

WHAT DOES IT TAKE?

A family of four (two adults, one infant, one preschooler) living in Washington knows that the cost of living is high, even for the basic necessities. But how much does it really take for this family to make ends meet? More importantly, how much does it take for this family to thrive?

Household Survival Budget

This budget follows the original intent of the U.S. poverty rate – to be a standard for temporary sustainability. This budget identifies the minimum cost option for each of the five essentials – housing, child care, food, transportation, and health care – in New Jersey.

The small “miscellaneous” category covers overflow from the five basic categories; it is not enough to provide for clothes, cell phone, automotive or appliance repairs. There is no room in the budget for a financial indulgence – holiday gifts, dinner at a restaurant, tickets to the movies, or travel – something many households take for granted. As such, a family on a Household Survival Budget is just surviving... or ALICE.

Sustainable Household Budget

This budget, however, highlights how much more income is needed to support, and sustain, an economically viable household in New Jersey. The biggest difference in the two budgets is that this level includes the ability to accrue savings, a crucial component to self-sufficiency. Savings allows a household to provide preventative care and maintenance for their house, car, and health as needed, and to have a cushion in the event of an unforeseen incident.

As you will see from this comparison, the Sustainable Household Budget is moderate, not extravagant, and still totals \$98,340 for a family. This is almost double the Household Survival Budget and very close to the Washington average median income of \$86,161 for a family with two children.



EXPENSE	POVERTY	SURVIVAL	SUSTAINABLE
Housing			
Rented, shared apartment in a bad area	\$614		
Rented 2 bedroom apartment (Fair Market Rate)		\$805	
3 bedroom house with mortgage			\$1,360
Child care			
Unqualified neighbor or relative (part-time)	\$400		
Unlicensed child care		\$1,223	
Accredited child care center			\$1,441
Food			
Food pantry supplements	\$330		
Thrifty food plan		\$579	
Moderate food plan plus 1 meal out			\$1,099
Transportation			
Limited public and walking	\$100		
Public OR 1 car		\$666	
Public and 1 car or 2 cars			\$1,080
Health care			
Use emergency room and clinics	\$115		
Nominal out-of-pocket expense		\$473	
Employer-sponsored health plan			\$1,036
Miscellaneous	\$184	\$395	\$601
Savings	\$0	\$0	\$601
Taxes	\$100	\$205	\$977
MONTHLY TOTAL	\$1,843	\$4,346	\$8,195
ANNUAL TOTAL	\$22,113	\$52,152	\$98,340
REQUIRED HOURLY WAGE FOR TWO WORKERS	\$5.53	\$26.08	\$49.17