

Financial Ratings Series

WeissRatings
& Grey House Publishing

Financial Literacy Basics: How to Make and Stick to a Budget

2019/20



GREY HOUSE PUBLISHING

Financial Literacy Basics: How to Make and Stick to a Budget



Financial Literacy Basics: How to Make and Stick to a Budget 2019/20 Edition



GREY HOUSE PUBLISHING



<https://greyhouse.weissratings.com>

Grey House Publishing
4919 Route 22, PO Box 56
Amenia, NY 12501-0056
(800) 562-2139

Weiss Ratings
4400 Northcorp Parkway
Palm Beach Gardens, FL 33410
(561) 627-3300

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Welcome!

Grey House Publishing and Weiss Ratings are proud to announce the third edition of *Financial Literacy Basics*. Each volume in this series provides readers with easy-to-understand guidance on how to manage their finances. Designed for those who are just starting out and for those who may need help handling their finances, volumes in this series outline, step-by-step, how to make the most of your money, which pitfalls to avoid, and what to watch out for, and give you the necessary tools to make sure you are fully equipped to manage your finances.

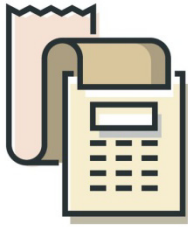
Volumes in this series take the guesswork out of financial planning—how to manage a checking account, how to stick to a budget, how to pay back student loans quickly—information necessary to get started on your financial future. Each volume is devoted to a specific topic. Combined, they provide you with a full range of helpful information on how to best manage your money. Individual volumes are:

- How to **Make and Stick to a Budget**
- How to **Manage Debt**
- Starting a **401(k)**
- Understanding **Health Insurance** Plans
- **Renting an Apartment** & Understanding **Renters Insurance**
- Understanding the **Cost of College, Student Loans** & How to Pay Them Back
- **Buying a Car** & Understanding **Auto Insurance**
- What to Know About **Checking Accounts**

Filled with valuable information alongside helpful worksheets and planners, these volumes are designed to point you in the right direction toward a solid financial future, and give you helpful guidance along the way.

Financial Literacy Basics:

How to Make and Stick to a Budget



How to Make and Stick to a Budget

What's the first thing you think of when you hear the word *budget*?

If you're like most people, you think of saving money—and this means making sacrifices. This is why the word budget makes people cringe.

Making a budget will make you aware of all the things you spend money on. It can also help you identify the things that are worth spending on, and those that are not. Your budget doesn't have to totally restrictive.

It may not always be a pleasant experience, but it's really important to make and stick to a budget. Many people live from paycheck to paycheck and struggle to get by. They don't have a budget—but they should, and you should, too. A budget will help you save money for emergencies, major events and, eventually, retirement. And it doesn't mean you can't splurge once in a while on a designer jacket or an extravagant dinner.

A budget is a roadmap for spending. It includes how much you earn and how much you spend on necessities

such as rent, student loans, utilities, and groceries. It also includes money spent on fun, such as movies and meals at restaurants. A budget can help you see how much money you have left after paying for necessities. Then you can decide what you should do with this money.

Living without a budget is stressful. You might just pay your bills and spend the leftover money however you like, without thinking ahead, but what happens if you run out of money in between paychecks and need gas in your car or you need to pay for public transportation? How will you get to work? Credit cards can be a temporary solution, but you'll have to pay that bill next month, or over time, with interest. This is a problem you can usually avoid if you stick to a budget.



Benefits of Having a Budget

A budget is beneficial for many reasons. It gives you the information you need about where your money goes each month, so you can be sure you can pay your bills on time and



don't run out of money before your next paycheck.

This is especially helpful if you use credit and debit cards because then you are not handling cash and seeing exactly how much money you have left. A budget helps you avoid late fees and interest charges, which can take a big bite out of finances. It lets you control your finances, rather than letting your finances control you.

A budget can help you stick to a savings plan. Tempting purchases may make you feel good, but if you have a long-term savings goal, such as a car or a house, a budget can give you motivation by reminding you about what's important to you. Once you decide how much you have to spend out of each paycheck on necessities and set aside money for savings and fun, you might discover that a splurge purchase has to come from savings and will affect your plans for the future. You might even see that you can save more money by making a few small changes and reach your savings goal more quickly.

A budget can help you prepare for emergencies. Your car might break down. You might get sick and have to miss work for an extended period of time. You might have to move to a new apartment. If you have money in a savings account, you can continue to pay your necessary bills during an emergency. Saving money takes time,

so you should include an amount of money to save in your budget right away and stick with it. Your goal should be to build an emergency fund that will cover from three to six months of living expenses.

Once you've reached this goal, keep adding a small amount of money to the emergency fund regularly. Keep your emergency fund in a savings account or a different account. Don't mix this money with the money you use for living expenses. After you have money set aside for emergencies, you can begin saving for retirement.

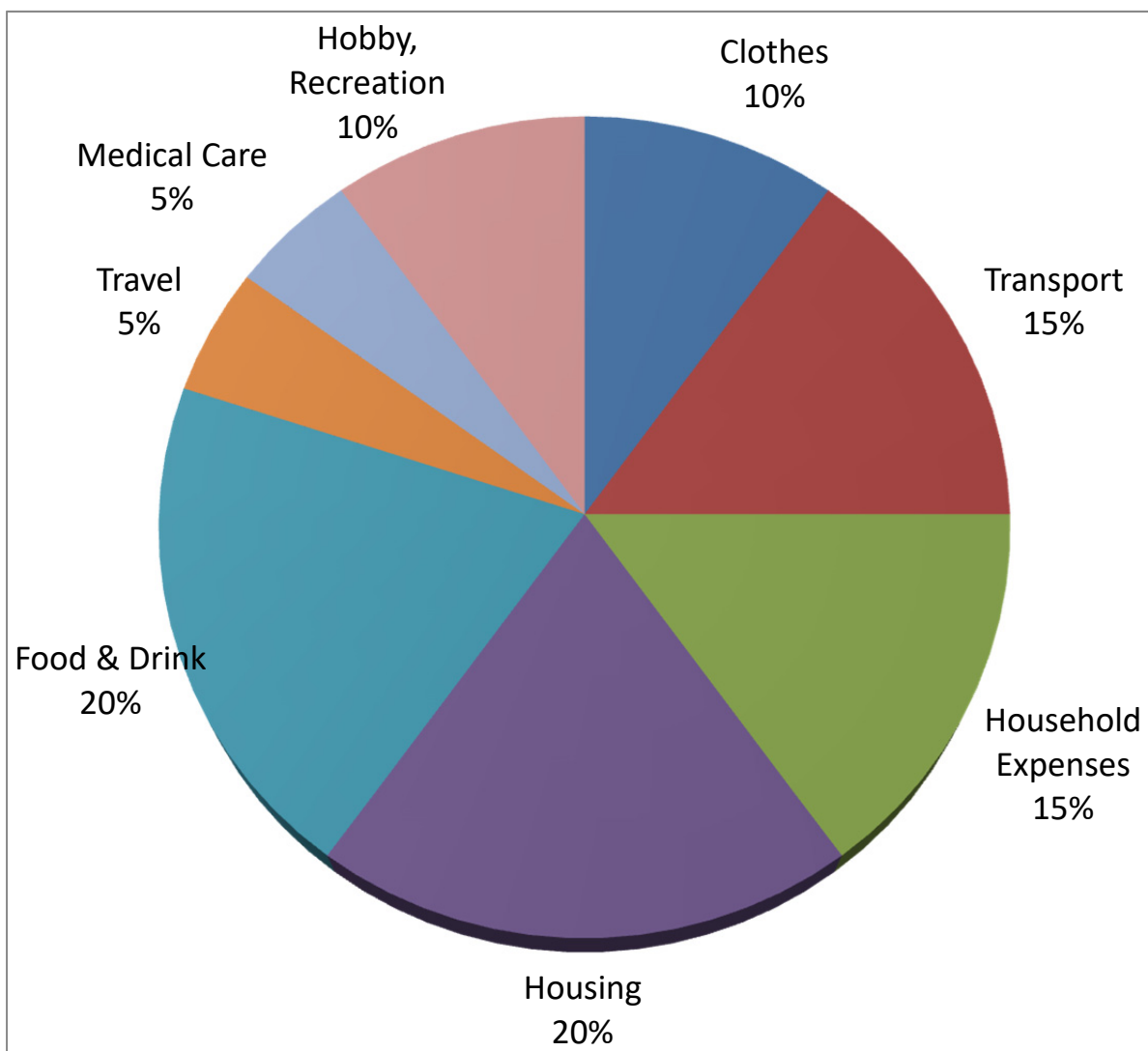
A budget is also beneficial because it gives you a better picture of your finances, and allows you to understand them better. By looking closely at all of your monthly purchases, you might find that some of them just don't make sense anymore, like cable channels you don't watch, or a gym membership that you're not using.

