5.8 Budget Stations (An Introduction to Budgeting)

STATION 1: HOUSING

Live at Home — $450/month

You live with family and contribute toward household expenses, internet, and utilities (electricity, water, trash).

Shared Apartment (1-2 roommates) — $1,050/month

You rent a room in a shared apartment. Costs cover your portion of rent for a modest unit in a typical U.S. metro area as well as utilities and internet.

Studio Apartment + Renters Insurance — $1,550/month

You live alone in a small studio and pay for rent, utilities, and internet. Renters insurance protects your belongings and reduces your financial risk in case of theft, water damage, or fire.

One-Bedroom Apartment + Renters Insurance— $1,850/month

You live alone in a larger space with more amenities (such as a pool, fitness center, and recreation room). Cost includes rent, utilities, internet, and renters insurance.

STATION 2: TRANSPORTATION

Public Transit Pass — $80/month

You rely on buses or trains for work, school, and errands.

Older Used Car + Minimum Insurance — $250/month

You own an older car that's paid off. You pay for gas, basic upkeep, and the cheapest insurance allowed by law. If you cause an accident, insurance covers the other person's car, but not yours.

Newer Car With Loan + Full-Coverage Insurance — $750/month

You're making monthly payments on a loan for a newer car. In addition to gas and basic upkeep, you pay for full insurance, which is required by the lender. This insurance helps cover damage to other people *and* repairs to your own car.

STATION 3: FOOD

Groceries Only — $300/month

You cook meals at home and avoid eating out. This option keeps your food expenses low.

Groceries + Occasional Restaurants — $420/month

You eat at home most days but go out to eat or get takeout once or twice a week.

Meal Kit Subscription + Groceries — $510/month

You use a weekly meal kit service and still buy some groceries.

Frequent Restaurant Dining — $650/month

You rely heavily on restaurants and takeout.

STATION 4: PHONE

Basic Phone Plan — $35/month

You choose a prepaid plan with limited mobile data.

Family Plan Contribution — $50/month

You join an unlimited family mobile plan and pay your share.

Standard Unlimited Plan — $75/month

A typical unlimited mobile data plan with consistent coverage.

Premium Plan — $105/month

Mobile plan with high-speed data, hotspot access, and international features.

STATION 5: HEALTH INSURANCE

Stay on Family Insurance — $70/month

Your family adds you to their plan and you contribute a small amount to the premium payment. (After you are 26 years old you are not able to stay on your family's plan).

Bronze Plan — $300/month

Low monthly payments but when medical care is needed it will be relatively expensive. Most suitable for someone who anticipates needing few healthcare services.

Silver Plan — $500/month

High monthly payments but when medical care is needed it will be relatively inexpensive. Most suitable for someone who anticipates needing frequent healthcare services.

STATION 6: SHORT-TERM SAVINGS

Basic Emergency Fund — $50/month

You set aside a small monthly amount for unexpected expenses.

Moderate Short-Term Fund — $150/month

You set aside a moderate monthly amount to prepare for unexpected expenses.

Larger Short-Term Fund — $300/month

You set aside a larger monthly amount to build a strong financial cushion or save for larger short-term purchases (e.g., travel).

STATION 7: LONG-TERM SAVINGS

Basic Long-Term Fund — $250/month

You invest about 5% of your gross monthly income into a 401(K) or similar account for long-term goals, such as retirement.

Medium Long-Term Fund — $500/month

You invest about 10% of your gross monthly income into a 401(k) or similar account for long-term goals, such as retirement.

Larger Long-Term Fund — $750/month

You invest about 15% of your gross monthly income into a 401(k) or similar account for long-term goals, such as retirement.

STATION 8: CLOTHING & PERSONAL CARE

Basic Needs Only — $50/month

You replace clothing occasionally and keep personal care simple.

Moderate Spending — $100/month

Periodically, you update your wardrobe and/or pay for personal care services (e.g., nails, regular haircuts and coloring, facials).

High-Style Spending — $180/month

You frequently update your wardrobe and/or pay for personal care services (e.g., nails, regular haircuts and coloring, facials).

STATION 9: OTHER EXPENSES

Each option below costs $100 per month.
Choose as many or as few as you want.

- ☐ Charity/Donations
- ☐ Concerts or live events
- ☐ Fitness classes, memberships, gear
- ☐ Frequent coffee runs
- ☐ Gifts and celebrations
- ☐ Household supplies and decor
- ☐ Hobbies (supplies, classes, etc.)
- ☐ Pet care
- ☐ Premium streaming services
- ☐ Subscriptions or apps
- ☐ Weekend activities or social outings