



Making Ends Meet

**HOW MUCH DOES IT COST TO RAISE A FAMILY
IN CALIFORNIA?**

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October 2003**

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CALIFORNIA BUDGET PROJECT

The California Budget Project was founded in 1994 to provide Californians with a source of timely, objective, and accessible expertise on state fiscal and economic policy issues. The CBP engages in independent fiscal and policy analysis and public education with the goal of improving public policies affecting the economic and social well-being of low- and middle-income Californians. Support for the CBP comes from foundation grants, publications, and individual contributions.

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MAKING ENDS MEET

HOW MUCH DOES IT COST TO RAISE A FAMILY IN CALIFORNIA?

For many Californians, just making ends meet is a struggle. Many families live paycheck to paycheck, juggling rent or a mortgage payment with child care, food, and emergencies such as unexpected car repairs. Over the past several years, welfare reform has helped to focus attention on the issue of moving families from public assistance to employment. Yet, only recently has discussion begun to focus on whether available jobs provide sufficient income to support a family, or on the economic challenges facing many working families. This report attempts to estimate the amount families and single adults need to earn in order to achieve a modest standard of living.¹ In providing these estimates, the California Budget Project (CBP) hopes to provide a benchmark for assessing the adequacy of current employment opportunities and public policies.

Researchers and policymakers typically use the Federal Poverty Level (FPL) as the benchmark to judge economic well-being. For most purposes, the poverty threshold is an obsolete measure that fails to take into account the reality of modern families. For example, the poverty standard does not take into account the cost of child care in determining what constitutes a family's basic needs. Moreover, as a national standard, the poverty level does not reflect California's high cost of living. This report takes an alternate approach. It starts from the ground up, building a basic family budget based on the cost of housing, food, child care, and other essentials needed to support a family without public or private assistance. The standard of living envisioned is more than a "bare bones" existence, yet covers only basic expenses, allowing little to no room for "extras" such as college savings or vacations.

Specifically, this report estimates typical costs of housing and utilities, child care, transportation, food, health coverage, payroll and income taxes, and miscellaneous expenses for four typical families: a single working parent with two children; two working parents with two children; a two-parent family with two children in which one parent works; and a single working adult.² Since housing and other costs vary tremendously throughout the state, this report provides budgets for ten regions within the state. While an overall state average is also included (Figure 1), California's different regions are so diverse in terms of economic characteristics that regional estimates are more meaningful. Finally, this report translates the basic family budget into the hourly wage needed by each of the four typical families based on a 40 hour workweek and year-round employment.

Figure 1: Basic Family Budgets - Statewide

Figure 1a: Monthly Budget for a Two Working Parent Family
Total: \$4,856

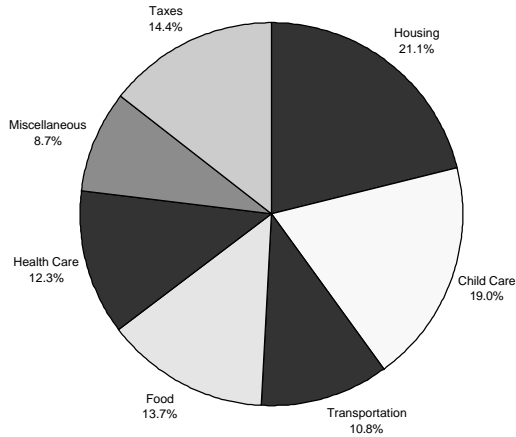


Figure 1b: Monthly Budget for a Two-Parent Family (One Working)
Total: \$3,404

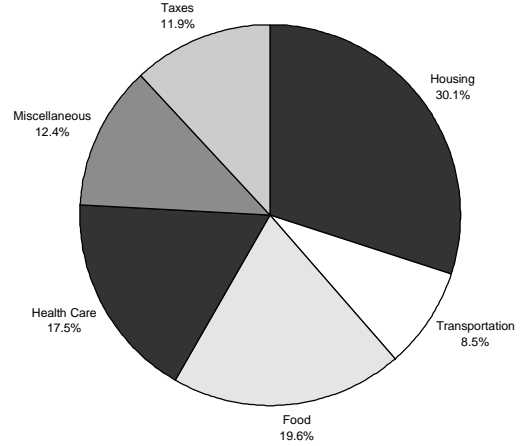


Figure 1c: Monthly Budget for a Single-Parent Family
Total: \$4,080

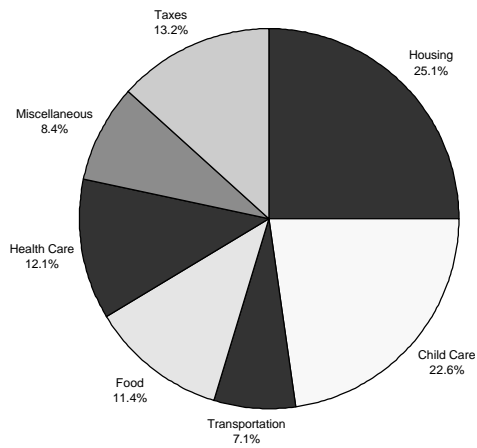
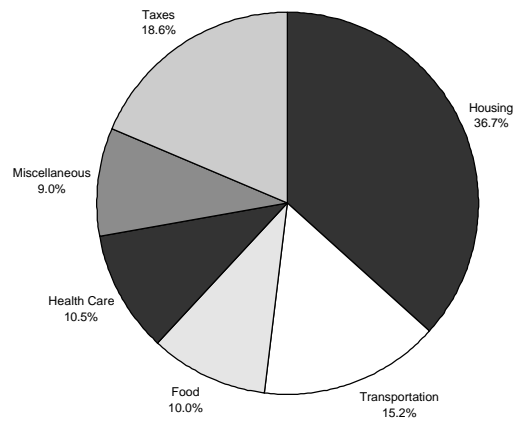


Figure 1d: Monthly Budget for a Single Adult
Total: \$1,912



HOW MUCH DOES IT COST TO SUPPORT A FAMILY?

In order to achieve a modest standard of living, this report estimates that:

- A family with two working parents needs an annual income of \$58,269, equivalent to both parents working full-time for an hourly wage of \$14.01. Regional estimates range from \$45,845 to \$70,204 (\$11.02 to \$16.88 per hour).
- A two-parent family with one employed parent needs an annual income of \$40,848, equivalent to an hourly wage of \$19.64. Regional estimates range from \$34,659 to \$48,344 (\$16.66 to \$23.24 per hour).
- A single-parent family needs an annual income of \$48,962, equivalent to an hourly wage of \$23.54. Regional estimates range from \$35,894 to \$61,986 (\$17.26 to \$29.80 per hour).
- A single adult needs an annual income of \$22,943, equivalent to an hourly wage of \$11.03. Regional estimates range from \$18,616 to \$27,781 (\$8.95 to \$13.36 per hour).

The hourly wage needed to support the basic family budget is two to three times the state’s minimum wage (\$6.75 per hour). The hourly wage required by single parents and the employed parent in a two-parent family where only one parent works also exceeds the 2002 median hourly wage (\$14.06) for California workers (Table 1).³ Moreover, the hourly wage standard estimated in this report assumes full-time employment for 40 hours per week, 52 weeks per year and does not allow for any unpaid days off during a year. Part-time or part-year workers would need higher hourly wages to earn the same annual income. A single-parent must earn almost as much as two working parents in order to pay for child care, while realizing only modest savings for food, housing, and other household expenses. On the other hand, a two-parent family in which only one parent works can live on less, since one parent can stay home with the children.