Can you cut back on dinners out, or daily coffee stops?

You might decide to rethink your entertainment budget and shift some of that money into savings instead, or even spend less on going out to the movies if you have a variety of cable channels at your disposal. You might be able to stream movies and music using your library card. Visit your



local library to see if they make these services available to patrons. Borrow books and magazines from your local library, so you don't have to buy them.



Making a budget can help you see how you spend your money.





How to Make a Budget

The first step in making a budget is to consider how

much you earn. You might be paid weekly, or biweekly, or on some other schedule, but a good number to focus on is a monthly amount. If your hours vary, look at the last six to twelve months and calculate your average monthly wages. Also consider any other income you have, such as tips, commissions, or infrequent work, interest earned on investments, as well as funds you receive from other sources such as family.

Then figure out where your money goes. Track all of your daily expenses for a month—every cup of coffee and bus ticket. Write down what you spend each day and what it is for. Use a spreadsheet. Account for every penny. Your expenses will fall into three categories:

1. Fixed needs
2. Variable needs
3. Wants

Fixed needs are necessary and usually the same from month to month. They include expenses such as rent, phone bill, car payment, student loan payment, credit card payment, and electric bill.



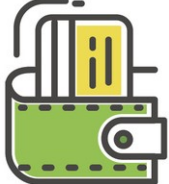





Variable needs are also necessities but they are not the same from month to month. They include expenses such as gas, food, pet supplies, and necessary clothing.

Wants, on the other hand, are unessential expenses. They might include meals at restaurants, movies, gym memberships, electronics, gifts, and unnecessary clothing.

Add the total amount of money you spend in a month on fixed needs, variable needs, and wants. Then subtract your monthly expenses from your monthly earnings. If you have a surplus—money left over after your expenses—you are in good shape.

However, you still may be able to cut back on unnecessary expenses and save money. If you are in the red—your expenses are greater than your earnings each month—you need to reduce expenses, increase your earnings, or both.



NEEDS	WANTS
<p data-bbox="399 319 635 362">Rent/Mortgage</p>  <p data-bbox="455 670 579 713">Utilities</p>  <p data-bbox="357 1019 677 1062">Credit Card Payments</p> 	<p data-bbox="971 319 1315 362">Dinners at Restaurants</p>  <p data-bbox="895 670 1391 713">Expensive/Unnecessary Clothing</p>  <p data-bbox="1013 1019 1273 1062">Gym Membership</p> 
FINANCIAL GOALS	
<p data-bbox="458 1461 576 1504">Savings</p> 	<p data-bbox="954 1461 1332 1504">Payments to Reduce Debt</p> 



Sample Budget	
<i>Monthly Income:</i>	
Household net wages	\$2,880
Other (babysitting)	\$120
Total	\$3,000
<i>Monthly Expenses:</i>	
Rent/mortgage	\$800
Car loan	\$260
Student loan	\$220
Car insurance	\$160
Cell phone	\$80
Internet	\$50
Cable	\$120
Utilities	\$270
Food	\$360
Clothing	\$190
Entertainment	\$400
Other (gifts, etc.)	\$80
Total:	\$2,990
Monthly income (\$3,000) minus expenses (\$2,990) = \$10	

This sample budget cuts expenses very close to income, with just \$10 left over every month to put into savings or pay off debt. Changes need to be made to this budget to free up money for savings. Use the following work sheet to calculate your own budget.



BUDGET WORKSHEET

Month/Year: _____

Monthly Income

Wages _____

Tips _____

Other Income _____

TOTAL MONTHLY INCOME _____**Monthly Expenses****HOUSING**

Mortgage/Rent _____

Utilities (Electricity/Water) _____

Credit Cards _____

Insurance (Homeowner's, Renters, etc.) _____

Loan Payments _____

Other Housing Expenses (Cable, Internet, etc.) _____

FOOD

Groceries/Household Supplies _____

Restaurant and Other Food _____

TRANSPORTATION

Public Transportation _____

Vehicle Loan _____

Gas for Personal Vehicle _____

Parking, Tolls, etc. _____

Maintenance & Supplies (oil, etc.) _____

Vehicle Insurance _____

HEALTH

Health Insurance _____

Medicine/Prescriptions _____

Other (Dental, Vision, Copays) _____

PERSONAL

Childcare or Support _____

Other Family Support _____

Laundry _____

Clothing, Shoes, etc. _____

Charitable Gifts, Donations, etc. _____

Entertainment (Movies, etc.) _____

Other (Haircuts, etc.) _____

DEBT & FINANCE

Debt (Credit Cards, etc.) _____

Student Loans or Other Debts _____

Fees (Bank, Credit Card, Debit) _____

Prepaid Cards, Phone Cards, etc. _____

MISCELLANEOUS EXPENSES

Supplies (School, etc.) _____

Pet Care _____

Other _____

TOTAL MONTHLY EXPENSES _____**TOTAL MONTHLY INCOME** _____**- TOTAL MONTHLY EXPENSES** _____**=** _____



MONTHLY EXPENSES
template



INCOME +

- SALARY
- EXTRA INCOME

EXPENSES -

	ELECTRIC		AUTO MAINTENANCE
	WATER		OIL
	FOOD		PHONE
	CREDIT CARD		INTERNET
	HOUSE		MEDICAL
			TRANSPORTATION

SAVINGS ↓





Other Budgeting Strategies

Some money experts believe in a simple method called the 50/30/20 rule to

keep from spending more than you earn.

According to this rule, you should budget your after-tax earnings (net income) in this way:

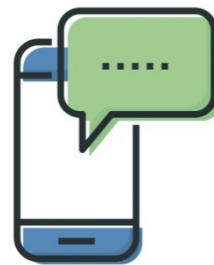
- **Needs** should be 50 percent of your net income
- **Wants** should be 30 percent of your net income
- **Financial goals** (savings and debt reduction) should be 20 percent of your net income

These ratios are the maximum you should spend on these categories—if you can get by with less, you can save more. When following the 50/30/20 rule, you should consider where any new expense fits into these three categories. If you cannot fit it into the appropriate ratio, it does not fit into your budget. This plan is flexible, especially if you are still trying to get your finances under control. Your needs may consume more than 50 percent of your net income, for example, leaving you less to devote to financial goals. When you are in a

better financial position, adjust your ratios to move closer to 50/30/20.

Keeping your “needs” at 50% of your take home pay helps you if you become injured or unemployed, since most disability payments and unemployment benefits will only be 50% of your regular salary.

See page 50 for a budgeting chart of the 50/30/20 rule for various income levels.



Budgeting & Savings Apps

There are many tools available to help you budget your money and save money.

