

Practice in Planning: Building a Budget Exercise

Key Concepts:

1. Develop a financial vision statement as a couple.
2. Establish SMART goals together.
3. Create a balanced budget.

This is the first block of time for couples to begin working on their own finances. You will want to make sure there is enough physical space in your venue for couples to have some amount of privacy in their conversations and room to work together. A good Wi-Fi signal is also encouraged as many participants will want to access their online banking/loan information. Encourage the participants to spread out and use the spaces available. Direct them to the Financial Freedom Plan page in the notebook and the monthly budget worksheet on the following page.

Each couple will have two notebooks, so they may use one of the notebooks as their draft or working copy and use the other notebook for their final plan. It is also a good idea to have a few extra copies of the monthly budget worksheet available. They may be needed! Links to different budget worksheets from organizations such as Crown Financial and Dave Ramsey's Financial Peace University are available in [Appendix K](#). Ramsey's Irregular Income Planning Worksheet is helpful for pastors and spouses who have sporadic or irregular income. You may want to have a few copies of that as well.

Before releasing the couples to do their work, explain to them that you and the rest of the retreat staff are available to coach them. Budgeting is their work to do, but you are there to assist them as needed. The staff will need to be open and available to answer questions, look at budgets and make suggestions, and share from their own experiences. Remind the participants that you are not financial planners or tax lawyers (unless one of you is); therefore, your role is that of coach and fellow journeyer.

If you have a professional psychologist or counselor available at the retreat, let the participants know how and where to access them. These kinds of financial conversations have the potential to get heated, or they can bring up old wounds. Sometimes couples will need a little assistance in working through their communications.

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As a coach, you are not a financial expert, but you have a fresh perspective when looking at a budget for the first time. Avoid telling participants what they should do with their money; instead ask them questions that will help them make their own choices. For example, a couple struggling to balance their budget may ask you to look over their budget. You notice that they have budgeted \$300/month for groceries and \$800/month in eating out. Ask them if they have considered whether they could cook at home more often. You may need to ask, “Do you really need...?” “Can you afford NOT to have insurance?” “Have you shopped around for better phone plans?”

Be available without hovering. Offer assistance without offending. Listen with empathy. Challenge with love.

Outline:

- I. Direct participants to the correct pages in their notebooks.
- II. Review instructions.
- III. Give participants time to do the exercises (1-2 hours).
- IV. Staff should move throughout the room to be available for coaching and reviewing the participants’ work. Offer suggestions or questions for them to consider.
- V. Model empathy and unconditional love.

Practice in Planning: Table Discussion

Key Concepts:

1. Deepening trust between participants
2. Increased sharing of struggles or financial details
3. Mutual encouragement

If time allows, bring the participants back to their tables and encourage them to talk about their experience in creating a vision statement, setting goals, and creating a budget. Remind them that they are free to share as much or as little as they are comfortable sharing. Reiterate that they are all in this together and can support and encourage each other. The goal with this exercise is to continue to deepen relationships and foster deeper vulnerability and empathy.

Outline:

- I. Remind them to share only what they are comfortable sharing.**
- II. Remind them to receive each other with empathy.**
- III. Have people share around their tables.**
 - A. What are they learning?
 - B. What is challenging?
 - C. What is encouraging?

Practice in Planning: Building a Budget Exercise

Key Concepts:

1. Complete the Financial Freedom Plan
2. Balance their monthly budget
3. Continued collaboration and communication between spouses

This is the second large block of time for couples to continue editing and finalizing their budgets. Remind participants that you are there to review what they have done and offer whatever assistance you can, and remind them how they can access the professional counselor if they would like to take advantage of that service.

Be available to the couples and be sure to model empathy and unconditional love.

Outline:

- I. **Direct participants to the correct pages in their notebooks.**
- II. **Review instructions.**
- III. **Give participants time to complete the exercises (1-2 hours).**
- IV. **Staff should move throughout the room to be available to coach and review the participants' work. Offer suggestions or questions for them to consider.**
- V. **Model empathy and unconditional love.**

Practice in Planning: Building a Debt Plan and More

Key Concepts:

1. Managing debt well can save you money in the long run.
2. Interest rates and pay off amounts can be negotiated.
3. You do NOT need to pay anyone to do this. You can negotiate yourself.

Now that the participants have completed their annual or monthly budgets, they are ready to take a look at managing their debt well. The first step is to understand the importance of paying more than the minimum payment. Show them how to use the Debt Reduction Worksheet and how to apply the debt snowball method, beginning with the smallest debt total or the highest rate of interest. They will have an opportunity to fill out this worksheet after this session.

The next sections of the participant notebook contain suggestions and guidelines for working with creditors to negotiate lower interest rates and pay-off amounts. Go over these documents, highlighting the importance of being polite and keeping good notes about the conversations. Warn them about the dangers of using debt consolidation companies or hiring debt negotiators. Most people should be able to negotiate their own debts and interest rates when they know what to do and what to say.

Because the participants have already gone through the process of creating a budget, they now know what they can and cannot afford to pay toward their debts. This is very important when working with creditors.

The following is the outline of this presentation at the original COMPASS True North Retreats.

Practice in Planning: Building a Debt Plan and More

Outline:

I. Direct participants to the appropriate pages in their notebooks.

II. How to use the Debt Reduction Worksheet

- A. Add to minimum payments.
- B. Use the debt snowball method.

III. Working with creditors

- A. Negotiating pay-offs and lower interest rates is one way to lower your debt.
- B. Listen well.
- C. Be polite but firm.
- D. Ask for everything in writing.
- E. Keep accurate notes.
- F. Follow up with letters.

IV. How to lower your credit card interest rates

- A. Credit card companies want your business.
- B. Polite persistence pays.
- C. Keep accurate notes.

V. Strategies for negotiating your debt

- A. Warning about debt consolidators/debt negotiators.
- B. Get organized.
- C. Know how much you can and cannot pay.
- D. Keep accurate notes.
- E. Stay positive.

Practice in Planning: Building a Debt Freedom Plan Exercise

Key Concepts:

1. Fill out the Debt Reduction Plan Worksheet
2. Continued collaboration and communication between spouses

This is the final block of time for couples to build a debt reduction plan and complete their budgets. In light of the information that they learned in the previous session, they may want to revisit their budget and see if they can tighten up their budget to make more money available for implementing the debt snowball method.

Remind participants that you are there to review what they have done and offer whatever assistance you can, and remind them how they can access the professional counselor if they would like to take advantage of that service.

Be available to the couples and be sure to model empathy and unconditional love.

Outline:

- I. Review instructions.
- II. Give participants time to do the exercise (1-2 hours).
- III. Staff should move throughout the room to be available for coaching and reviewing the participants' work. Offer suggestions or questions for them to consider.
- IV. Model empathy and unconditional love.