

HOW WE BROKE THE CHAINS OF DEBT

By Kate Strongin

We rejoiced the day my husband finished graduate school. Student life was all we had known for eight years of marriage, and we couldn't wait to move on to the next chapter of our lives. One of the most exciting things was that we could stop taking out student loans and start paying them back. We prayed and worked daily for my husband to obtain a wonderful career that would help us get out of debt. We were confident the Lord would quickly bless us with a job because of our efforts and righteous desires.

But the Lord had a different plan. My husband struggled for 18 months to find a job. During that time, we were schooled intensely in financial and spiritual matters. Our hearts were being prepared to truly follow the Lord's counsel to stay out of debt. Three important principles were ingrained into us at this time: avoid credit card debt, live by a budget, and tithe and trust in the Lord.



ILLUSTRATIONS BY NICK WIGGINS



Avoid Credit Card Debt

When we sat down and calculated the minimum income we could accept, I was shocked to discover that our debt payments almost doubled the amount of income we needed. This spurred us to calculate all our debt. I felt sick as I looked at the figures. We knew we would have some student debt, but this was unreal.

What had happened? We had thought we were following prophetic counsel to avoid unnecessary debt. We worked part-time while attending college, applied for grants, and used student loans as a last resort. Our mistake was in using our credit cards for emergencies as defined by a materialistic world. Those “emergencies” added up to thousands of dollars.

When we saw the consequences of our mistakes, we spent much time in prayer asking for the Lord’s help to do better. One thing we realized was that without an income, we couldn’t pay off debt, but we could stop using credit cards. It was an easy decision as we looked at the debt and interest we owed. Our financial reserves would last a few more months, and we were confident that my husband would have a well-paying job by then.

Live by a Budget

Another startling realization was that much of our debt could have been avoided if we had lived

by a budget. Previously, when my husband had pressed for a budget, I refused. I was overwhelmed with school and work and thought budgeting would just be one more burden. I thought simply trying to live frugally was enough. Now I saw how wrong I was and we immediately set up a budget to identify needs and track our spending. I was surprised at how much freedom and peace of mind it gave me. My stress level actually decreased! It was easier to live within our means when I knew exactly how much was coming in and how much was going out.

Tithe and Trust in the Lord

A huge test came eight months later when our financial reserves ran out. My husband had obtained temporary employment, but our expenses were not completely covered. We were already in survival mode and could not lower our expenses any further. We had two small children to nurture, clothe, and feed. We spent many more hours praying and working to find other sources of income.



Finally, we decided to use our credit cards to buy groceries and asked the Lord to intervene if we were not doing His will. A short time later, my parents told us of a time when my dad had been unemployed and they had also decided to supplement with credit cards, rationalizing that employment would come soon and they would pay off the credit cards. They soon realized they were not putting their trust in the Lord, but rather putting their trust in plastic. They had stopped using their credit cards.

My parents' counsel felt right for us in our situation. There may be appropriate uses for credit cards, but this was not one. The thought of giving up my credit cards brought worries: What if the car breaks down and my husband can't get to an interview? What if one of the kids has to go to the emergency room? What would we do? However, when we acted on the promptings to stop using our credit cards, I felt happier than I had in months. Our financial situation had not changed and yet I felt strangely peaceful. I had put my trust in the Lord, not knowing what would happen, and He had assured me that all would be well. Additional comfort came from knowing we paid our tithing faithfully and the Lord would open the windows of heaven for us (see Malachi 3:10).

During the following months there were still moments of frustration and worry, but as I turned my heart to the Lord, the overwhelming feeling was one of peace and security. Miracles abounded. My husband was offered overtime work. Family, friends, and neighbors would drop off food or leave envelopes with money or gift cards on our doorstep.

A year and a half after graduating, my husband accepted a job offer. The pay was lower than we had anticipated, but we were thrilled to pay all our bills and still have money for groceries. There would even be a small amount for paying down credit card debt. We made a new budget with a plan to do just that. I remembered reading in the *Ensign* about financial calculators that were available on providentliving.org. I used those and determined that we could be free of credit card

debt in about a year and a half. If we had continued to rely on credit cards, we would have been thousands more dollars in debt.

We used the debt payoff methods in the pamphlet, *One for the Money* by Elder Marvin J. Ashton. We paid off the highest interest debt first, making minimum payments on all other debts. After the highest interest debt was paid off, that payment money went



Credit Cards: We stopped using them so that we wouldn't incur more debt.

A Budget: It was easier to live within our means when we knew exactly how much was coming in and going out.

Trust in the Lord: We trusted in the Lord, not knowing what would happen, but feeling His assurance that all would be well. We found comfort in knowing we paid our tithing faithfully.

towards the debt with the next highest interest rate. And so on.

Each month, the Lord provided miracles, and we were able to set aside more money than anticipated to pay off debt. Eight months later we were free of credit card debt. It was truly liberating.

We are still on our journey to becoming completely debt free. But we know that by following correct principles and being patient it is possible to succeed and meet our goal. As we have prayerfully followed

His servants' counsel regarding debt, the Lord has guided us. We can testify with Nephi that through obedience, the Lord prepares a way for us to accomplish the things He has commanded us to do (see 1 Nephi 3:7). ■