Budgeting Apps

These services offer real-time tools so you can see how you are spending your money each month and can alert you if you are overspending. Some of the most popular budgeting apps are:

- **Mint:** mint.com
- **PocketGuard:** pocketguard.com
- **You Need a Budget:** youneedabudget.com
- **Wally:** wally.me



- **Mvelopes:** mvelopes.com
- **GoodBudget:** goodbudget.com
- **EveryDollar:** everydollar.com

Saving Apps

These services offer tools to help you save money. Maybe you're on a tight budget and you want to save wherever you can to create a "rainy day fund." Maybe you want to save for a large purchase like a special trip or a down-payment on a car.

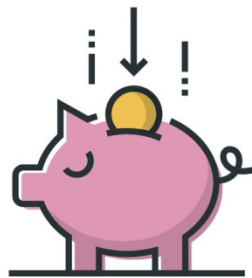
Some of these apps round up your purchase to the next dollar and add the change to your savings account. If you've ever cashed in a change jar, you know how much these few cents can add up.

Be sure to review the terms carefully, since some savings apps charge a monthly fee for their service.

These savings apps can help you reach your goal:

- **Acorns:** acorns.com
- **Digit:** digit.com
- **Chime Bank:** chimebank.com
- **Trim:** asktrim.com
- **Stash:** stashinvest.com

- **Clarity Money:** claritymoney.com
- **Mint:** mint.com
- **Qapital:** qapital.com
- **Aspiration:** aspiration.com
- **Twine:** twine.com
- **Varo :** varomoney.com
- **Stash:** stashinvest.com
- **Capital One 360 Savings:** capitalone.com



Ways to Cut Back

When you look at your income and spending, you may see that you need to cut back. You might not have any money left at the end of the month. Look first at your list of wants. What can you eliminate?

How much money do you spend eating out?

Are you spending a lot on smoothies or coffee every week? What about clothes and shopping? Could you cut back on these?



If you buy a coffee every morning on the way to work, at \$3 each, that works out to \$780 per year. If you eat out for lunch every day, and spend \$15 per day, that's \$3,900 per year. If you cut back on going out for coffee and lunch, just 3 days a week, that would be an extra \$2,808 in your bank account each year. Purchasing a good coffee maker and brewing it yourself will easily cut costs.

Scrutinize your spending on unnecessary items or activities

You may be able to save some of this money instead of spending it. For example, you may drop several dollars a week into vending machines for snacks during work hours. Instead, keep a supply of inexpensive snacks on hand. A box of granola bars purchased from a grocery store is much less expensive than purchasing individual bars on the go.

You may decide that some of these wants should become goals that you can save for over time. Maybe you're buying the latest video game as soon as it's released, for example. Instead, try making this a short-term goal and setting aside money from each paycheck. Set limits on how much you spend on wants, such as restaurant meals or movies, and see if this helps you balance your budget.

Try substitution instead of outright elimination

Research a less-expensive gym, or quit the gym and put the membership fees toward the purchase of home fitness equipment.

Are you paying for a streaming service to listen to music without ads? Consider using a free service instead; the interruptions are a small inconvenience if you can save money. Or, see if your local library makes music and movie streaming services available to their library card holders.

Avoid temptation and move money into savings first

If your employer offers direct deposit, set up an automatic deposit into your savings account. That way it isn't a temptation to spend instead. If your employer does not offer direct deposit, you can do it yourself by transferring money into your savings account when you deposit each pay check.

If reducing "wants" is not enough, you may have to adjust variables

Maybe, for example, you can reduce car trips to save money on gas, or you can take public transportation more often to avoid parking fees. Share transportation expenses by carpooling with coworkers, if possible.



In some cities, you may be able to enroll in a car-sharing service, or use on-demand car services. These solutions relieve you of the expense of car payments, fuel, repairs, and car insurance.

Some areas offer alternative transportation, such as bike-sharing programs, that may also work for you. Your situation may allow you to use a variety of these transportation solutions and greatly reduce your expenses.

Here are some tips to cut back on your grocery bills:

- Choose less-costly brands
- Look for coupons for products you buy
- Shop at a discount store
- Examine store circulars to find the best prices and buy what's on sale
- Plan your meals for the week to take advantage of sales and avoid wasting food
- Make a shopping list and stick to it, this will avoid expensive impulse purchases
- Brown bag your lunch instead of going to restaurants
- Buy in bulk
- Compare prices between different grocery stores, you may be able to save by shopping at a different store

If you usually throw away fresh fruits and vegetables because they spoil before you eat them, shop for frozen or canned produce, or buy seasonal fresh produce, which is usually less expensive.

Larger packages of food and other items are usually less costly. Check the store shelf for the unit price. The unit price tells you how much each unit, such as an ounce, of the item costs. A large box of cereal, for example, may cost more than a small box, but the cost per ounce might be much less. If small boxes are on sale, however, the unit price may be lower.

The same is true of proteins. Meats are often expensive, but they can be more affordable if you purchase large packs. Separate the meat into smaller portions—the amount you will cook for a meal—wrap it in freezer paper or bags, and freeze it. You may also consider cooking it all at once before freezing it to save time later. You could also freeze portions for two meals and have the leftovers for lunch the next day.

You can also save money by going meatless occasionally. Substituting beans, eggs, or another protein for meat once or twice a week will save on your food bill.



Learn to fix things instead of replacing them

You can find library books and online tutorials about almost any subject. Learn to sew on a button, change a tire, fix a leaky faucet, or remove a carpet stain.

Substitute handmade gifts/services for store-bought

Offer help, such as babysitting, to new parents instead of buying toys or clothes. Learn to knit or crochet and make clothing, toys, and housewares to serve as gifts. Cook or bake for friends. Organize a potluck instead of dinner at a restaurant.

Find a less-expensive housing option

The cheapest apartment is not always the best—your safety is important, as is the location where you live. If you live close to where you work or go to school, you will probably save on transportation.

You may want to get a roommate to share expenses. Start with people you already know, including friends, family, and coworkers, who may want to share a place or can recommend someone. Consider moving in with your parents or other relatives, at least temporarily, to save money.

Other ways to save include shopping for utilities if you are able, substituting a pay-as-you-go cell phone for a

monthly contract, and shopping for less-costly insurance. You might consider cutting out cable and subscribing to a streaming service for entertainment.

Look at any fees you pay

Debit cards are convenient, but you may incur charges when using them. Your financial institution may let you make a set number of debit payments a month without adding fees, but it may charge you for using the debit card other times.

If you are racking up debit card fees, consider using a cash system—withdraw the money you can spend each pay period in one transaction. Find out if your financial institution offers any other ways to avoid fees when using your debit card. You may be able to replace the card with a debit/credit card. Making transactions as credit charges still limits you to spending only money that is in your account, but you may avoid debit fees with these purchases. Credit transactions also provide consumer protection. This means the credit company will help you in a dispute about a purchase with a merchant.

You may also pay fees for bank accounts, so it pays to shop around. Some banks offer free checking accounts to customers with direct deposit. You may be offered overdraft protection, which covers



you if you try to use more money than you have in your account. The bank will allow the transaction to go through and cover your shortfall, but will charge a fee to your account in addition to the money you now owe. You can protect yourself from overdraft fees by keeping a careful watch on spending.

Ways to save on entertainment

There are many ways to save and still have fun!

Call your cable provider and explore alternate plans for a lesser fee.

Consider streaming options, like Netflix, Hulu or Sling as an alternative to cable.

Explore your cellular options. You may be able to save by switching carriers or switching plans. If you're not using very much data, you may be wasting money on an unlimited data plan. But, pay attention to fees. If you are paying overage fees for data, you're probably not in the right plan. You can also put a cap on your data plan, so if you reach your limit, you have slower access until you reach your next billing cycle.

Visit your library. Your library most likely has a wide selection of DVDs and audio books, all for free. Plus, they have books, of course. Many libraries also participate in free pass programs where you can "check out"

a free or reduced cost pass to a local attraction or museum. Your local library might also offer free access to music and movie streaming.

