money? Of course not! The Creator needs nothing. It's ridiculous to think that He would need any of our money. Yet the Bible makes it very clear that God cares how we use our money. Jesus said, "Whoever of you does not renounce all that he has cannot be my disciple," Luke 11:13 RSV. This does not mean that a person must give away all their assets, but it does mean that a person must surrender control of all their assets to God. This means letting God direct all our spending, saving, and sharing decisions. He promises to honour those who honour Him. The LORD God of Israel said, "I promise that I will honor those who honor me, and those who despises me will be considered insignificant," 1 Samuel 2:30 GWT.

STUDY:

[Should you really pay yourself first?](#)



THE CURE TO GREED: GENEROSITY

How does this work practically? Why would someone much greater than us want any of our money? The truth is that God does not want any of our shekels. Instead, He wants our hearts to be healthy and freed from the love anything lessor than God Almighty, and that includes frauds such as the “Almighty” Dollar.



images via Unsplash.

We overcome self-worship by giving money away, rather than by keeping it. Generosity breaks the power of greed. When it comes to charitable giving, Christians often use a code word: Tithing. Literally, tithing means “tenting.” Most of the time Christian usually think of tithing to a local church or to charity in general but in its pure biblical sense as described in the Old Testament, tithing has three components:

- 1. Priests:** This 10% was designated to those who served in the Jewish state offering temple sacrifices and teaching the people the laws and ways of God. This is the most common form of tithing as practised by some Christians today.
- 2. Party:** This 10% was earmarked for an annual God-centered celebration. This is the least common form of tithing.
- 3. Poor:** This 10% was to be given to the poor every three years. This is also uncommon and has been largely ignored because of the many government sponsored social programs.

A strictly legalist form of biblical tithing averages to 23 1/3% per year, or 20% in years one and two and 30% in year three. To view a good theological explanation of tithing, go to the following eight-minute video on [“What is Biblical Tithing” by Dr. John MacArthur.](#)

On an annualized basis the use of money at the personal core level as commanded by God in the Old Testament would look something like this:

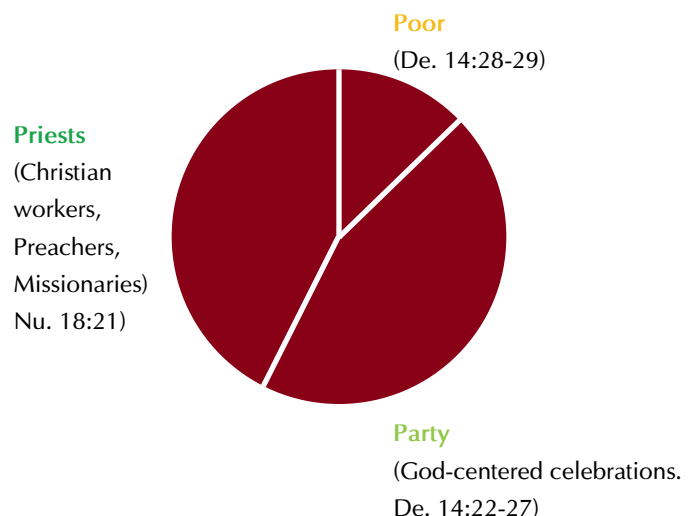




image by Antonio Ochoa via Unsplash.

As I said before, a relationship with a person and especially a divine Person, namely God himself, is not down-gradable to an arithmetic formula. Believers **MUST** approach this topic by faith, and not by mechanical heartless regulation. The Old Testament speaks of free-will offerings in addition to tithing. Christian author Randy Alcorn speaks of tithing as the “training wheels” for generous giving. Jesus himself said, “It is more blessed to give than to receive,” Acts 20:35 NASB. Generous, gracious giving is God’s style of operation. Proper giving is the center of bulls-eye. God is personal and wants a relationship with His children. In other words, all believers must determine by faith—through a personal study of God’s word and through prayerful communication with God—how much they, personally, should give away.

You may have noticed that we ignored one of the biggest financial expenditures of all. **TAXES**. The tax bite in most western countries is huge. We no longer live in a theocracy described in the Old Testament. Furthermore, the tax burden is growing as most western jurisdictions are deeply in debt. It is a serious problem. I see it as a monster eating away at all categories of our Bullseye budget. Taxation is an enormous topic and to be fair, taxes are used to fund many social benefits. To learn more about taxes [check the keyword: Taxes](#).



