

Don't Wait Until January to Think About Budgeting

by Lynnae on November 2, 2009 · 15 comments



It's November, and people are thinking about buying Christmas presents, shopping for Thanksgiving dinner, and all the other little expenses that go along with two months of holidays.

There's a temptation to bury your head in the sand, pull out the credit card for expenses, and deal with the aftermath in January. I know. I've been there. But do you really want to do that? Are you really going to be better able to pay for Christmas come January than you are right now? Probably not. So don't set yourself up for budgeting failure.

This month I'm going to be focusing on controlling spending during the holiday season. To get you started, here are a few guidelines to live by.

Make a Holiday Wish List

Determine what you absolutely need to buy this holiday season. This is going to vary from person to person, based on your lifestyle and priorities. Things on your list might include:

- Food for hosting dinners or holiday parties
- Gifts (How many per person? Know the answer to this before you shop)
- Christmas Tree
- Christmas Cards
- Stamps
- Christmas Outfits
- Photos

The list could include all of these items, or just a few. And the list could contain many more items. The important thing is that you make a list of your expectations.

Compare Your Ideals to Reality

Next compare all the things on your list to the reality of the money you have available. If you have plenty of money to cover your holiday expenses, without sacrificing life's necessities or running up the credit card debt, you're finished.

But if your holiday wish list exceeds your ability to pay for it, you're going to have to adjust your thinking.

Cut Your Holiday Budget

You have some tough decisions to make, if you don't want to rack up holiday debt. Begin thinking of ways you can save money on the holidays.

- Shop for bargains on gifts...or make your own
- If you have an informal family, consider potlucking big holiday dinners. My family does this every year, and it takes a lot of stress off the host.
- Trim your Christmas card list. Or do what I did one year and send Easter cards instead. Moving the expense of sending cards to a different month gives you time to save for stamps.
- Do you have a friend who could take a great family picture, instead of using a studio? You can often find bargains on printing your photos online.
- I don't know about other areas of the country, but in Oregon you can get a permit to cut your own Christmas tree for \$5. Pack some soup in a thermos, head up to the snow, and make a family day of getting a cheap Christmas tree.

These are just a few ideas for cutting your holiday budget. I'll be focusing on more ideas as the month goes on.

Don't Cut the Holiday Fun

Make a second list. This list should contain fun things you can do that cost little (or no) extra money. Your frugal holiday list might include:

- Christmas caroling
- Watching holiday specials on TV (make sure to pop some popcorn)
- Baking cookies or making candy
- Looking at Christmas lights
- Writing in a Thanksgiving Journal
- Attending free community or church events
- Reading holiday books with your kids

Make sure you ask your kids for input, too. My kids always have fun, creative suggestions for holiday activities.

Consider Giving Back

A great way to take the focus off your own lack of money is to focus on people who are even less fortunate. And there are always people who are less well off.

This time of year there are many ways to give.

- Salvation Army buckets
- Operation Christmas Child
- Holiday Trees (the ones in the store, where you pick a child's name off the tree and buy gifts for that child)
- Toys for Tots
- Baking cookies for shut ins
- Visiting nursing homes and taking the time to talk with residents who have no relatives nearby.

If you look for ways to give, the possibilities are endless. And giving will not only bring joy to the receiver, but also to you, the giver.