	Hourly Wage	Annual Income
Basic Family Budget for a Two-Parent Family Where Both Parents Work*	\$14.01	\$58,269
Basic Family Budget for a Two-Parent Family Where One Parent Works*	\$19.64	\$40,848
Basic Family Budget for a Single-Parent Family	\$23.54	\$48,962
Basic Family Budget for a Single Adult	\$11.03	\$22,943
2002 State Median Wage**	\$14.06	\$29,245
2003 State Minimum Wage	\$6.75	\$14,040
2003 Federal Poverty Guideline for a Family of 3***	\$7.34	\$15,260
2003 Federal Poverty Guideline for a Family of 4***	\$8.85	\$18,400

*Hourly wage is the amount each parent must earn. Annual equivalent is the sum of both parents' earnings assuming full-time, full-year work.

**All wage and salaried employees (excluding the self-employed). Assumes 40-hour workweek, 52 weeks per year.

***Assumes 40-hour workweek, 52 weeks per year.

It is important to note what is **not** included in the basic family budget. For example, these estimates assume that families rent, rather than own, their homes and live in housing that many would consider overcrowded for a three- or four-person household. For many families, homeownership remains a dream, particularly in California's urban communities, which are among the most costly housing markets in the country. The basic family budgets assume that families use home-based child care, rather than more expensive center-based care, and that health coverage is purchased privately with no assistance from an employer. Finally, these estimates allow very little to no room for savings toward retirement or a child's college education.

Many Californians support their families on less than the standard estimated by this report. Some can live on less because they receive health coverage from their jobs, are able to leave their children with family or friends while at work, or because they cut costs to make ends meet. Others, including many working families, rely on public programs such as food stamps, Medi-Cal, or Healthy Families; others rely on private charities, or go into debt because their income is insufficient to pay for basic needs. Research conducted on the impact of welfare reform in California finds that individuals leaving welfare for work earn about \$500 per month, 12 percent of the basic family wage estimated for a single-parent family in this report.⁴ Many of these families rely on Medi-Cal, child care assistance, and other public programs in order to make ends meet. The CBP's basic family budget wage is an estimate for meeting basic needs without assistance.

CONCLUSION

This report illustrates the difficulties that families face in meeting basic living expenses. The basic family budgets presented in this report all require incomes much higher than those provided by minimum wage work and, in some parts of the state, more than the median income. The disparity between the wages available from work and the cost of raising a family provides an important foundation for policy deliberations. Public policies can help families move toward self-sufficiency through income supports or by providing access to necessities, such as child care and health coverage. Public policies also can target public assistance, such as job training and economic development programs, toward higher wage jobs and industries.

METHODOLOGY

This report presents a basic family budget for four family types: a two working parent family with two children, a two-parent family with one working parent and with two children, a single-parent family with two children, and a single adult. The basic family budgets presented in this report are estimates. Real families' expenditures vary based on their individual circumstances, needs, and financial resources. Wherever possible, this report is based on actual costs or generally accepted standards, such as Fair Market Rents (FMRs) for the cost of housing. Specific data sources and the methodology used to calculate the basic family budgets are described below.

Regions

This report divides California into 10 regions consisting of counties with similar costs of living (Table 2). These regions are based on regions identified by California's Employment Development Department and the California Technology, Trade, and Commerce Agency, with some exceptions. The basic family budget for each region is based on the weighted average of various living costs for the counties within that region. The overall state average is a weighted average of the living costs throughout California's 58 counties.

Table 2: California Counties by Region

Region	Counties in Region
Region I	Del Norte, Humboldt, Lake, Lassen, Mendocino, Modoc, Plumas, Sierra, Siskiyou, Trinity
Region II	Butte, Colusa, Glenn, Shasta, Sutter, Tehama, Yuba
Region III	El Dorado, Nevada, Placer, Sacramento, Yolo
Region IV	Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma
Region V	Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, Tulare
Region VI	Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, Tuolumne
Region VII	Monterey, San Benito, San Luis Obispo, Santa Barbara
Region VIII	Los Angeles
Region IX	Orange, Riverside, San Bernardino, Ventura
Region X	Imperial, San Diego

Housing and Utilities

The housing and utilities costs in this report are based upon 2003 FMRs.⁵ FMRs are published annually by the US Department of Housing and Urban Development (HUD) and provide an estimate of basic housing costs (including utilities, except telephone costs) in a given area. FMRs represent the 40th percentile of rents in the area, meaning that the cost of 40 percent of the rental housing in an area is lower than the FMR and 60 percent is higher. For 2003, HUD has set FMR values at the 50th percentile in some metropolitan areas where affordable housing can be difficult to obtain.⁶ In this report, the FMRs for each county were weighted by population and then averaged to obtain a regional estimate

of housing costs. Due to the methodology used to calculate FMRs, they may not reflect housing costs accurately in areas where costs have increased rapidly in a short period of time. Thus, those seeking housing may not be able to locate units at the rents shown in this report, particularly in the Bay Area and other parts of the state where housing markets are tight.

Many families' housing costs exceed those presented in this report. For the state as a whole, this report finds that rent and utilities account for 21 percent of a two working parent family's basic budget, 30 percent of a two-parent (one working) family's budget, 25 percent of a single-parent family's budget, and 37 percent of a single adult's budget. This report assumes that a single adult rents a studio unit while single- and two-parent families rent two-bedroom apartments. This assumption follows the guidelines established by HUD for Section 8 housing which requires one bedroom for every two occupants to sleep in.⁷ For families with older children of the opposite sex, living in a two-bedroom apartment would require children to share a bedroom. However, the cost differential between two- and three-bedroom housing is significant and would be prohibitive for many families struggling to make ends meet. On average, a two-bedroom apartment costs \$324 per month (\$3,883 per year) more than a studio unit and a three-bedroom unit costs \$382 per month (\$4,587 per year) more than a two-bedroom. In many parts of the state, the cost of larger rental units is significantly higher (Appendix A lists Fair Market Rents for zero, one-, two- and three-bedroom units). In reality, many families pay a much larger share of their income on housing. In 2001, 25 percent of all renters and 66 percent of low-income renters in California's metropolitan areas spent more than half of their income on housing.⁸

This report assumes that families rent, rather than own, their homes. For many families, homeownership remains a dream and California's homeownership rate, at 58 percent, is among the lowest in the nation.⁹ The income needed to purchase a median priced home varies significantly according to the region and the amount of the down payment a family is able to afford (Table 3).

Table 3: Median Household Income as Compared to Median Home Prices in California

County	2003 Median Home Price*	2003 Area Median Income (AMI)**	Income Needed to Purchase Median Home (20% Down)***	Gap Between AMI and Income Needed	Income Needed to Purchase Median Home (5% Down)	Gap Between AMI and Income Needed
Los Angeles	\$339,100	\$55,100	\$68,737	\$13,637	\$81,625	\$26,525
Riverside/San Bernardino	\$222,340	\$51,000	\$45,069	-\$5,931	\$53,520	\$2,520
Sacramento	\$254,450	\$59,800	\$51,578	-\$8,222	\$61,249	\$1,449
San Diego	\$419,320	\$60,100	\$84,998	\$24,898	\$100,935	\$40,835
Santa Clara	\$565,000	\$105,500	\$114,528	\$9,028	\$136,001	\$30,501

*California Association of Realtors, downloaded from www.car.org/index.php?id=MzlyNTY=&print_page=true on July 30, 2003.