Stay in with friends. Consider a game night and spend the night in; this can be far less expensive than a night out on the town.

Visit museums and national parks, which are free or low-cost. Go hiking or have a picnic. Be creative!



Credit Cards and Debt

Credit cards are convenient, but they are also costly. While

you may need to use a credit card for unexpected expenses, such as a car repair, you will have to pay back the amount you charged with interest.

Credit card debt is a loan with an open-ended or rolling repayment date. Payments are usually made monthly. Lenders charge interest, which is a percentage of the amount you have borrowed. You have to pay back the principal, or the amount you have borrowed, as well as the interest. If you charge \$100 on your credit card, which has an interest rate of 10 percent, you owe \$110 if you pay it back right away. But credit card companies charge customers compound interest, which may be





calculated monthly. This means that you will have to pay interest on the principal and interest on the interest, which increases every month that you don't pay off the debt.

Compound interest can balloon quickly. If you decide to use a credit card—or several cards—you may find yourself facing larger and larger payments as the interest increases. Sometimes people can't pay other bills because their credit card payments get too big for them to manage. They start using credit cards to pay for needs such as utilities and groceries, and struggle as even more interest adds up.

You may not need a credit card at all. If you decide to keep one for emergencies, choose one with a low interest rate, or choose a prepaid card. The higher the interest rate, the more interest you will pay. Try to pay the bill off every month, or in as few

payments as possible. Don't use the credit card for “wants.”

If you already have credit card debt, make eliminating it a priority. You may feel a greater sense of accomplishment if you focus on paying off one card at a time. Pay down the card with the lowest balance. You may have to make the minimum payment on other cards to do this, but paying off one card will remove one weight from your shoulders. Then, immediately focus on eliminating debt on another card, and keep going.

You may also want to ask the card issuer for a lower interest rate. The creditor is more likely to do this if you have not missed payments and have a credit score of 730 or more. If you receive an offer of another card with a lower rate, you can also ask your creditor to match the offer.

Websites such as [lowcards.com](https://www.lowcards.com) and [bankrate.com](https://www.bankrate.com) allow you to compare credit cards. Some card issuers offer low introductory interest rates for a year or more. If you will be able to pay off a higher-interest card in that time, you may want to transfer the balance to a lower-interest card.

[Smartbalancetransfers.com](https://www.smartbalancetransfers.com) is a site that can help you calculate any balance-transfer fee to see how it will affect your debt. You also should not use the card for new purchases if the



lower interest rate does not apply to these charges. In any case, the goal is to reduce credit card debt, so avoid new charges if at all possible.

Another strategy to pay down credit card debt is to try to make two minimum payments a month. If you can afford to do so frequently, you will see progress more quickly. As an example, a \$2,000 charge on a card with a 17 percent interest rate will be paid off in about twenty-one years if you only pay the minimum each month. If you make the minimum monthly payment twice a month, however, you will pay the card off in about three years—eighteen years sooner! And the compound interest will be much less.

Some credit cards offer an introductory interest rate of 0%. This means you won't pay any interest on the card for a period of time, often a year or longer. Consider a balance transfer to one of these credit cards. You need a good credit score to qualify, however.

Some people decide to use credit counseling services and debt-consolidation agencies to reduce credit card debt. Some of these services charge fees, while many communities also have free counseling services.

Before going this route, however, consider the risks. Such businesses are

not regulated in some states, so the people operating them may not have any expertise or training. These debt managers may suggest a debt management plan (DMP). This allows you to send one check to the counseling company, which forwards payments to creditors. The counselor may negotiate lower interest rates or lower monthly payments for you, but he or she may also charge you start-up fees or monthly fees for service. Your participation in a DMP will also be noted on your credit report, and failure to make a DMP payment will remain on your credit report for seven years. In short, choose any agency or company carefully, read the fine print, and be sure you understand how the company is making money from clients. Also check the Better Business Bureau's website or your state attorney general's office to see if any complaints have been filed against the company. You can also consult the list of Approved Credit Counselors in *Financial Literacy Basics: Managing Debt*, another title in this series.

In many cases, the Internal Revenue Service (IRS) counts forgiven debt as income. If an agency reduces your debt, you may have to pay taxes on it. If you don't pay the taxes, you could end up with IRS penalties and you'll have to pay interest on the unpaid taxes, too.





Set Goals

Once your debt is under control, consider your financial goals. You might want to save for a specific event or purchase, or reduce debt by making larger payments on credit cards or loans, such as car loans, student loans, and mortgages. This can help you avoid paying more interest on the loans and free up that money for other uses.

There are three types of financial goals:

1. **Short-term goals**
2. **Mid-term goals**
3. **Long-term goals**

Short-term goals are those you can reach in less than a year. **Mid-term goals** may take from one to three years to reach. **Long-term goals**, on the other hand, take many years to reach. A short-term goal may be to pay off a credit card. A mid-term goal might be to pay off a student loan or a car loan. Saving money for retirement is a long-term goal. Your goals should be SMART.



SMART: Specific, Measurable, Achievable, Realistic, and Timely

A goal is specific when you can track its progress and know when you have reached it. A measurable goal is concrete; rather than setting a goal of getting rich, set a goal of saving a specific amount of money.

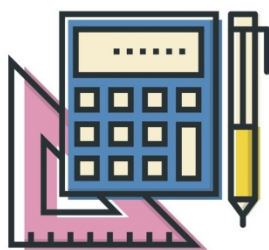
A goal that is achievable is something you can make plans toward attaining, such as saving a set amount each week. A realistic goal is one you can expect to reach. Timely means that you should set a timeframe for your goal.

You may decide you have several financial goals, such as paying debt and saving money. In this case, you should consider your needs and prioritize your goals. Debt usually grows because of interest you must pay, so you may decide to prioritize paying off loans or credit cards to save money in the long run. Perhaps you need to save for a car, which will allow you to get another job and earn more money so you can pay debts faster overall. This makes transportation a higher priority than paying down your debt.

Though you may not have all the information you need about these



goals while you make your budget, you can figure them out along the way. You may reevaluate your priorities as you better understand your financial situation.



Do the Math

Once you know your monthly earnings and expenses, divide your fixed and variable needs by four to calculate your weekly expenses. This helps you see how much money you need to save each week to pay your monthly expenses. If your share of the rent is \$400 a month, for example, you must set aside \$100 a week for rent.

Whatever is left after you subtract your weekly needs is money you can use to pay down debt, spend on wants, save for emergencies, or use to meet your goals. This is the time to prioritize your SMART goals and calculate how much you need to save each week to achieve them.

A weekly budgeting strategy (fifty-two weeks a year) may not suit your needs. If you are paid on a different schedule—for example, biweekly (twenty-six pay periods a year)—you may wish to create a budget strategy that better reflects your pay schedule. If you are paid twice a month, divide

your monthly earnings and expenses by two to calculate how much of each paycheck you need to use to pay your bills.

In the sample budget on page 6, monthly debt is \$2,990. Divided by four weeks, you would need \$747.50 a week for expenses. If you are paid every two weeks, \$1,495 of every paycheck goes to pay expenses.



Budget Methods

Your budget tracker can be as simple as a notebook with columns for what you spend money on and how much you spend and save. A notebook has several advantages, including access—you can enter information any time without having to log in or load programs. You might find that a notebook is all you need, or you can combine a variety of methods that work for you.

Sometimes people don't have access to a bank, or they prefer to use cash all or most of the time. They may use envelopes to budget and save. Label all the envelopes, and put the money budgeted for those expenses in each one. If you need \$400 a month for rent, for example, put \$100 in the rent envelope every week. If the envelope for entertainment is empty, for



example, spending on that want ends until the next paycheck. Some people find it easier to stick to a budget when they literally hold in their hands the money they have for expenses and know exactly how much is left after the bills are paid. Sometimes, people don't use a bank because they want to avoid banking fees. As long as you pay the bills on time, you will avoid fees such as late fees and overdraft bank fees that can add up if you are not careful about your checking account balance.

