

HOW TO MAKE IT FINANCIALLY THROUGH TRAINING AS A MISSIONARY

I know my story is unique, but some principles do apply: I had \$10,000 in savings from high school summer jobs. My total cost of college with Aviation tuition was \$54,000. I left school with loans amounting to \$25,000 from my parents, \$5,000 from a pilot friend, and \$14,000 in government Stafford loans. (in Canada, I didn't get any federal grants like you can get at Moody). That's a total debt bill of \$44,000. I got by with that by driving an old college car that my parents owned and let me use.

Tip #1 - put off a new car, and maintain the one you have.

After graduation, I moved into my parents basement and looked for a job in a professional field - my case, an IT specialist.

Tip #2 - it's okay to live in your parents' basement for several years. No matter how humbling and frustrating the experience can get, or what your friends say, it's worth it to save for your financial goals. There are other non-fiscal benefits to living at home, including some that you may never know about...ways of ministry to your family.

I basically took my income, saved about 25 percent for my own things I needed to live on, and paid about \$1000 per month to my parents. After 3 years, I had paid off \$36,000. That left \$8,000. My parents decided to forgive \$7,000 for a wedding gift. (wow.) I took care of the other \$1,000 as able, and I was still driving the old car they loaned me. I think it grew on me and I had a hard time giving it up when it was time to get married. :-)

During these 3 years, I flew with a friend and his airplane, so it didn't cost me anything to keep current.

Tip #3 - Give flight instruction away free in exchange for hours of currency...it's a worthy trade if you don't have the time or resources to run a full-time flight instructor business.

I paid \$100 a month to my flight instructor friend for 3 years, and am nearly finished with that loan. (no interest, again).

And I paid the minimum monthly payments on the low interest government loans, which have amounted to about \$150 a month. Those loans are nearly halfway paid off. I don't consider them serious debt that prohibits me from moving ahead in a career or ministry because they are so low-interest. With inflation the way it is, I'm paying them back with money that's worth less than it was at the time of origination, and I'm the one coming out on top of the interest curve over time. Also, the way it's going, I will have my remaining non-government debts paid down in a year from now. The money left is much larger and can finally pay off the government loans quicker.

A couple of big things happened on the way to interrupt things. First, I got married. This was a risk because I had to take on my spouse's school loans (after 7 years of college and no years in the workforce),

health care premiums tripled and took a dent out of my net salary, and I also had to buy a car. How did this work out? Well, first, the car. I bought a practical, fuel-efficient used car in good condition, instead of the new car I wanted. I had to finance it because I'd put the majority of my income into debt payment instead of savings. The financing is for 4 years, and the rate I'm going it will be paid off in under 3. Why? A friend told me to pay \$50 more than the minimum payment. You don't notice much for a while, but it will surprise you how early you'll be able to pay it off.

Second thing I'm doing is this: I get paid bi-weekly from my salary position. I budget monthly. This means that in a given year, there are two months in which I get 3 paychecks. That third paycheck goes directly to my car loan.

Bottom line - from all this, my car will be paid off in less than 3 Years instead of the 4 that it was financed for. Also, it happens to coincide closely when I finish paying off my other non-government loans.

Tip #4 - I am a firm believer that car loans should be paid off very soon. It saves on insurance and is important because cars depreciate much faster than the loan interest rates. The best plan is never to finance a car.

I'm also grateful right now for fuel efficiency and a smaller vehicle.

Okay, about getting married. My parents gave me a wonderful gift - Forgiving \$7,000 in debt. My wife brought to our new life another vehicle that was already paid off. That helped. Her school loans are a bit high, but they're all government-sourced and very low interest. The advantages to getting married - first an amazing beautiful life partner to support and encourage you, but financially, she works too, and brings in an income. We are putting off kids for a few years. This helps get finance things taken care of first, but again, this can be up to God, in case something "happens." Her income more than helps pay for housing, groceries and her loan payment. We're not getting far yet because she's just doing small retail jobs while waiting for an interview for a professional position related to her degree. (She's a teacher). If she gets a teacher job, we could conceivably have all government loans paid off in 2 years as well, and be debt free 100%. That's the plan and the prayer. Also, getting married brought some amazing tax benefits. Our income tax refund was nearly \$2,000 and that took a huge chunk of debt away. So the advice is:

Tip #5 - Marriage should not be considered a hindrance to getting debt Paid off. If you want to get married, don't wait too long...the tax benefits and second income are amazing. Plus, marriage is wonderful if God brings it about in His timing and writes His story through your lives.

Something else happened - I got an unexpected raise of 25% of my salary In January. I attribute this to the fact that God is taking care of me and rewarding my faithfulness to the same job for the last 3 years. It

happened when I casually applied for an IT management job (my boss's job) at another company. I got offered it, and my boss wanted to keep me so bad he out-did the offer. I keep my vacation time, benefits, and 40 hour work week. And I love working with my boss, who is an amazing Christian leader. I'm sure God does these kinds of things just to prove to us that He's God, and that he really does care about our needs.

Tip #6 - Importance of tithing: God wants us to remember him every step along the way to debt payment. A good friend told me something about Jesus' instruction of getting "right" with your brother before bringing your own offering to God. (Matthew 5:23-24) My friend interpreted this to mean we should pay our debts before tithing, and that it's okay not to tithe while repaying debt. How wrong he is...God has rewarded me with such fullness of life for my faithfulness in tithing. In fact, I've set some examples in my church and have built relationships in different ways than I expected on account of how much I enjoy tithing and giving. I'm sure those relationships will come back around when one day I ask for financial support to be a missionary.

When I graduated, I had high hopes of paying off all debt in 2 or 3 years, max. That's grossly unrealistic. I was discouraged to see that I had to start at an entry-level salary. I was discouraged that the math just didn't add up to that short time frame. But with patient persistence, and a willingness to accept that it will take 3-5 years, keeping the goal in sight, it's possible. In actuality, getting it paid off in under 5 years, buying a car, and getting married is VERY impressive and amazing. I attribute the success of this plan to God and thank my dad for teaching me money management principles early in life (even if I didn't get to use any of them until I received a regular income).

So that's my story, Ralph. I hope the tips above are good advice for Others following in my shoes. I feel kind of funny giving advice from my story, after all - I'm not there yet, and I still feel really young compared to all the experienced staff at MAF!

Josh