**2003 Area Median Income as defined by the US Department of Housing and Urban Development (HUD).

***"Income Needed" assumes a 5.87 percent interest rate for a 30-year conventional loan, with a 20 percent down payment or a 5 percent down payment, as indicated. It also assumes that a family spends 28 percent of its income on mortgage payments. The monthly payment was calculated using Fannie Mae's *How Much is Your Monthly Payment?* calculator located at <http://www.mortgagecontent.net/scApplication/fanniemae/index.jsp>.

Assuming a down payment of 5 percent, the affordability gap for the Los Angeles area is more than \$26,000.¹⁰ The gap for the San Diego area is even greater at over \$40,000. For many families, saving for a down payment constitutes the most significant barrier to ownership. While it may be possible to buy a house with a minimal down payment, a smaller down payment means a higher mortgage payment.¹¹ In the Sacramento area, for example, a 20 percent down payment eliminates the affordability gap for the median priced home.

The added costs of homeownership can also make affording a home difficult. In Los Angeles, the increased cost of a mortgage payment as compared to the rent on a two-bedroom apartment would require a family to forgo approximately \$637 in other basic necessities each month (Table 4). Moreover, homeowners face additional costs for property taxes and insurance.

Child Care

Table 4: Cost of Purchasing a Home Versus Renting

	Monthly Mortgage Payment for Median Priced Home of \$339,100 (20% Down)	Monthly Rent for a Two-Bedroom Apartment (Fair Market Rent)	Additional Monthly Cost of Homeownership
Los Angeles County	\$1,604	\$967	\$637

This report assumes that each family, other than the single adult, has two children, one requiring full-time care and

another requiring after-school care. Child care costs are based upon the California Child Care Resource and Referral Network’s estimates for licensed family day care homes.¹² Center-based child care is more costly, while unlicensed, in-home care is less expensive. Families with more or younger children will have higher day care costs while those with older children will have lower costs. In other instances, neighbors or family members may provide child care at little or no cost, reducing the amount families spend for child care, and some parents leave older children home alone due to the high cost of care.

This report estimates the cost of child care using the weighted average of the costs for the counties within each region. For the state as a whole, child care consumes 19 percent of a two working parent family’s basic budget and 23 percent of a single-parent family’s basic budget. This report assumes that the non-working parent in two-parent families where only one works is available to provide child care and that these families do not pay for additional care.

Transportation

Transportation costs vary widely for families depending on factors such as commuting distances, whether the family owns a car, and whether the family has access to and uses public transportation. The estimate for transportation costs used in this report is a modest one that is based on the California Energy Commission’s 1995 Driver Diary Study. The transportation estimate represents the average commute to and from work, and includes a nominal amount of miles for errands and other non-commute driving. It does not account for family vacations or the long commutes that are the norm for many California families. Transportation expenditures are based on the 2002 Internal Revenue Service (IRS) mileage allowance (36.5 cents per mile).¹³ However, Californians face much higher gas prices than the rest of the country, which is not reflected in the national IRS rate. In August of 2003, regular gas prices in California exceeded the national average by 16.7 cents per gallon.¹⁴

The basic family budget assumes single parents, two-parent families with one worker, and single adults drive 795 miles per month. This is equivalent to 34.6 miles per day (home to work, plus errands), five days per week, and 5.2 miles per day on weekends at a cost of \$290 per month. The

estimate assumes that families with two working parents require two vehicles, with the second driver traveling only from home to work with no errand or weekend driving. This is equivalent to an additional 637 miles per month or 29.4 miles per day, five days per week, at a cost of \$232 per month. Region-specific data are difficult to obtain and not available for many parts of the state. No attempt was made to adjust transportation costs by region. In reality, many families drive far more. For example, the average home to work commute mileage, not including errands, in the San Diego region was 15.8 miles one way in 1999.¹⁵

The overwhelming majority of commuters in California travel to work by car rather than bus. Even in San Francisco County where public transit is the most readily accessible, a recent survey found that 40.5 percent of commuters drive alone to work (Table 5).¹⁶ While bus transportation may be less expensive, it may not be convenient or reliable. In the San Diego area, only 5 percent of commuters with incomes of less than \$30,000 commute by public transportation.¹⁷ In rural areas, transit service may be nonexistent, infrequent, or may not serve needed destinations. Moreover, the extra stop needed to pick up or drop off a child from day care, shop for groceries, and run other errands makes it difficult for many parents to use public transportation.

Transportation accounts for 11 percent of a two working parent family's budget, 9 percent of a two-parent (one working) family's budget, 7 percent of a single-parent family's budget, and 15 percent of a single adult's budget.

Table 5: Monthly Work Commute Transportation Costs		
How Do Californians Commute?*	Public Transit	Drive Alone
San Francisco County	31.1%	40.5%
Tulare County	0.9%	72.2%
How Much Does It Cost to Commute by Bus?***		
Butte County (Chico Area Transit System)	\$40	
Fresno County (Fresno Area Express)	\$70	
Los Angeles County (Metropolitan Transportation Authority)	\$62	
San Diego County (San Diego County Transit System)	\$92	
San Francisco City/County (Bay Area Rapid Transit)	\$159	
How Much Does It Cost to Commute by Car?		
Cost of Driving 637 miles per month at the 2002 IRS Reimbursement Rate of 36.5 cents per mile***		\$233

*County estimates on commute method were downloaded from the Census Transportation Planning Package (CTPP 2000) at ctpp.transportation.org/ctpp/home/ca.htm on July 31, 2003.

**Chico Area Transit System information downloaded from www.bcag.org/transit/cats-inf.htm. Fresno Area Express information downloaded from www.fresno.gov/fax/passes.asp. Metropolitan Transportation Authority information downloaded from www.mta.net/metro_transit/fare_info/metro_passes.htm. San Diego County Transit System information downloaded from www.sdcommute.com/RiderInfo/fares/index.asp. Bay Area Rapid Transit information downloaded from www.bart.gov/tickets/types/types.asp. Rates for monthly passes for one adult and one school age child (children under 2 generally ride free), except BART where monthly passes are unavailable. For BART it was assumed that the individual is traveling from San Leandro to San Francisco (full fare of \$6.20 round trip per day was discounted based on purchase of applicable discount tickets) five days a week.

***IRS reimbursement rate for 2002 downloaded from www.irs.gov/formspubs/page/0,,id%3D104153,00.html#T8.

Food

The basic family budget estimates the cost of food consumed both at home and away from home. The estimate for food consumed at home is based upon the May 2003 US Department of Agriculture (USDA) Low Cost Food Plan.¹⁸ Estimates include the cost of food for a single-parent and two-parent family, each with two children, and a single adult. For food costs, the report assumes that the adults in the family are between 20 and 50 years old and that one child is under two and one child is six to 11 years of age. Estimated costs of food consumed away from home were calculated using the 2001 Consumer Expenditure Survey (CES) and inflated to 2003 dollars using the Consumer Price Index (CPI) for Food Away from Home (\$19.53 per week for single-parent families, \$26.04 per week for two-parent families, \$6.51 per week for single adults).¹⁹ Conservatively, the basic family budget's estimate for food away from home is half of the amount reported for families in the second quintile in the CES.²⁰ Food away from home includes lunches purchased out or the occasional family meal eaten in a restaurant. Food costs are assumed to be the same throughout the state.