A variety of apps and software—both free and paid—are available to help you set up and maintain your budget. Some allow you to pay your bills through the app, which automatically deducts the amounts so you can easily see what you have left. Some apps let you set limits on spending categories, such as entertainment or clothing purchases, that can help you stay on track with spending on your wants.

These apps can be especially useful if you use a debit or credit card and need to record these payments. For example, Intuit offers a free budgeting app at mint.com that allows you to track spending and pay your bill, and reminds you when payments are due. (Intuit owns TurboTax, so data entered into Mint can be loaded directly into tax software if you choose to use it.) Quicken offers both software and a

mobile app to create and maintain a budget. GnuCash offers free software that is compatible with Windows, OSX, and Linux operating systems as well as an app.

Many apps and software programs will create personalized charts to help you analyze spending habits. [Mymoney.gov](https://mymoney.gov), the website of the Federal Financial Literacy and Education Commission, also provides tips and links to a variety of tools for financial planning, including budgeting worksheets and calculators.

Budgeting Software and Apps

Mint.com (Intuit)
You Need a Budget
Mvelopes
Quicken Premier
EveryDollar
PocketGuard
Prism
Personal Capital
Albert
MoneyDance
GnuCash
Moneyspire
CountAbout

If you have a computer with a spreadsheet program, you can create and maintain your own budget spreadsheet. Microsoft and Google both have simple budget templates. *Kiplinger's* magazine offers a free



budget planner at:

www.kiplinger.com/tool/spending/T007-S001-budgeting-worksheet-a-household-budget-for-today-a/. Once you enter your income and expenses, you can download the information in a spreadsheet.

The American Institute of CPAs has created www.360financialliteracy.org, a consumer money management website. It offers a number of resources in its Toolbox, such as an Excel budget worksheet and a collection of calculators to help you set savings goals, figure out how much you can save by bagging lunch, compare the cost of renting vs. owning, and calculate how much you pay in interest when you make only minimum credit card payments.

The Federal Trade Commission makes several free tools available on the consumer.gov website. Visitors can view helpful information about Managing Your Money; Credit, Loans & Debt; and Scams and Identity Theft.



Sticking to Your Budget

Cutting back on expenses can make sticking to a budget a chore. You may feel as if you are punishing yourself by eliminating things you enjoy to save money. If you feel this way, you may have made your budget too restrictive. Make sure to build in a little fun.

Don't give up! Instead, try setting short-term goals to reward and motivate yourself. Check the progress you are making on long-term goals to remind yourself of how much you are accomplishing by sticking to your budget, and focus on how happy you will be when you achieve these goals.

Budget a small amount for a monthly splurge on something that makes you happy. This might be a music download, some inexpensive cut flowers, or a favorite food item. Having rewards to look forward to makes saving less of a chore.

You can use different methods to track spending and saving. You might even use several methods, such as an app to track spending as you go about your day, and a notebook in which to record it later. Only you know what works best for you. The important thing is to develop a system and stick to it.



You may need some time to set up your budget and see benefits. Don't be discouraged if you are still adjusting your budget after several months. You will need to reexamine your spending and savings goals in response to life changes, such as changes in employment or increases in costs such as rent or gas. Take it step by step and adjust as needed.

Take a look at your spending habits once a month. You may see certain trends that you didn't notice at the time, such as unplanned restaurant meals because you didn't have time to shop for groceries. Think about how to avoid such expenses. You can plan your meals for the whole week so you will not have to shop several times, or cook extra and freeze meals for another day.

If you have a checking account, you can have money from your paycheck automatically moved from the checking account to a savings account. This can help you save because it's more difficult to get to the money once it's already put aside. You may also want to set up a special savings account for mid-term and long-term goals such as tuition or a down-payment on a house.



Creating a Budget with your Partner or Spouse

It can sometimes be difficult to discuss finances with your partner or spouse. But, having a conversation about finances, and setting goals together, can help avoid financial arguments down the road.

Here are some tips to make the "money conversation" a little easier.

- Create a monthly budget together.
- Talk about your S.M.A.R.T goals together (see page 17).
- Review the budgeting apps that can help you and your partner get a sense of your monthly spending. Some of the more popular ones for couples are You Need a Budget, Honeydue and GoodBudget.
- Schedule time weekly or monthly to review your budget and your financial goals together.
- Allow room for individual and joint discretionary spending. This often means being flexible



so that you are both satisfied with your budget.

- Another guide in the Financial Literacy Series, *Financial Planning for Major Life Events: Living Together, Getting Married & Starting a Family*, offers some additional helpful information about managing finances with a spouse or partner.



Banking Tips

- Choose a financial institution that offers free checking. If you set up direct deposit of your paycheck, many banks will not charge fees. Many credit unions offer free membership based on where you live or work.
- Set up automatic payments to savings accounts for long-term goals.
- Ask your financial institution about setting up automatic payments to special savings accounts, such as holiday or vacation accounts, to save for mid-term or short-term goals. The bank or credit union will give the money to you at a set

time. For example, you can set up a vacation savings account and have the money sent to you in June, just in time for summer vacation.

- Websites such as [Nerdwallet.com](https://nerdwallet.com) allow you to compare benefits of various financial institutions. Look for those with interest-earning accounts where your savings can grow. You may have to maintain a minimum balance to earn interest.
- Find a bank that lets you pay bills online. This will save on stamps and you can transfer the money conveniently and quickly.



Student Loans

Many young people take student loans to pay for college. These loans may be federal or private. Paying back several student loans is expensive and can take a chunk of money out of your budget. You may be able to consolidate student loans or make other changes to reduce interest rates. This lowers your monthly payment and makes it easier to pay back your student loans.



Many student loans have a six-month grace period, which means you won't have to begin paying until six months after graduation. If you don't graduate—you drop out, or become a part-time student instead of full-time—you will still have to pay back the loan.

If you have extra money left over each month, consider making more than the monthly payment to reduce your student loan debt more quickly.

If you do not have enough money in your budget to make your payments, you may be eligible for an income-based repayment (IBR) plan. This means the payments are based on how much you earn. You may also be able to temporarily stop making payments for a few months if you have financial difficulty, but the interest will continue to accrue, or build up. You can work with your lender to set up an extended repayment plan or other option, but be sure to ask questions and understand the terms, so you know how any change affects you.

Ask your loan provider about automatic payments. You may be able to get a rate reduction by making payments this way. You will also save time because you won't have to physically mail the payment each month; it will

automatically be deducted from your bank account. You have to remember, however, to deduct the amount from your bank balance.

Student loans are not like other loans. They aren't eliminated if you declare bankruptcy, and the lender won't write them off if you don't pay them. You may be charged penalties for nonpayment.

If you default on a federal student loan, the government can garnish, or take, up to 15 percent of your wages. This means the government has your employer hold back the money and send it to the lending agency.

In some cases, a portion of your loan may be forgiven if, for example, you work in the military, law enforcement, or public education sectors. If you find yourself struggling with a loan, contact the lender to discuss your options as soon as possible.

Refer to another volume in this series, *Financial Literacy Basics: Calculating the Cost of College & Understanding Student Loans* for more information about loan options and guidance on paying them back.



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BUDGET FOR HIGH SCHOOL STUDENTS

Month/Year: _____

Monthly Income

Wages	
Tips	
Allowance	
Other Income	
TOTAL MONTHLY INCOME	

Monthly Expenses

HOUSING

Housing Expenses	
Other	

FOOD

Groceries/Household Supplies	
Restaurant and Other Food	

TRANSPORTATION

Public Transportation	
Vehicle Loan	
Gas for Personal Vehicle	
Parking, Tolls, etc.	
Maintenance & Supplies (oil, etc.)	
Vehicle Insurance	

HEALTH

Medicine/Prescriptions	
Other	

PERSONAL

Laundry	
Clothing, Shoes, etc.	
Entertainment (Movies, etc.)	
Other (Haircuts, etc.)	

