

Punching Numbers

By Emily Fagan #99408



HitchHiker II LS fifth-wheel trailer
courtesy of NuWa Industries, Inc.



One of the biggest questions I had before we started RVing was can we afford it, especially on a full-time basis? I spent hours poring over other travelers' budgets and punching numbers on the calculator before we left. My husband, Mark, and I took the plunge and ran away in our trailer almost two years ago. We have been having a ball, and affording it, ever since.

In light of the sagging economy and the dire predictions for baby boomers retiring, I thought it would be useful for our peers to see that it can be done.

Budgeting is highly personal, as we all have different priorities. However, if you are dreaming of an RV lifestyle, be it full- or part-time, putting your hands on real-life numbers is vital to your planning process. So I will share our most recent 12 months of actual expenses with you.

Living Skinny

Our expenses reflect who we are. At 48 and 54, we are young to be out here. We love this lifestyle and don't want to be forced to quit, so we live as skinny as possible. We spend money where it needs to be spent and avoid those things

that would be fun but might shorten our time out here in the long run.

We have found that full-time RVing is cheaper than living in our stick-built house by at least \$500 per month be-

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cause there are no property taxes, no Home Owners Association (HOA) dues, no utilities and we drive a lot less.

We have adjusted to a simpler life. We don't eat out, and we equipped our rig with a solar setup so we can

boondock 100 percent of the time, if we choose to. We love boondocking because it gives us a feeling of total freedom and independence.

(See Emily's "Shedding Light On Solar" article published in the March/April 2009 issue of *Escapees* magazine.)

We avoid monthly bills by not having a cell phone or satellite system, and we rely on free WiFi for Internet access. We own our truck and trailer outright and do not carry any debt.

Medical insurance and medication costs are hugely variable between people, so I have not included anything about that here.

I studied our statements from September 1, 2007, through August 31, 2008. During that time, we traveled 25,000 total miles and had the trailer in tow for about 15,000 of those miles.

We upgraded our rig from a 27-foot travel trailer to a 36-foot fifth-wheel, but none of the one-time costs related to that purchase are included here.

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We planned to spend \$1,800 per month before we left. I estimated our monthly costs would be \$500 for food, which is what we had been spending at home; \$500 for gas; \$500 for campground fees; \$100 for RV and truck insurance; and I left a slush of \$200 per month for other things. However, our actual expenses totaled only \$1,672 per month.

During those 12 months, we saw diesel prices jump by almost 90 percent from \$2.74 to \$5.16 per gallon (in the places where we were buying diesel).

We also learned about boondocking and discovered we didn't need to spend anything on campgrounds.

Those two unexpected events cancelled each other out!

Expenses are divided into *fixed costs* that we spend every month, regardless of what we are doing, and *variable costs* that depend on our activities.

Average Monthly Fixed Costs

Food and household items	477
Vehicle registration/insurance	123
Propane	40
Laundry	40
Mail/postage	30
Miscellaneous	36
Total	\$746



- **Food and household items:** This covers all supermarket purchases, including laundry detergent and cleansers.
- **Vehicle registration/insurance:** This includes vehicle tags for the truck and trailer and insurance for both vehicles. We pay it annually, but the monthly cost is shown.
- **Propane:** Prices for LP vary. We have paid as little as \$2.99/gallon and as much as \$3.99/gallon. We used 11 to 12 gallons per month, a little more in the winter when we used the propane furnace to heat the rig.
- **Laundry:** Prices have ranged from \$1.75 to \$3.50 to wash and dry a single load. On average, we do three to five loads a week for about \$2.50 per load.
- **Mail/postage:** This includes our mail-forwarding service, with monthly mail delivery, as well as the postage we buy to send letters and packages.
- **Miscellaneous:** My mom was a professional bookkeeper, and she taught me never to have a "miscellaneous" category because things can be lost in there. However, I can't ignore the \$36 that has snuck out of our wallets every month. Unaccounted for: newspapers, haircuts, sodas, etc.

Average Monthly Variable Costs

Diesel	482
Camping	145
Improvements	140
Maintenance	105
Entertainment	31
Memberships	15
Clothes	8
Total	\$926



These are costs that are essentially optional. They can be deferred to a later month, foregone or can make a fun splash in the current month. I am including the average monthly cost of these items during the past 12 months, although some represent just one or two purchases during the year. We have found that diesel costs and camping fees are the most flexible costs in this lifestyle.

