HELPING FAMILIES MAKE WISE FINANCIAL DECISIONS DURING THE CORONAVIRUS PANDEMIC

Jim Daly

If any of you lacks wisdom, let him ask God, who gives generously to all without reproach, and it will be given him.

James 1:5

FOCUS ON THE FAMILY® CHURCH RESOURCES

FocusOnTheFamily.com/Church

Everyone's financial situation in this time of crisis is unique. What are some general principles and practical steps every family can take to immediately improve or protect their bottom lines?

ESTABLISH A BUDGET—AND KEEP IT

In many relationships, there are spenders and savers, and in good financial times, the tension is tolerable and manageable. But when crisis strikes, the margins dissolve, and you need to have a plan for every dollar. Sit down and list every expense – from your mortgage to the morning coffee run. Now is the time to conserve and eliminate every nonessential expense. Assign a job to every dollar—and fiercely protect the plan.

MAINTAIN YOUR CHURCH SUPPORT

It's tempting to let charitable giving go, especially if you're accustomed to writing a check and dropping it in the collection plate on Sunday morning.

But pastors still need to be paid, and facilities still need to be maintained.

"A religion that gives nothing, costs nothing, and suffers nothing, is worth nothing," said reformer Martin Luther. Supporting your local church is a critical part of Kingdom work.

IF POSSIBLE, INCREASE YOUR SAVINGS

Now is not the time to take on new debt. If you would normally go out for a meal, transfer that money to your savings account. If you could have afforded to spend it – you can afford to save it.

At the same time, If you are in a position to do so, however, you might consider strategically supporting local restaurants and businesses as they struggle to survive this crisis.

Our friend Dave Ramsey, who counsels people about money every single day, once observed, "You must gain control over your money, or the lack of it will forever control you." I think he is correct.

DON'T MAKE ANY DRASTIC FINANCIAL MOVES

Have you looked at your retirement accounts lately? Or have you watched the fall of your favorite blue chip stock? Panicky people often unload their portfolios at the worst possible time.

Warren Buffett, the "Oracle of Omaha," has made his fortune buying when people are selling and selling when people are buying.

"During the extraordinary financial panic that occurred late in 2008, I never gave a thought to selling my farm or New York real estate, even though a severe recession was clearly brewing," Buffett said in an interview. "And, if I had owned 100% of a solid business with good long-term prospects, it would have been foolish for me to even consider dumping it. So why would I have sold my stocks that were small participations in wonderful businesses?"

I realize that none of us have the holdings of Warren Buffett, but his financial principles are applicable to more moderate investors, too.

Let's continue to pray for better days. Heed and hold fast to the words of Joshua: "Have I not commanded you? Be strong and courageous. Do not be frightened, and do not be dismayed, for the Lord your God is with you wherever you go" (1:9).