EDUCATION

School Supplies	
Saving for College	
Other Education Expenses	

DEBT & FINANCE

Debt (Credit Cards, etc.)	
Fees (Bank, Credit Card, Debit)	
Prepaid Cards, Phone Cards, etc.	

MISCELLANEOUS EXPENSES

Other Supplies	
Contribution to Savings	
Pet Care	
Other	

TOTAL MONTHLY EXPENSES

TOTAL MONTHLY INCOME	
- TOTAL MONTHLY EXPENSES	
=	

*Each individual's budgeting needs are unique. You can add in additional lines for other expenses to meet your needs.



BUDGET FOR COLLEGE STUDENTS

Month/Year: _____

Monthly Income

Wages _____

Tips _____

Other Income _____

TOTAL MONTHLY INCOME _____

Monthly Expenses

HOUSING

Mortgage/Rent _____

Utilities (Electricity/Water) _____

Insurance (Homeowner's, Renters, etc.) _____

Other Housing Expenses (Cable, Internet, etc.) _____

FOOD

Groceries/Household Supplies _____

Restaurant and Other Food _____

TRANSPORTATION

Public Transportation _____

Vehicle Loan _____

Gas for Personal Vehicle _____

Parking, Tolls, etc. _____

Maintenance & Supplies (oil, etc.) _____

Vehicle Insurance _____

HEALTH

Health Insurance _____

Medicine/Prescriptions _____

PERSONAL

Childcare or Support _____

Laundry _____

Clothing, Shoes, etc. _____

Entertainment (Movies, etc.) _____

Other (Haircuts, etc.) _____

DEBT & FINANCE

Debt (Credit Cards, etc.) _____

Fees (Bank, Credit Card, Debit) _____

Prepaid Cards, Phone Cards, etc. _____

MISCELLANEOUS EXPENSES

Pet Care _____

Other _____

EDUCATION EXPENSES

Student Loans or Other Debts _____

Books & School Supplies _____

Other Education Expenses _____

TOTAL MONTHLY EXPENSES _____

TOTAL MONTHLY INCOME _____

- TOTAL MONTHLY EXPENSES _____

= _____

*Each individual's budgeting needs are unique. You can add in additional lines for other expenses to meet your needs.



BUDGET FOR SINGLE PERSON HOUSEHOLD

Month/Year: _____

Monthly Income

Wages _____

Tips _____

Other Income _____

TOTAL MONTHLY INCOME _____

Monthly Expenses

HOUSING

Mortgage/Rent _____

Utilities (Electricity/Water) _____

Insurance (Homeowner's, Renters, etc.) _____

Other Housing Expenses (Cable, Internet, etc.) _____

FOOD

Groceries/Household Supplies _____

Restaurant and Other Food _____

TRANSPORTATION

Public Transportation _____

Vehicle Loan _____

Gas for Personal Vehicle _____

Parking, Tolls, etc. _____

Maintenance & Supplies (oil, etc.) _____

Vehicle Insurance _____

HEALTH

Health Insurance _____

Medicine/Prescriptions _____

Other (Dental, Vision, Copays) _____

PERSONAL

Childcare or Other Support _____

Laundry _____

Clothing, Shoes, etc. _____

Charitable Gifts, Donations, etc. _____

Entertainment (Movies, etc.) _____

Other (Haircuts, etc.) _____

DEBT & FINANCE

Debt (Credit Cards, etc.) _____

Student Loans or Other Debts _____

Fees (Bank, Credit Card, Debit) _____

Prepaid Cards, Phone Cards, etc. _____

MISCELLANEOUS EXPENSES

Supplies (School, etc) _____

Pet Care _____

Other _____

TOTAL MONTHLY EXPENSES _____

TOTAL MONTHLY INCOME _____

- TOTAL MONTHLY EXPENSES _____

= _____

*Each individual's budgeting needs are unique. You can add in additional lines for other expenses to meet your needs.



BUDGET FOR TWO-PERSON HOUSEHOLD

Month/Year: _____

Monthly Income

Wages (include wages for both individuals) _____
 Tips _____
 Other Income _____
TOTAL MONTHLY INCOME _____

Monthly Expenses

HOUSING

Mortgage/Rent _____
 Utilities (Electricity/Water) _____
 Insurance (Homeowner's, Renters, etc.) _____
 Other Housing Expenses (Cable, Internet, etc.) _____

FOOD

Groceries/Household Supplies _____
 Restaurant and Other Food _____

TRANSPORTATION

Public Transportation _____
 Vehicle Loan _____
 Gas for Personal Vehicle _____
 Parking, Tolls, etc. _____
 Maintenance & Supplies (oil, etc.) _____

HEALTH

Vehicle Insurance _____
 Health Insurance _____
 Medicine/Prescriptions _____
 Other (Dental, Vision, Copays) _____

PERSONAL

Childcare or Support _____
 Other Family Support _____
 Laundry _____
 Clothing, Shoes, etc. _____
 Charitable Gifts, Donations, etc. _____
 Entertainment (Movies, etc.) _____
 Other (Haircuts, etc.) _____

DEBT & FINANCE

Debt (Credit Cards, etc.) _____
 Student Loans or Other Debts _____
 Fees (Bank, Credit Card, Debit) _____
 Prepaid Cards, Phone Cards, etc. _____

MISCELLANEOUS EXPENSES

Supplies (School, etc) _____
 Pet Care _____
 Other _____

TOTAL MONTHLY EXPENSES _____

TOTAL MONTHLY INCOME _____

- TOTAL MONTHLY EXPENSES _____

= _____

*Each individual's budgeting needs are unique. You can add in additional lines for other expenses to meet your needs.



BUDGET FOR HOUSEHOLD WITH CHILDREN

Month/Year: _____

Monthly Income

Wages	
Tips	
Other Income	
TOTAL MONTHLY INCOME	

Monthly Expenses

HOUSING

Mortgage/Rent	
Utilities (Electricity/Water)	
Insurance (Homeowner's, Renters, etc.)	
Other Housing Expenses (Cable, Internet, etc.)	

FOOD

Groceries/Household Supplies	
Restaurant and Other Food	

TRANSPORTATION

Public Transportation	
Vehicle Loan	
Gas for Personal Vehicle	
Parking, Tolls, etc.	
Maintenance & Supplies (oil, etc.)	
Vehicle Insurance	

HEALTH

Health Insurance	
Medicine/Prescriptions	
Other (Dental, Vision, Copays)	

PERSONAL

Other Family Support	
Laundry	
Clothing, Shoes, etc.	
Charitable Gifts, Donations, etc.	
Entertainment (Movies, etc.)	
Other (Haircuts, etc.)	

FAMILY EXPENSES

Childcare	
School Supplies	
College Savings Account	
Other Family Expenses	
Debt (Credit Cards, etc.)	
Student Loans or Other Debts	
Prepaid Cards, Phone Cards, etc.	

MISCELLANEOUS

Other	
TOTAL MONTHLY EXPENSES	

TOTAL MONTHLY INCOME	
- TOTAL MONTHLY EXPENSES	
=	

*Each individual's budgeting needs are unique. You can add in additional lines for other expenses to meet your needs.