Based on the averages determined in this report, food comprises 14 percent of a two working parent family's budget, 20 percent of a two-parent (one working) family's budget, 11 percent of a single-parent family's budget, and 10 percent of a single adult's budget.

Health Care

This report assumes that families obtain private individual health coverage. The cost of health coverage is based on the lowest priced Health Maintenance Organization (HMO) plan available through Kaiser Permanente or Blue Cross for an adult and dependents for single-parent families, and two adults and dependents for two-parent families.²¹ Those with a family member who has a significant illness or other health condition, if they are able to obtain coverage, likely pay substantially more. Out-of-pocket expenses are based on average annual utilization rates for doctor visits and prescription drugs. Required co-payments for office visits and an average of the cost of generic and brand name drugs for prescription medications coupled with information about utilization rates yield an estimate of out-of-pocket expenditures.²² The basic family budget's estimate for out-of-pocket costs is conservative. Most health plans available to individuals require a co-payment of at least \$10 per office visit or prescription. Moreover, these estimates do not take into account the cost of dental or vision coverage, which can add substantially to families' annual health care costs. Out-of-pocket estimates also do not include hospitalization, mental health treatment, or other services that can cost families hundreds or thousands more dollars per year.

Low income families are less likely to be insured than their wealthier counterparts. California had the third highest uninsured rate in the nation at 19.5 percent in 2001.²³ The lower a family's income, the less likely it is to have employer-sponsored health coverage. Over a quarter (26 percent) of California families with incomes between 100 and 200 percent of the FPL (between \$15,260 and \$30,520 for a family of three and \$18,400 and \$36,800 for a family of four), lack health insurance. A small number, about 3 percent, purchase private coverage.²⁴

While many families have job-based health coverage, nearly all employers that provide health coverage require an employee contribution. For those with job-based coverage, the typical employee contribution toward family coverage is approximately one-quarter of this report's estimate of the cost of coverage (Table 6).²⁵

Table 6: Insured Californians Pay Significant Out-of-Pocket Costs for Health Coverage

Basic family budget estimate of monthly premium payment for family coverage (employee, spouse, and dependents)	\$596
Typical monthly employee contribution for employer-sponsored family coverage	\$151
Typical monthly employer contribution for family coverage	\$472

Source: The basic family budget estimate comes from a statewide weighted average for individually purchased health insurance on the private market (rates from Kaiser and Blue Cross HMO plans). Average monthly employee and employer contributions were calculated using data from The Kaiser Family Foundation and Health Research and Educational Trust, *California Employer Health Benefits Survey, 2002* (February 2003), Chart #11.

This report estimates the cost of living for families who do not rely on assistance from public programs. However, some of the families in this report would be eligible for the Healthy Families Program (HFP), a health insurance program subsidized by the state and federal government for children in low-income families. In 2000, the state expanded eligibility for the HFP to children in families with incomes below 250 percent of the FPL (\$38,150 for a family of three and \$46,000 for a family of four). In 2002, California was granted a federal waiver to expand the HFP to parents with household incomes up to 200 percent of the FPL, although implementation has been delayed until July 2006. In 2001, approximately 301,000 uninsured children were eligible for the HFP.²⁶ Enrollment in the HFP could greatly reduce the costs of health care for several of the family budgets estimated in this report, especially if eligibility is expanded to include parents (Table 7).

The estimate for health care is the weighted average cost for counties within each region. Based on the averages in this report, health care costs consume 12 percent of a two working parent family’s budget, 18 percent of a two-parent (one working) family’s budget, 12 percent of a single-parent family’s budget, and 11 percent of a single adult’s budget.

Table 7: Families’ Health Coverage Costs Are Lower if Children Are Enrolled in Healthy Families

Region VIII Costs of Living	Single Parent with Two Children Purchasing Private Health Coverage	Single Parent Purchasing Individual Private Coverage with Two Children Enrolled in Healthy Families
Health Care	\$495	\$223
Taxes	\$528	\$414
Monthly Income	\$4,041	\$3,655
Annual Income	\$48,490	\$43,865
Annual Difference	\$4,625	

Source: The Healthy Families premium rate estimate is based on a single-parent family with two children living in Los Angeles County with a monthly income of \$2,500. The estimate assumes the children are enrolled in the Blue Cross HMO plan with a premium of \$18 per month to cover both children and a co-payment of \$5 for doctor visits and prescription drugs. The adult is assumed to purchase private health insurance.

Miscellaneous

The “Miscellaneous” category includes clothing and services, education, reading, personal care, housekeeping supplies and basic telephone service; the estimates for telephone service do not include long distance calls (Table 8). The “clothing and services” component of this category includes dry-cleaning and diaper service or disposable diapers, a major expense for families with infants and

toddlers. Clothing comprises 4 to 6 percent of the total monthly budget for all family types in this report. This estimate represents the amount spent by real families as measured by the 2001 CES and inflated by the CPI to arrive at 2003 estimates. The “education and reading” component includes items such as books and newspapers and, for this conservative estimate, is equal to half of what a typical three- or four-person family spends on education and reading according to the CES. “Personal care” covers goods such as toothpaste and hair care products. “Housekeeping supplies” accounts for laundry costs and cleaning supplies. “Other” includes items such as charitable contributions, birthday presents, renters’ insurance, emergencies, and items not included elsewhere, but does not make allowances for big-ticket items or significant savings. Miscellaneous expenses are constant throughout the state. The CBP’s basic family budget makes no provision for entertainment, although the 2001 CES estimates that a three-person family spends \$178 per month and a four-person family spends \$232 per month on entertainment, such as movie rentals, toys, and television.

Based on the averages determined in this report, household and miscellaneous costs consume 9 percent of a two working parent family’s budget, 12 percent of a two-parent (one working) family’s budget, 8 percent of a single-parent family’s budget, and 9 percent of a single adult’s budget.

Table 8: What Is Included Under Miscellaneous Expenses?

Item	Single Adult	Single-Parent Family	Two-Parent Family
Clothing and Services	\$69	\$160	\$211
Education and Reading*	\$23	\$42	\$52
Personal Care	\$26	\$48	\$53
Housekeeping Supplies	\$20	\$47	\$61
Phone	\$25	\$25	\$25
Other	\$10	\$20	\$20
Total	\$173	\$342	\$422

Source: Consumer Expenditure Survey, 2001, Table 4, downloaded from www.bls.gov/cex/2001/Standard/cusize.pdf.
 * Education and Reading expenditures presented here are half the amount reported in the CES.

Taxes

This report estimates the federal and state income and payroll (Social Security, Medicare, and State Disability Insurance) taxes paid by each family based on the income needed to cover the costs of the remainder of the basic family budget. Payroll taxes are based on 2003 tax rates, while federal and state income taxes are based on 2002 levels, since 2003 tax tables and related information were not available at the time this report was prepared. The estimate for state and federal income taxes assumes that families do not itemize deductions, but do claim the state renters’ tax credit, state personal and dependent tax credits, and the federal personal tax exemptions for which they are eligible. The estimates also assume that single working parents and two working parent households claim federal and state Child and Dependent Care Tax Credits.

Most of the families presented in this report qualify for the state Renters’ Tax Credit. Married couples and heads of household with gross incomes of \$56,858 or less per year were eligible for a \$120 credit and single adults with incomes of \$28,429 or less per year were eligible for a \$60 credit.

