



# Budget basics

Creating and sticking to a budget creates a financial foundation to reaching your financial goals.

Here's a start/stop/keep approach to the best budget habits to adopt in 2019. **By Tamekia Reece**

If you want to get your finances on track, budgeting is crucial to reaching your goal. Whether this is your first time tackling this financial hurdle, you've tried and failed a few times or you're looking for ways to improve your current budget, addressing these financial habits can lead to a successful financial year.

**START TRACKING.** Begin by writing down your needs and wants. Then use a notebook, an app or online banking to keep track of your income and expenses. Seeing what you have coming in and where your money is going will give you a better idea of what changes to make.

**STOP THE LEAKS.** "Big budget busters tend to be things like eating out or coffee stops," said Jamie Fatheree, a certified Credit Union Financial Counselor at American Airlines Federal Credit Union. These purchases are usually small, so you may not notice how quickly they add up. Look at your spending and see if there are ways to cut back. For instance, instead of a



### American Airlines Credit Union

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daily latte at the coffee shop, have one a week and brew your own on the other days.

**KEEP SAVING.** Pay yourself first by tucking away a certain amount with each paycheck. “Treat savings like one of your bills and pay yourself first,” Fatheree said. “Ideally, you want to save 10 percent of your income. However, if that’s not possible, save as much as you can and increase the amount gradually.”

**START WORKING ON AUTOPILOT.** Put your money on autopilot, whether that means scheduling automatic bill pay or automatically transferring a specific amount from your paycheck to your savings. You’ll avoid late fees and

## Budget smart with these three apps

### Mint

Manage all your finances in one place, across multiple platforms. Mint sends alerts when bills are due, allows you to track cash transactions and lets you try out what-if scenarios to see how your choices would impact your budget. Free

### You Need a Budget (YNAB)

Build your budget based on your income and then give every dollar a job. YNAB helps you find wasted money in your financial plan, pay off debt and set and track goals. \$7/month

### Wally

Keep track of your income and the details of your spending: where, when, what, why and how much. Wally is simple and convenient for people who are looking to cut down on excess spending. It even allows you to take a picture of receipts. Free

possible dings to your credit. In addition, if you automate your savings, you may not even notice the difference in your paycheck.

**STOP DEPRIVING YOURSELF.** Being too restrictive with your budget can cause you to overspend. “When you’re putting your budget together, include a little money every month to spend as you please,” Fatheree said.

**KEEP CHECKING IN.** Consistency is key to keeping your budget under control. Even if you get off track, get back to it. “Reviewing your budget regularly — every week, bi-weekly or once a month — should help,” Fatheree said. These check-ins allow you to see what is and isn’t working and to make any needed adjustments. [S](#)