CREATE YOUR OWN BUDGET WORKSHEET

Month/Year: _____

Monthly Income

Wages _____

Tips _____

Other Income _____

TOTAL MONTHLY INCOME _____

Monthly Expenses

HOUSING

Mortgage/Rent _____

Utilities (Electricity/Water) _____

Credit Cards _____

Insurance (Homeowner's, Renters, etc.) _____

Loan Payments _____

Other Housing Expenses (Cable, Internet, etc.) _____

FOOD

Groceries/Household Supplies _____

Restaurant and Other Food _____

TRANSPORTATION

Public Transportation _____

Vehicle Loan _____

Gas for Personal Vehicle _____

Parking, Tolls, etc. _____

Maintenance & Supplies (oil, etc.) _____

Vehicle Insurance _____

HEALTH

Health Insurance _____

Medicine/Prescriptions _____

Other (Dental, Vision, Copays) _____

PERSONAL

Childcare or Support _____

Other Family Support _____

Laundry _____

Clothing, Shoes, etc. _____

Charitable Gifts, Donations, etc. _____

Entertainment (Movies, etc.) _____

Other (Haircuts, etc.) _____

DEBT & FINANCE

Debt (Credit Cards, etc.) _____

Student Loans or Other Debts _____

Fees (Bank, Credit Card, Debit) _____

Prepaid Cards, Phone Cards, etc. _____

MISCELLANEOUS EXPENSES

Supplies (School, etc.) _____

Pet Care _____

Other _____

TOTAL MONTHLY EXPENSES _____

TOTAL MONTHLY INCOME _____

- TOTAL MONTHLY EXPENSES _____

= _____



Consumer Expenditure Survey, 2017-2018

Region of residence: Average annual expenditures and characteristics

Item	All consumer units	Northeast	Midwest	South	West
Number of consumer units (in thousands)	130,798	23,343	28,001	50,409	29,044
Consumer unit characteristics:					
Income before taxes	76,335	89,070	71,368	69,288	83,117
Income after taxes	65,623	74,292	62,106	60,465	71,001
Age of reference person	51.0	52.5	51.0	51.0	50.1
Average number in consumer unit:					
People	2.5	2.4	2.4	2.4	2.7
Children under 18	.6	.5	.6	.6	.7
Adults 65 and older	.4	.4	.4	.4	.4
Earners	1.3	1.3	1.3	1.2	1.4
Vehicles	1.9	1.6	2.1	1.9	2.0
Percent distribution:					
Reference person:					
Men	47	47	48	47	49
Women	53	53	52	53	51
Housing tenure:					
Homeowner	63	61	67	64	59
With mortgage	37	34	40	36	38
Without mortgage	26	27	27	29	21
Renter	37	39	33	36	41
Race of reference person:					
Black or African-American	13	13	12	19	5
White, Asian, and all other races	87	87	88	81	95
Hispanic or Latino origin of reference person:					
Hispanic or Latino	14	12	5	14	23
Not Hispanic or Latino	86	88	95	86	77
Education of reference person:					



Item	All consumer units	Northeast	Midwest	South	West
Elementary (1-8)	3	3	3	3	5
High school (9-12)	29	31	30	31	24
College	67	66	67	66	72
Never attended and other	a/	a/	a/	a/	a/
At least one vehicle owned or leased	88	80	89	90	91
Average annual expenditures	60,815	66,029	57,508	56,429	67,377
Food	7,869	8,506	7,420	7,226	8,876
Food at home	4,445	4,910	4,245	4,098	4,854
Cereals and bakery products	565	658	540	514	601
Cereals and cereal products	177	199	166	161	198
Bakery products	388	459	374	353	404
Meats, poultry, fish, and eggs	954	1,064	859	919	1,020
Beef	259	288	232	250	276
Pork	181	152	179	185	197
Other meats	130	156	139	117	122
Poultry	181	207	143	179	198
Fish and seafood	144	196	115	133	149
Eggs	60	65	51	54	77
Dairy products	453	519	458	393	498
Fresh milk and cream	149	173	148	132	160
Other dairy products	304	346	310	261	338
Fruits and vegetables	857	1,018	772	763	971
Fresh fruits	319	384	289	277	368
Fresh vegetables	282	358	245	241	325
Processed fruits	114	124	103	105	134
Processed vegetables	142	152	134	139	145
Other food at home	1,615	1,652	1,617	1,509	1,764
Sugar and other sweets	153	170	159	137	160
Fats and oils	121	131	116	118	122
Miscellaneous foods	854	862	863	772	977
Nonalcoholic beverages	431	428	417	436	438
Food prepared by consumer unit on out-of-town trips	57	61	62	46	67
Food away from home	3,424	3,596	3,174	3,127	4,022
Alcoholic beverages	574	618	589	452	733
Housing	20,001	23,121	17,703	18,246	22,751
Shelter	11,807	14,386	9,753	10,332	14,277
Owned dwellings	6,850	8,533	6,216	6,057	7,483
Mortgage interest and charges	3,090	3,285	2,649	2,800	3,862



Item	All consumer units	Northeast	Midwest	South	West
Property taxes	2,133	3,613	2,118	1,508	2,042
Maintenance, repairs, insurance, other expenses	1,627	1,635	1,449	1,749	1,578
Rented dwellings	4,188	4,851	2,823	3,631	5,938
Other lodging	770	1,001	714	645	856
Utilities, fuels, and public services	3,956	4,134	3,839	3,954	3,930
Natural gas	406	594	606	248	338
Electricity	1,462	1,337	1,295	1,699	1,311
Fuel oil and other fuels	112	370	90	47	40
Telephone services	1,382	1,428	1,328	1,359	1,436
Residential phone service, VOIP, and phone cards	231	332	214	219	186
Cellular phone service	1,151	1,096	1,113	1,140	1,250
Water and other public services	594	406	522	600	805
Household operations	1,490	1,689	1,331	1,394	1,649
Personal services	463	580	474	417	438
Other household expenses	1,027	1,110	857	977	1,211
Housekeeping supplies	750	746	665	750	832
Laundry and cleaning supplies	174	176	165	177	179
Other household products	441	431	393	430	511
Postage and stationery	135	139	107	143	143
Household furnishings and equipment	1,998	2,166	2,115	1,816	2,063
Household textiles	107	112	100	112	103
Furniture	518	570	483	508	526
Floor coverings	30	27	61	17	26
Major appliances	289	312	274	283	297
Small appliances, miscellaneous housewares	121	118	125	110	137
Miscellaneous household equipment	933	1,027	1,072	786	975
Apparel and services	1,850	2,221	1,791	1,617	2,010
Men and boys	442	553	445	362	486
Men, 16 and over	345	430	348	280	385
Boys, 2 to 15	96	123	96	81	101
Women and girls	698	801	680	640	730
Women, 16 and over	578	683	542	529	611
Girls, 2 to 15	120	117	138	111	119
Children under 2	81	77	74	86	82
Footwear	387	462	375	324	444
Other apparel products and services	244	328	218	204	268
Transportation	9,735	9,357	9,246	10,043	9,982
Vehicle purchases (net outlay)	4,134	3,440	3,833	4,711	3,979
Cars and trucks, new	1,985	1,789	1,611	2,434	1,725
Cars and trucks, used	2,068	1,601	2,146	2,190	2,154



Item	All consumer units	Northeast	Midwest	South	West
Other vehicles	81	49	77	87	100
Gasoline, other fuels, and motor oil	2,055	1,831	2,000	2,053	2,289
Other vehicle expenses	2,771	3,015	2,727	2,687	2,769
Vehicle finance charges	218	176	227	247	194
Maintenance and repairs	892	865	856	882	965
Vehicle insurance	925	875	867	1,066	783
Vehicle rental, leases, licenses, and other charges	735	1,099	776	491	827
Public and other transportation	776	1,071	687	592	944
Healthcare	4,924	5,056	5,153	4,816	4,784
Health insurance	3,395	3,564	3,503	3,400	3,148
Medical services	873	871	943	770	987
Drugs	489	440	515	501	480
Medical supplies	167	181	192	146	169
Entertainment	3,379	3,197	3,852	2,916	3,866
Fees and admissions	753	957	688	625	876
Audio and visual equipment and services	1,055	1,044	1,018	1,045	1,113
Pets, toys, hobbies, and playground equipment	845	728	1,062	734	920
Pets	686	555	889	592	754
Toys, hobbies, and playground equipment	159	173	173	142	166
Other entertainment supplies, equipment, and services	725	467	1,085	512	956
Personal care products and services	764	782	750	728	822
Reading	108	137	112	96	101
Education	1,505	2,431	1,375	1,168	1,468
Tobacco products and smoking supplies	336	346	396	348	251
Miscellaneous	1,027	1,161	801	950	1,269
Cash contributions	1,840	1,552	1,709	1,821	2,230
Personal insurance and pensions	6,904	7,545	6,610	6,003	8,234
Life and other personal insurance	429	514	440	412	380
Pensions and Social Security	6,474	7,031	6,170	5,591	7,854
Sources of income and personal taxes:					
Money income before taxes	76,335	89,070	71,368	69,288	83,117