None of the families presented in this report qualify for the federal Earned Income Tax Credit (EITC), a refundable tax credit that provides assistance to low-income families with earnings from work. In order to claim the EITC, families must have incomes of less than the \$34,178 limit if they have more than one qualifying child, or \$12,060 limit for childless adults for the 2002 tax year.²⁷

Income and payroll taxes account for 14 percent of a two working parent family’s budget, 12 percent of a two-parent (one working) family’s budget, 13 percent of a single-parent family’s budget, and 19 percent of a single adult’s budget. For two working parent families, payroll taxes account for over half of taxes owed (Figure 2). Most of the families presented in this report pay very little in state income taxes and, in many instances, families had no state income tax liability (Table 9). Single-parent families in two of the 10 regions and two-parent (both working) families in six of the 10 regions owed state income taxes; only one of the two-parent (one working) families owed state income taxes. However, all of the single adults presented in this report owed state income taxes.

For families in regions where the cost of living is high, the percentage of their income going toward taxes is significantly higher than that of families living in areas where the cost of living is relatively low. A two working parent family in Region IV (Bay Area) pays \$12,550 in taxes per year, while a two working parent family in Region II (the Northern Sacramento Area) pays \$5,373 in taxes per year.

California has a very high tax threshold, particularly for families with children.²⁸ A two-parent family with two children claiming the Renters’ Tax Credit did not owe California income taxes in 2002 unless their income exceeded \$42,359. Their tax threshold would be \$53,240 if they qualified for the maximum state Child and Dependent Care Tax Credit. A single parent with two children did not owe 2002 state income taxes unless his or her income exceeded \$40,359, or \$49,245 if they claimed the maximum state child care credit. The tax threshold for a single adult was \$12,955 for individuals claiming the Renters’ Tax Credit in 2002. The minimal state income tax liability for most families with children results from increases in the state’s dependent credit enacted in 1997 and 1998.

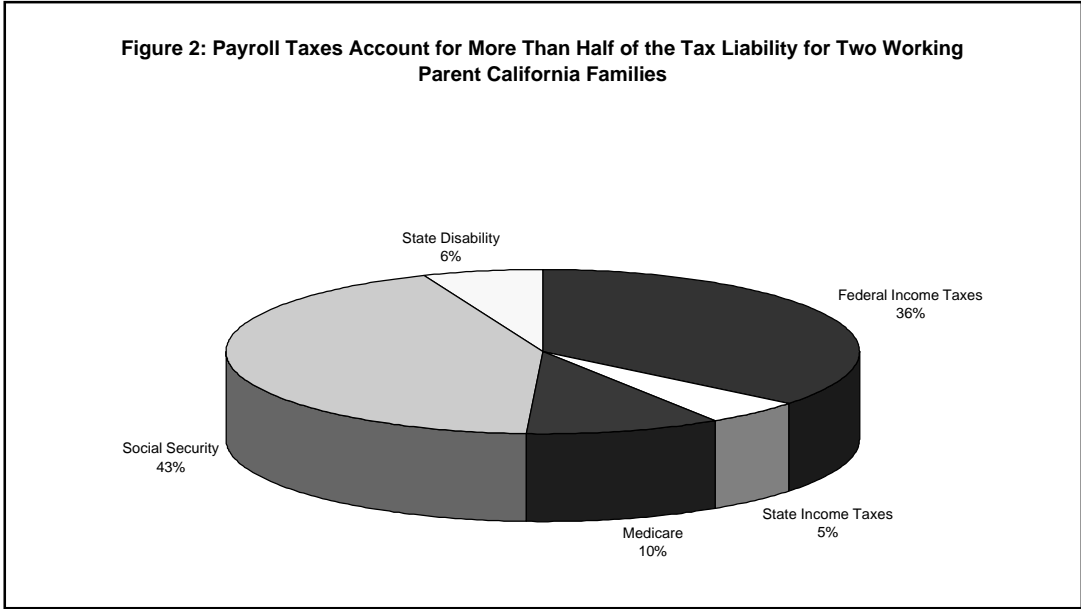


Table 9: How Much Do Families Pay in Taxes?
(Annual, Based on Statewide Average)

	Annual Income	State Income Taxes Owed*	Federal Income Taxes Owed**	Medicare	Social Security	State Disability Insurance	Earned Income Tax Credit	Total Taxes Owed
Two-Parent Family (Both Working)	\$58,269	\$422	\$3,003	\$845	\$3,613	\$524	\$0	\$8,407
Two-Parent Family (One Working)	\$40,848	\$0	\$1,350	\$592	\$2,533	\$368	\$0	\$4,842
Single-Parent Family	\$48,962	-\$17	\$2,299	\$710	\$3,036	\$441	\$0	\$6,469
Single Adult	\$22,943	\$323	\$1,986	\$333	\$1,422	\$206	\$0	\$4,271

*Includes State Renters' Tax Credit. Also includes Child and Dependent Care Credit for Single-Parent and Two Working Parent families.

**Includes federal Child and Dependent Care Credit for Single-Parent and Two Working Parent families.

Numbers may not total due to rounding.

