
HOW TO DO A BUDGET

- Create a list showing your monthly income and bills/expenses (e.g., rent/mortgage, utilities, groceries, gas, giving).
- Look at a calendar and create a list of infrequent expenses (those that don't occur monthly), such as vacation, gifts, holidays, activities, pet costs, car insurance, and car maintenance. Add how much you'll spend on these items in the next year and divide by 12. Include these expenses in your budget, and be sure to save for them monthly, so they don't throw you off course. Estimate these as close as possible. It's best to overestimate, so you have enough.
- Does your budget include money to pay off debt or increase savings? If not, add this as well.
- Use the information from the first two tasks to build a budget. You can use a popular app like Every Dollar or Mint or a spreadsheet (visit northpoint.org/moneywise-resources-and-faqs, if you'd like a budget template).
- After you build the budget, ask these questions:
 1. Am I spending more than I bring in, or is there money left? How can I ensure this number is close to 0?
 2. Am I being realistic about my income and expenses?
 3. What habits will I need to change to make this budget a reality?
- Set weekly (or biweekly) reminders to compare your actual income and spending to your budget. Make spending adjustments if you notice that you're spending more than you planned.
- Adjust your budget as life changes and continue tracking your expenses every week or two.

Note: Go easy on yourself. If this is the first time or first time in a long time that you've looked at your budget, it might take a few months to get a good understanding of your income and expenses. It's important to build the habit of looking at your budget every week or two.