- **Diesel:** Our highest month was \$935, in February 2008, while we drove across country from Phoenix, Arizona, to Jacksonville, Florida. Ironically, that was before diesel prices skyrocketed. Our lowest month was the next month, March, when we spent just \$275 as we hung around our son's naval base in Florida and rode our bikes. We also went through one stretch of 29 days over the summer where we did not put diesel in the truck at all. The impact of diesel costs on the overall budget depends entirely on how much we drive. As diesel prices nearly doubled, we dropped our driving to about half and landed in the same place financially.
- **Camping:** From September to December 2007, we stayed mostly in state parks and camped at a private RV park for two weeks at Christmas. Those four months accounted for most of our camping costs for the year, averaging \$292/month for each of those months. From January to August 2008, we boondocked almost every night, averaging \$71/month for those eight months. (Don't ignore the options available to you through the Escapees Rainbow Parks and SKP Co-Ops systems. There're long- and short-term parking as well as boondocking in these parks.)
- **Improvements:** These are bigger one-time purchases. We bought a high-quality mattress; we purchased a Yamaha 2400i generator, and we upgraded our batteries. We also bought a backup hard drive for the computer and some software.
- **Maintenance:** This is hard to predict. Mark maintains everything meticulously, washing and waxing and keeping up on the little things that break. He doesn't put off any maintenance chores, so we take it as it comes. Included in this line item are the oil changes for the truck. Our truck and trailer are new and under warranty now; however, we can expect bigger surprises in this category in future years.
- **Entertainment:** This is generally DVD rentals and purchases, books and our personal movie dates.
- **Clothes:** We bought a few souvenir tee shirts at national parks and, after freezing for a few days in the Arizona desert, we bought some winter clothes.
- **Memberships:** This includes our Escapees membership and our "America the Beautiful" pass to the national parks. It also

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includes our magazine subscriptions, as we like to stay in touch with our hobbies.

As Thin As it Gets

We probably don't live as frugally as some, but for us this is about as thin as we care to be without feeling like we are giving up anything. Many RVers live a more plush lifestyle on a bigger budget, so, hopefully, this will provide prospective RVers with a starting point for budget planning.

One major cost I have not shown, but is extremely important, is the depreciation of the RV and truck or toad.

We plan to be out here "indefinitely" and hope that our truck and trailer will last many years. However, at some point we will replace them or give them up.

At that time, we will discover what the additional "fixed cost" of our housing and transport turned out to be.

As a rough estimate, our truck and trailer will probably be worth about half of what we paid for them when they are five years old and a third of what we paid for them when they are 10 years old. Since we paid \$80,000 for the pair, if we keep them five years, they will have cost us about \$667 per month, and if we keep them 10 years, they will have cost us \$222 per month.

Another consideration is that the first few months of full-time RVing, while you set up your rig and find your rhythm on the road, will be more expensive. My budget numbers start with our fourth month of travel. The first two months were about 50 percent higher. Then we hit our groove. 🚐

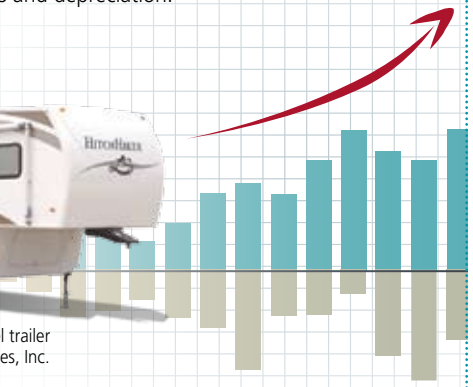
Learn More About Budgets

A great way to learn more about full-time RVers' budgets is to search online forums.

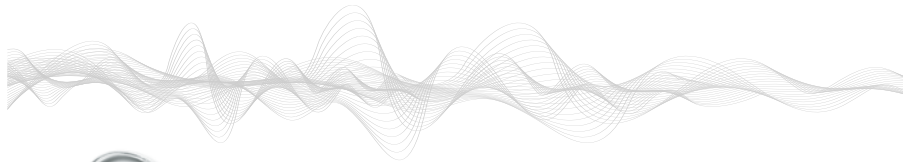
- www.rvnetwork.com
The Escapees forum. Check the "RVing on a Budget" and "Sharing the Full-time Lifestyle" forums for extensive budget information.
- www.airforums.com/forums/f314/annual-fulltiming-budget-27388-2.html
The Airstream owners' forum survey of overall annual full-timer expenses.
- roadslesstraveled.us/Budget.html
This site offers more information on our budget, including quarterly updates and a detailed discussion of capital costs and depreciation.



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