Endnotes

- ¹ Previous California Budget Project reports have investigated trends and characteristics of California families that live below 200 percent of the federal poverty level (FPL) despite significant work effort. See, for example, *Working, But Poor: California's Working Families that Fail to Make Ends Meet* (May 2003).
- ² The California Budget Project's 2003 edition of *Making Ends Meet* uses the same methodology, with minor exceptions, as that used in the CBP's 2001 edition.
- ³ Economic Policy Institute analysis of Current Population Survey data.
- ⁴ Jacob Alex Klerman, et al., *Welfare Reform in California: Early Results from the Impact Analysis* (RAND Statewide CalWORKs Evaluation: 2002), p. 61.
- ⁵ Department of Housing and Urban Development, *Fair Market Rents for the Housing Choice Voucher Program and Moderate Rehabilitation Single Room Occupancy Program Fiscal Year 2003* (Federal Register: September 30, 2002), downloaded from www.huduser.org/Datasets/FMR/FY2003F.pdf.
- ⁶ Department of Housing and Urban Development, *Fair Market Rents for the Housing Choice Voucher Program and Moderate Rehabilitation Single Room Occupancy Program Fiscal Year 2003* (Federal Register: September 30, 2002), downloaded from www.huduser.org/Datasets/FMR/FY2003F.pdf. Counties where the 50th percentile is used include Alameda, Contra Costa, El Dorado, Orange, Placer, Sacramento, San Diego, Santa Clara, and Ventura.
- ⁷ Deborah J. Devine, et al., US Department of Housing and Urban Development, Office of Policy Development and Research, Division of Program Monitoring and Research, *The Uses of Discretionary Authority in the Tenant-Based Section 8 Program* (November 2000), p. 19.
- ⁸ California Budget Project, *Locked Out 2002: California's Affordable Housing Crisis Continues* (October 2002), p. 9.
- ⁹ US Bureau of the Census, *Homeownership Rates by State: 1984 to 2002*, downloaded from www.census.gov/hhes/www/housing/hvs/annual02/ann02t13.html on August 4, 2003. The US homeownership rate for 2002 was 67.9 percent.
- ¹⁰ The affordability gap measures the difference between Area Median Income and the income needed to purchase the median priced home.
- ¹¹ The smaller the down payment, the higher the principal which must be paid off; moreover, any loan with less than a 20 percent down payment requires mortgage insurance, which adds to the monthly payment.
- ¹² California Child Care Resource and Referral Network, unpublished data (July 2003).
- ¹³ The Internal Revenue Service reimbursement rate reflects the cost of gasoline, oil, tires, repairs, insurance, depreciation, and related expenses.
- ¹⁴ California Energy Commission, *Weekly Transportation Fuels Trend*, downloaded from www.energy.ca.gov/fuels/gasoline/index.html on August 12, 2003.
- ¹⁵ San Diego Association of Governments, *Road Signs: Getting Around the Region in 1999* (June-August, 1999).
- ¹⁶ Census Transportation Planning Package, *Table 1: Profile of Selected 1990 and 2000 Characteristics*, downloaded from http://ctpp.transportation.org/ctpp/home/ca/San_Francisco_County/San_Francisco_County.pdf on July 31, 2003.
- ¹⁷ San Diego Association of Governments, *Road Signs: Getting Around the Region in 1999* (June-August, 1999).
- ¹⁸ US Department of Agriculture, *Official USDA Food Plans: Cost of Food at Home at Four Levels, U.S. Average, May 2003* (June 2003), downloaded from <http://www.usda.gov/cnpp/foodplans.html> on July 1, 2003.
- ¹⁹ California Budget Project calculations based on the Bureau of Labor Statistics, Consumer Price Index - All Urban Consumers, US City Average, Food Away From Home - Series Id: CUUR0000SEFV, CUUS0000SEFV, downloaded from <http://www.bls.gov/cpi/> on July 1, 2003.
- ²⁰ Household income for the second quintile in the 2001 Consumer Expenditure Survey ranges from \$13,909 to \$27,176.
- ²¹ Kaiser North and South were the preferred choice where available. This report uses Blue Cross for geographic areas where Kaiser is not available.
- ²² Donald K. Cherry and David A. Woodwell, US Department of Health and Human Services, Division of Health Care Statistics, *National Ambulatory Medical Care Survey: 2000 Summary*, Centers for Disease Control and Prevention (June 5, 2002).
- ²³ U.S. Bureau of the Census, *Health Insurance Coverage by State for All People: 2001*, downloaded from http://ferret.bls.census.gov/macro/032002/health/h06_000.htm on August 4, 2003.
- ²⁴ E. Richard Brown, et. al, *The State of Health Insurance in California: Findings from the 2001 California Health Interview Survey* (UCLA Center for Health Policy Research: June 2002), p. 18.
- ²⁵ The Kaiser Family Foundation and Health Research and Educational Trust, *California Employer Health Benefits Survey, 2002* (February 2003), Chart #11.
- ²⁶ E. Richard Brown, et. al, *The State of Health Insurance in California: Findings from the 2001 California Health Interview Survey* (UCLA Center for Health Policy Research: June 2002), p. 46.
- ²⁷ The eligibility level for families with one child was \$30,201 for the 2002 tax year.
- ²⁸ A tax threshold is the income level at which a family begins to have an income tax liability.

Appendix A: 2003 Fair Market Rents in California				
County	0-BR FMR	1-BR FMR	2-BR FMR	3-BR FMR
Alameda*	\$905	\$1095	\$1374	\$1883
Alpine	\$332	\$498	\$563	\$782
Amador	\$458	\$504	\$673	\$937
Butte	\$372	\$479	\$637	\$874
Calaveras	\$401	\$464	\$618	\$861
Colusa	\$363	\$406	\$522	\$728
Contra Costa*	\$905	\$1095	\$1374	\$1883
Del Norte	\$339	\$465	\$618	\$862
El Dorado*	\$651	\$733	\$918	\$1273
Fresno	\$436	\$487	\$582	\$811
Glenn	\$332	\$406	\$522	\$728
Humboldt	\$342	\$474	\$621	\$867
Imperial	\$374	\$469	\$577	\$804
Inyo	\$344	\$464	\$595	\$781
Kern	\$407	\$457	\$575	\$798
Kings	\$384	\$448	\$558	\$777
Lake	\$373	\$475	\$635	\$799
Lassen	\$406	\$411	\$534	\$728
Los Angeles	\$638	\$764	\$967	\$1305
Madera	\$436	\$487	\$582	\$811
Marin	\$1048	\$1357	\$1716	\$2353
Mariposa	\$359	\$456	\$586	\$768
Mendocino	\$459	\$553	\$679	\$945
Merced	\$444	\$501	\$608	\$841
Modoc	\$363	\$406	\$522	\$728
Mono	\$506	\$607	\$807	\$1123
Monterey	\$694	\$812	\$979	\$1360
Napa	\$784	\$891	\$1086	\$1508
Nevada	\$415	\$568	\$757	\$1052
Orange*	\$855	\$934	\$1155	\$1607
Placer*	\$651	\$733	\$918	\$1273
Plumas	\$366	\$406	\$522	\$728
Riverside	\$507	\$564	\$690	\$957
Sacramento*	\$651	\$733	\$918	\$1273
San Benito	\$571	\$672	\$841	\$1172
San Bernardino	\$507	\$564	\$690	\$957
San Diego*	\$766	\$875	\$1095	\$1524
San Francisco	\$1048	\$1357	\$1716	\$2353
San Joaquin	\$504	\$569	\$731	\$1018
San Luis Obispo	\$619	\$699	\$886	\$1232
San Mateo	\$1048	\$1357	\$1716	\$2353
Santa Barbara	\$696	\$773	\$980	\$1364
Santa Clara*	\$1250	\$1425	\$1760	\$2412
Santa Cruz	\$816	\$972	\$1298	\$1805
Shasta	\$423	\$469	\$587	\$815
Sierra	\$332	\$446	\$548	\$761
Siskiyou	\$348	\$406	\$522	\$728
Solano	\$784	\$891	\$1086	\$1508
Sonoma	\$767	\$869	\$1126	\$1566
Stanislaus	\$530	\$569	\$694	\$968
Sutter	\$367	\$429	\$551	\$769
Tehama	\$347	\$406	\$522	\$728
Trinity	\$372	\$406	\$522	\$728
Tulare	\$412	\$439	\$572	\$798
Tuolumne	\$367	\$501	\$668	\$930
Ventura*	\$743	\$854	\$1081	\$1437
Yolo	\$532	\$607	\$752	\$1040
Yuba	\$367	\$429	\$551	\$769

*2003 FMRs for 6 Metropolitan Statistical Areas (MSAs) (nine counties) were adjusted to the 50th percentile.

MAKING ENDS MEET
BASIC FAMILY BUDGETS

STATEWIDE

	Basic Family Wage*
Single Adult	\$11.03
Single-Parent Family	\$23.54
Two-Parent Family (One Working)	\$19.64
Two Working Parent Family	\$14.01

Expenses Per Month and as a Percentage of Income

	Single Adult	Single Parent	Two Parents (One Working)	Two Working Parents
Housing/Utilities	\$702 36.7%	\$1,026 25.1%	\$1,026 30.1%	\$1,026 21.1%
Child Care	\$0 0.0%	\$922 22.6%	\$0 0.0%	\$922 19.0%
Transportation	\$290 15.2%	\$290 7.1%	\$290 8.5%	\$522 10.8%
Food	\$190 10.0%	\$465 11.4%	\$667 19.6%	\$667 13.7%
Health Care	\$200 10.5%	\$495 12.1%	\$596 17.5%	\$596 12.3%
Miscellaneous	\$173 9.0%	\$342 8.4%	\$422 12.4%	\$422 8.7%
Taxes	\$356 18.6%	\$539 13.2%	\$404 11.9%	\$701 14.4%
MONTHLY TOTAL	\$1,912	\$4,080	\$3,404	\$4,856
ANNUAL TOTAL	\$22,943	\$48,962	\$40,848	\$58,269

*Hourly. Assumes 40 hours/week, 52 weeks/year of work. Two working parent wage assumes both parents are employed full-time.

