Basic Budgeting

Savings:

Key idea: Monthly income doesn't always match monthly expenses. Savings helps smooth things out.
Retirement: Save at least 10% of your monthly income through your employer. You might not want to work the rest of your life, but you'll probably want to keep eating.
Unexpected expenses: Save 3 to 6 months of income in a separate account in the budget.

Basic budgeting: Use envelopes for each category of spending: when you get paid, put a fixed amount of cash into each envelope. For example, each month when you get paid, you put $700 in the rent envelope. Only buy something if you have cash in the relevant envelope.
My budget was inspired by the idea of cash envelopes, but allows you to avoid keeping lots of cash lying around (which is not safe and doesn't earn interest). It allows you to break down your overall bank balances into earmarked quantities.
You can use both the envelopes and spreadsheet if you have trouble to staying on budget.

Debt and Credit Cards:

I am not as anti-debt as Dave Ramsey, but in my opinion debt should be avoided if possible.
In my opinion, credit cards can be a useful tool if you have the self-discipline to pay off your balance every month. If you can't, don't use them. If you need help getting out of debt, I recommend Dave Ramsey's approach: https://www.daveramsey.com/

Benefits of a budget:

1. Guilt-free fun spending if funds in budget.
2. Build up reserves for unexpected expenses.
3. Peace of mind that know will have money for necessities like food and gas.
4. Less buyer's remorse from impulse buying.

Note: budgeting eventually becomes easy and automatic

Using the budget spreadsheet:

1. Enter numbers in green areas. Other cells have titles and formulas.
2. **Budget Items** are the "envelopes" you save money in. **Assets/Debt** are the balances in your bank or other financial institution. I set these up assuming a money market and savings account. Money can usually be moved more easily back and forth between checking and a money-market account. It is often slower to move money to/from savings, but it typically earns a higher return. I tend to move anything above what I need for this month's spending out of checking and into a money market.
3. In my case, retirement savings come out before I am paid and so it doesn't go in the budget.
4. The implications of one month feed into later months. What you spend now reduces next month's balance, what you deposit this month increases next month's balance.
5. The sum of **Budget Items** should equal net assets (asset minus debt).
6. Assets should have positive balances. Credit cards are debt and so have negative balances.
7. Each month allocate income across accounts and record expenses. You can record expenses when you get account statements or with each expense. I recommend with each expense until you get used to staying on budget.
8. You can start any time. Just put initial balances in the first tab then skip to current month's tab.
9. I set up the budget for two people (two clothing and personal accounts).
10. If you change the titles or amount you are adding on any tab, the change also occurs on tabs to the right of the current tab. So if you change a title on the "Begin Year" Tab, the title will change for all months. If you change an "Add" amount on the February tab, the Add amount will change for March through December as well.