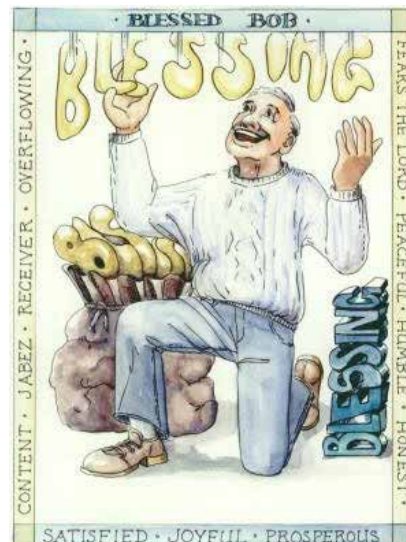


image by Shelby Miller via Unsplash

DIGGING DEEPER: GOD-CENTERED GIVING

For now, let's dig deeper into what is or at least should be, our core financial priority. Bullseye Budgeting represents a radical rethinking from self-centered spending to God-centered giving. Bullseye Budgeting is anti-materialistic. It requires faith in God. What is faith in God? It is inner confidence that God will keep His promises, based upon His dependability. The most important part of faith is its object. In other words, it's not important how much faith we have; what counts is this: Wherein is our faith? Faith in the God of the Bible is well-placed faith.

Faith is believing that God will do what He said he will do. For example, He said, "Give, and it will be given to you. They will pour into your lap a good measure—pressed down, shaken together, and running over. For by your standard of measure it will be measured to you in return," Luke 6:38 NASB. God is real! He is actively working now. To gain a better understanding of the power and importance of proper giving study the various proverbs associated with these two individuals.





CONCLUSION

When we ignore God in our budget, we invite serious emotional problems into the core of our being. But if we use our money to honour God then we attract certain but unpredictable blessings. The God of the Bible is a “life-giving Spirit.” He is not an impersonal force as in the Star Wars. God is a personal being with infinite intelligence and wisdom. If we don’t know God, then the Bulls Eye Budget will seem like nonsense. It’s amazing, though, if we obey the book, our financial needs and wants are properly organized resulting in financial peace.

“Trust in the LORD with all your heart and do not lean on your own understanding. In all your ways acknowledge Him, and He will make your paths straight. Do not be wise in your own eyes; fear the LORD and turn away from evil. It will be healing to your body and refreshment to your bones. **Honor the LORD from your wealth and from the first your produce; so your barns will be filled with plenty and your vats will overflow with new wine.**”

Proverbs 3:5-10 NASB.



APPENDIX: ADDITIONAL RESOURCES

BOOK RESOURCES



“Prepare,” by Ethan Pope

“How to Be Rich,” by Andy Stanley

“Managing God’s Money - The Basics,” by Michel Bell

“Secure,” by Rick Dunham

“The Millionaire Next Door,”
by Thomas Stanley & William Danko

“Debt-Proof Your Marriage,”
by Mary Hunt

“Answers to Your Family’s Financial Questions,” by Larry Burkett

“Master Your Money,” by Ron Blue

“Your Money Counts,”
by Howard Dayton

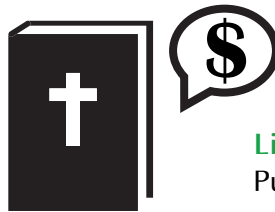
“The Total Money Make-Over,”
by Dave Ramsey

VIDEO RESOURCES



God Provides
Crown Financial Ministries

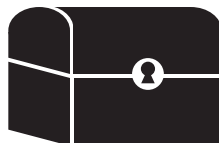
Six Epic Short Films... One Timeless Message. Throughout history, people have wrestled with the concept of trusting God to meet their needs versus relying on their own efforts, other people, money, or other things society has to offer. Thankfully, through stirring accounts and parables found in the Bible, God reveals how He wants to be our Provider above anything else. These relevant stories present us wisdom, truth, encouragement and practical steps we can take to develop and deepen a relationship of trust with the God of the universe.



Life, Money & Hope
Publisher: Dave Ramsey

Is God concerned about your financial situation? What does the Bible have to say about debt? What is the most important thing to know about money?

In these three engaging 30-minute sessions shot at LifeChurch.tv, Dave Ramsey, a personal money management expert, popular national radio and television personality, and the best-selling author of *Financial Peace* and *The Total Money Makeover*, looks to Scripture as he discusses several critical issues about your personal finances.



The Treasure Principle Workshop
By Randy Alcorn

Most people can significantly give to the Kingdom of God, but they don’t know how or haven’t been taught the awesome eternal benefits of sowing into God’s work on Earth.

Author Randy Alcorn calls it a hidden treasure, and we all must learn this life-changing principle to find that hidden treasure.