Note: Numbers and percentages may not total due to rounding.

REGION I

Del Norte, Humboldt, Lake, Lassen, Mendocino,
Modoc, Plumas, Sierra, Siskiyou, Trinity

	Basic Family Wage*
Single Adult	\$ 9.07
Single-Parent Family	\$18.08
Two-Parent Family (One Working)	\$17.23
Two Working Parent Family	\$11.31

Expenses Per Month and as a Percentage of Income

	Single Adult	Single Parent	Two Parents (One Working)	Two Working Parents
Housing/Utilities	\$378 24.1%	\$607 19.4%	\$607 20.3%	\$607 15.5%
Child Care	\$0 0.0%	\$588 18.8%	\$0 0.0%	\$588 15.0%
Transportation	\$290 18.5%	\$290 9.3%	\$290 9.7%	\$522 13.3%
Food	\$190 12.1%	\$465 14.9%	\$667 22.3%	\$667 17.0%
Health Care	\$277 17.7%	\$574 18.3%	\$695 23.3%	\$695 17.7%
Miscellaneous	\$173 11.0%	\$342 10.9%	\$422 14.1%	\$422 10.8%
Taxes	\$262 16.7%	\$267 8.5%	\$305 10.2%	\$418 10.7%
MONTHLY TOTAL	\$1,571	\$3,133	\$2,986	\$3,920
ANNUAL TOTAL	\$18,857	\$37,600	\$35,830	\$47,036

*Hourly. Assumes 40 hours/week, 52 weeks/year of work. Two working parent wage assumes both parents are employed full-time.

REGION II

Butte, Colusa, Glenn, Shasta, Sutter,
Tehama, Yuba

	Basic Family Wage*
Single Adult	\$ 8.95
Single-Parent Family	\$18.64
Two-Parent Family (One Working)	\$16.91
Two Working Parent Family	\$11.61

Expenses Per Month and as a Percentage of Income

	Single Adult	Single Parent	Two Parents (One Working)	Two Working Parents
Housing/Utilities	\$380 24.5%	\$585 18.1%	\$585 19.9%	\$585 14.5%
Child Care	\$0 0.0%	\$708 21.9%	\$0 0.0%	\$708 17.6%
Transportation	\$290 18.7%	\$290 9.0%	\$290 9.9%	\$522 13.0%
Food	\$190 12.3%	\$465 14.4%	\$667 22.8%	\$667 16.6%
Health Care	\$261 16.8%	\$551 17.0%	\$675 23.0%	\$675 16.8%
Miscellaneous	\$173 11.1%	\$342 10.6%	\$422 14.4%	\$422 10.5%
Taxes	\$257 16.5%	\$290 9.0%	\$292 10.0%	\$448 11.1%
MONTHLY				
TOTAL	\$1,551	\$3,231	\$2,930	\$4,026
ANNUAL				
TOTAL	\$18,616	\$38,773	\$35,165	\$48,317

*Hourly. Assumes 40 hours/week, 52 weeks/year of work. Two working parent wage assumes both parents are employed full-time.

REGION III

El Dorado, Nevada, Placer,
Sacramento, Yolo

	Basic Family Wage*
Single Adult	\$10.40
Single-Parent Family	\$21.97
Two-Parent Family (One Working)	\$18.53
Two Working Parent Family	\$13.18

Expenses Per Month and as a Percentage of Income

	Single Adult	Single Parent	Two Parents (One Working)	Two Working Parents
Housing/Utilities	\$629 34.9%	\$896 23.5%	\$896 27.9%	\$896 19.6%
Child Care	\$0 0.0%	\$877 23.0%	\$0 0.0%	\$877 19.2%
Transportation	\$290 16.1%	\$290 7.6%	\$290 9.0%	\$522 11.4%
Food	\$190 10.6%	\$465 12.2%	\$667 20.8%	\$667 14.6%
Health Care	\$194 10.8%	\$479 12.6%	\$579 18.0%	\$579 12.7%
Miscellaneous	\$173 9.6%	\$342 9.0%	\$422 13.1%	\$422 9.2%
Taxes	\$326 18.1%	\$459 12.0%	\$358 11.2%	\$606 13.3%
MONTHLY TOTAL	\$1,803	\$3,808	\$3,212	\$4,569
ANNUAL TOTAL	\$21,636	\$45,701	\$38,543	\$54,828

*Hourly. Assumes 40 hours/week, 52 weeks/year of work. Two working parent wage assumes both parents are employed full-time.

REGION IV

Alameda, Contra Costa, Marin, Napa,
San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma

	Basic Family Wage*
Single Adult	\$13.36
Single-Parent Family	\$29.80
Two-Parent Family (One Working)	\$23.24
Two Working Parent Family	\$16.88

Expenses Per Month and as a Percentage of Income

	Single Adult	Single Parent	Two Parents (One Working)	Two Working Parents
Housing/Utilities	\$1,001 43.2%	\$1,509 29.2%	\$1,509 37.4%	\$1,509 25.8%
Child Care	\$0 0.0%	\$1,114 21.6%	\$0 0.0%	\$1,114 19.0%
Transportation	\$290 12.5%	\$290 5.6%	\$290 7.2%	\$522 8.9%
Food	\$190 8.2%	\$465 9.0%	\$667 16.6%	\$667 11.4%
Health Care	\$189 8.2%	\$475 9.2%	\$570 14.2%	\$570 9.7%
Miscellaneous	\$173 7.5%	\$342 6.6%	\$422 10.5%	\$422 7.2%
Taxes	\$472 20.4%	\$970 18.8%	\$571 14.2%	\$1,046 17.9%
MONTHLY TOTAL	\$2,315	\$5,166	\$4,029	\$5,850
ANNUAL TOTAL	\$27,781	\$61,986	\$48,344	\$70,204

*Hourly. Assumes 40 hours/week, 52 weeks/year of work. Two working parent wage assumes both parents are employed full-time.

REGION V

Fresno, Kern, Kings, Madera, Merced,
San Joaquin, Stanislaus, Tulare

	Basic Family Wage*
Single Adult	\$ 9.06
Single-Parent Family	\$18.77
Two-Parent Family (One Working)	\$16.66
Two Working Parent Family	\$11.61

Expenses Per Month and as a Percentage of Income

	Single Adult	Single Parent	Two Parents (One Working)	Two Working Parents
Housing/Utilities	\$451 28.7%	\$622 19.1%	\$622 21.5%	\$622 15.4%
Child Care	\$0 0.0%	\$739 22.7%	\$0 0.0%	\$739 18.4%
Transportation	\$290 18.5%	\$290 8.9%	\$290 10.0%	\$522 13.0%
Food	\$190 12.1%	\$465 14.3%	\$667 23.1%	\$667 16.6%
Health Care	\$204 13.0%	\$500 15.4%	\$605 21.0%	\$605 15.0%
Miscellaneous	\$173 11.0%	\$342 10.5%	\$422 14.6%	\$422 10.5%
Taxes	\$262 16.7%	\$295 9.1%	\$282 9.8%	\$447 11.1%
MONTHLY TOTAL	\$1,570	\$3,254	\$2,888	\$4,025
ANNUAL TOTAL	\$18,836	\$39,044	\$34,659	\$48,303

*Hourly. Assumes 40 hours/week, 52 weeks/year of work. Two working parent wage assumes both parents are employed full-time.

