

THE CHALLENGE

This month's challenge is to find out where we can save the most money in our budgets. Now that we've been tracking our expenses and utilizing our budgets for a few months now, we have a really good idea of how our spending looks. It's time to take a closer look at our expense categories and see where we might want to make some adjustments so that we can save more!

Here is Dave Ramsey's recommended budget breakdown.

GIVING: 10%

It's important to budget in giving, even when we're in debt or feel like we don't have enough to give. Generosity shifts our focus off of our own problems and reminds us to be grateful.

SAVING: 10%

Emergency funds aren't built overnight. Try to put aside 10% of your paycheck toward an emergency fund.

FOOD: 10-15%

If you're consistently going over budget in this category, take a look at where you could save: less takeout, more meal prepping, mixing up grocery stores?

UTILITIES: 5-10%

You may not have as much control over this category as others, but if you're consistently facing high utility bills, check out ways to reduce your utility spending.

HOUSING: 25%

Again, if you're spending more than 25% in this category, it's obviously not a quick fix. You can use the 25% as a guide when you're house-hunting!

INSURANCE: 10-25%

Make sure you're covered with health, home, auto, and life insurance.

TRANSPORTATION: 10%

This varies a lot person-to-person, so adjust this as you need. Starting with 10-15% then adjusting from there is a good way to tackle this category.

HEALTH 5-10%

Budget doctor visits so that you can avoid being surprised by a bill. Depending on the health insurance that you carry, you can also put money into an HSA or FSA in order to cover any unexpected bills. If you don't use your health budget for the month, go ahead and put that money into a savings account dedicated to potential medical expenses.

RECREATION: 5-10%

Events, gym memberships, and all kinds of entertainment can fit into this category.

PERSONAL SPENDING: 5-10%

This category is for those fun extras you want in life!

MISCELLANEOUS: 5-10%

This category is necessary for those random, unplanned expenses.

THE GOAL

Remember, our goal here is to adjust our budgets to help us build our emergency savings, pay off debt, or even just be able to save for a nice trip or another pricey purchase. Learn more about this budget breakdown on Dave Ramsey's website.