REGION VI

Alpine, Amador, Calaveras, Inyo, Mariposa,
Mono, Tuolumne

	Basic Family Wage*
Single Adult	\$ 9.18
Single-Parent Family	\$17.26
Two-Parent Family (One Working)	\$17.63
Two Working Parent Family	\$11.02

Expenses Per Month and as a Percentage of Income

	Single Adult	Single Parent	Two Parents (One Working)	Two Working Parents
Housing/Utilities	\$399 25.1%	\$652 21.8%	\$652 21.3%	\$652 17.1%
Child Care	\$0 0.0%	\$463 15.5%	\$0 0.0%	\$463 12.1%
Transportation	\$290 18.2%	\$290 9.7%	\$290 9.5%	\$522 13.7%
Food	\$190 12.0%	\$465 15.6%	\$667 21.8%	\$667 17.5%
Health Care	\$271 17.0%	\$545 18.2%	\$703 23.0%	\$703 18.4%
Miscellaneous	\$173 10.9%	\$342 11.4%	\$422 13.8%	\$422 11.0%
Taxes	\$268 16.8%	\$234 7.8%	\$321 10.5%	\$391 10.2%
MONTHLY TOTAL	\$1,592	\$2,991	\$3,055	\$3,820
ANNUAL TOTAL	\$19,104	\$35,894	\$36,665	\$45,845

*Hourly. Assumes 40 hours/week, 52 weeks/year of work. Two working parent wage assumes both parents are employed full-time.

REGION VII

Monterey, San Benito, San Luis Obispo,
Santa Barbara

	Basic Family Wage*
Single Adult	\$11.25
Single-Parent Family	\$22.66
Two-Parent Family (One Working)	\$19.59
Two Working Parent Family	\$13.47

Expenses Per Month and as a Percentage of Income

	Single Adult	Single Parent	Two Parents (One Working)	Two Working Parents
Housing/Utilities	\$672 34.5%	\$952 24.2%	\$952 28.0%	\$952 20.4%
Child Care	\$0 0.0%	\$807 20.6%	\$0 0.0%	\$807 17.3%
Transportation	\$290 14.9%	\$290 7.4%	\$290 8.5%	\$522 11.2%
Food	\$190 9.8%	\$465 11.9%	\$667 19.6%	\$667 14.3%
Health Care	\$258 13.2%	\$577 14.7%	\$663 19.5%	\$663 14.2%
Miscellaneous	\$173 8.9%	\$342 8.7%	\$422 12.4%	\$422 9.0%
Taxes	\$366 18.8%	\$494 12.6%	\$401 11.8%	\$635 13.6%
MONTHLY TOTAL	\$1,949	\$3,927	\$3,395	\$4,669
ANNUAL TOTAL	\$23,390	\$47,126	\$40,742	\$56,027

*Hourly. Assumes 40 hours/week, 52 weeks/year of work. Two working parent wage assumes both parents are employed full-time.

REGION VIII

Los Angeles

	Basic Family Wage*
Single Adult	\$10.49
Single-Parent Family	\$23.31
Two-Parent Family (One Working)	\$19.19
Two Working Parent Family	\$13.89

Expenses Per Month and as a Percentage of Income

	Single Adult	Single Parent	Two Parents (One Working)	Two Working Parents
Housing/Utilities	\$638 35.1%	\$967 23.9%	\$967 29.1%	\$967 20.1%
Child Care	\$0 0.0%	\$954 23.6%	\$0 0.0%	\$954 19.8%
Transportation	\$290 16.0%	\$290 7.2%	\$290 8.7%	\$522 10.8%
Food	\$190 10.5%	\$465 11.5%	\$667 20.1%	\$667 13.8%
Health Care	\$197 10.8%	\$495 12.2%	\$595 17.9%	\$595 12.4%
Miscellaneous	\$173 9.5%	\$342 8.5%	\$422 12.7%	\$422 8.8%
Taxes	\$330 18.2%	\$528 13.1%	\$385 11.6%	\$689 14.3%
MONTHLY TOTAL	\$1,819	\$4,041	\$3,327	\$4,817
ANNUAL TOTAL	\$21,823	\$48,490	\$39,920	\$57,800

*Hourly. Assumes 40 hours/week, 52 weeks/year of work. Two working parent wage assumes both parents are employed full-time.

REGION IX

Orange, Riverside, San Bernardino, Ventura

	Basic Family Wage*
Single Adult	\$10.78
Single-Parent Family	\$22.32
Two-Parent Family (One Working)	\$18.85
Two Working Parent Family	\$13.36

Expenses Per Month and as a Percentage of Income

	Single Adult	Single Parent	Two Parents (One Working)	Two Working Parents
Housing/Utilities	\$674 36.1%	\$922 23.8%	\$922 28.2%	\$922 19.9%
Child Care	\$0 0.0%	\$878 22.7%	\$0 0.0%	\$878 19.0%
Transportation	\$290 15.5%	\$290 7.5%	\$290 8.9%	\$522 11.3%
Food	\$190 10.2%	\$465 12.0%	\$667 20.4%	\$667 14.4%
Health Care	\$197 10.5%	\$495 12.8%	\$595 18.2%	\$595 12.9%
Miscellaneous	\$173 9.3%	\$342 8.8%	\$422 12.9%	\$422 9.1%
Taxes	\$344 18.4%	\$477 12.3%	\$371 11.4%	\$624 13.5%
MONTHLY TOTAL	\$1,869	\$3,869	\$3,268	\$4,631
ANNUAL TOTAL	\$22,425	\$46,431	\$39,210	\$55,572

*Hourly. Assumes 40 hours/week, 52 weeks/year of work. Two working parent wage assumes both parents are employed full-time.

REGION X

Imperial, San Diego

	Basic Family Wage*
Single Adult	\$11.38
Single-Parent Family	\$24.01
Two-Parent Family (One Working)	\$19.99
Two Working Parent Family	\$14.24

Expenses Per Month and as a Percentage of Income

	Single Adult	Single Parent	Two Parents (One Working)	Two Working Parents
Housing/Utilities	\$747 37.9%	\$1,070 25.7%	\$1,070 30.9%	\$1,070 21.7%
Child Care	\$0 0.0%	\$932 22.4%	\$0 0.0%	\$932 18.9%
Transportation	\$290 14.7%	\$290 7.0%	\$290 8.4%	\$522 10.6%
Food	\$190 9.7%	\$465 11.2%	\$667 19.3%	\$667 13.5%
Health Care	\$199 10.1%	\$499 12.0%	\$597 17.2%	\$597 12.1%
Miscellaneous	\$173 8.8%	\$342 8.2%	\$422 12.2%	\$422 8.6%
Taxes	\$372 18.9%	\$563 13.5%	\$418 12.1%	\$724 14.7%
MONTHLY TOTAL	\$1,972	\$4,162	\$3,464	\$4,935
ANNUAL TOTAL	\$23,664	\$49,943	\$41,572	\$59,224

*Hourly. Assumes 40 hours/week, 52 weeks/year of work. Two working parent wage assumes both parents are employed full-time.