Item	All consumer units	Northeast	Midwest	South	West
Wages and salaries	59,555	70,529	55,067	53,941	64,803
Self-employment income	5,098	6,199	4,750	4,499	5,590
Social Security, private and government retirement	8,552	9,135	8,490	8,533	8,177
Interest, dividends, rental income, other property income	1,884	1,864	1,858	1,309	2,926
Public assistance, Supplemental Security Income, Supplementary Nutrition Assistance Program (SNAP)	458	546	422	399	522
Unemployment and workers' compensation, veterans' benefits, and regular contributions for support	477	420	475	379	692
Other income	311	378	305	227	408
Personal taxes (contains some imputed values)	10,711	14,779	9,262	8,823	12,116
Federal income taxes	8,457	11,426	7,146	7,210	9,500
State and local income taxes	2,200	3,276	2,056	1,544	2,611
Other taxes	54	77	59	69	5
Income after taxes	65,623	74,292	62,106	60,465	71,001
Addenda:					
Net change in total assets and liabilities	15,417	16,838	15,806	11,577	20,563
Net change in total assets	25,285	28,739	23,189	20,052	33,612
Net change in total liabilities	9,868	11,902	7,383	8,475	13,049
Other financial information:					
Other money receipts	720	450	1,010	401	1,209
Mortgage principal paid on owned property	-2,028	-2,393	-1,982	-1,750	-2,262
Estimated market value of owned home	194,083	215,360	137,338	149,903	308,370
Estimated monthly rental value of owned home	1,047	1,198	875	933	1,289
Gifts of goods and services, total	1,178	1,411	1,383	968	1,157
Food	78	112	106	53	65
Alcoholic beverages	16	25	15	8	22
Housing	254	238	264	217	323
Housekeeping supplies	34	29	29	30	50
Household textiles	8	11	10	6	7
Appliances and miscellaneous housewares	20	17	26	20	15
Major appliances	8	8	12	8	5
Small appliances and miscellaneous housewares	12	9	14	13	10
Miscellaneous household equipment	54	69	56	49	48



Item	All consumer units	Northeast	Midwest	South	West
Other housing	139	112	143	111	203
Apparel and services	212	226	230	190	223
Males, 2 and over	54	57	64	48	51
Females, 2 and over	81	81	94	74	82
Children under 2	28	29	27	23	38
Other apparel products and services	49	58	45	45	53
Jewelry and watches	13	19	9	18	3
All other apparel products and services	36	39	36	27	49
Transportation	122	111	148	131	89
Healthcare	19	15	37	13	15
Entertainment	104	102	121	84	121
Toys, games, arts and crafts, and tricycles	42	53	58	27	45
Other entertainment	61	49	63	57	77
Personal care products and services	12	8	11	13	15
Reading	3	3	6	3	2
Education	275	498	363	194	152
All other gifts	83	72	81	63	129
Source: Consumer Expenditure Survey, U.S. Bureau of Labor Statistics, April, 2019 https://www.bls.gov/cex/					



Average Hourly Wage and Annual Income by State (All Occupations)

State	Total Employees	Average Hourly Wage (\$)	Average Annual Wage (\$)
Alabama	1,943,760	21.05	43,790
Alaska	315,250	28.22	58,710
Arizona	2,789,520	23.70	49,290
Arkansas	1,210,120	19.97	41,540
California	17,007,690	28.44	59,150
Colorado	2,620,640	26.84	55,820
Connecticut	1,660,200	29.22	60,780
Delaware	448,510	25.63	53,320
District of Columbia	712,370	42.27	87,920
Florida	8,608,660	22.12	46,010
Georgia	4,394,740	23.21	48,280
Hawaii	641,790	25.43	52,900
Idaho	706,140	20.90	43,480
Illinois	5,991,270	25.86	53,790
Indiana	3,048,100	21.77	45,290
Iowa	1,541,700	22.19	46,150
Kansas	1,375,380	21.77	45,280
Kentucky	1,889,870	20.77	43,210
Louisiana	1,913,770	20.51	42,660
Maine	605,550	22.50	46,810
Maryland	2,684,010	28.25	58,770
Massachusetts	3,571,360	30.72	63,910
Michigan	4,317,830	23.80	49,510
Minnesota	2,867,700	26.06	54,200
Mississippi	1,123,830	18.95	39,420
Missouri	2,804,780	22.33	46,460
Montana	463,280	21.09	43,860
Nebraska	978,290	22.46	46,710
Nevada	1,347,130	22.20	46,170
New Hampshire	652,920	25.17	52,350
New Jersey	4,050,170	27.98	58,210
New Mexico	811,680	21.83	45,400
New York	9,385,620	29.75	61,870
North Carolina	4,383,210	22.69	47,200
North Dakota	416,550	23.86	49,620
Ohio	5,416,810	23.18	48,220



Oklahoma	1,594,370	21.26	44,220
Oregon	1,886,090	25.00	52,000
Pennsylvania	5,847,690	24.05	50,030
Rhode Island	482,030	26.35	54,810
South Carolina	2,062,280	20.78	43,210
South Dakota	422,310	20.10	41,800
Tennessee	2,956,920	21.47	44,660
Texas	12,113,810	23.90	49,720
Utah	1,455,910	23.04	47,920
Vermont	305,210	24.11	50,150
Virginia	3,832,840	26.59	55,310
Washington	3,259,150	28.56	59,410
West Virginia	696,620	20.37	42,370
Wisconsin	2,848,560	22.77	47,350
Wyoming	269,320	23.38	48,630
Guam	60,170	17.57	36,550
Puerto Rico	846,010	14.16	29,460
Virgin Islands	32,290	20.61	42,870

May 2018 National Occupational Employment and Wage Estimates

Source: Bureau of Labor Statistics

<https://www.bls.gov/bls/blswage.htm>



National Occupational Employment and Wage Estimates in the United States

Occupation	Total Employees	Average Hourly Wage (\$)	Average Annual Wage (\$)
Accountants and Auditors	1,259,930	37.89	78,820
Actors, Producers, and Directors	166,060	39.24	81,610
Actuaries	20,760	55.89	116,250
Administrative Services Managers	283,570	50.99	106,050
Adult Basic and Secondary Education and Literacy Teachers and Instructors	57,750	27.94	58,110
Advertising and Promotions Managers	25,260	63.99	133,090
Advertising Sales Agents	133,110	30.46	63,360
Aerospace Engineers	63,960	56.30	117,100
Agents and Business Managers of Artists, Performers, and Athletes	14,830	43.72	90,930
Agricultural and Food Science Technicians	21,290	21.24	44,170
Agricultural and Food Scientists	30,880	34.24	71,230
Agricultural Engineers	1,630	38.03	79,090
Agricultural Inspectors	13,240	22.10	45,970
Air Traffic Controllers and Airfield Operations Specialists	32,360	48.61	101,100
Aircraft Cargo Handling Supervisors	8,920	26.49	55,110
Aircraft Mechanics and Service Technicians	131,690	31.36	65,230
Aircraft Pilots and Flight Engineers	120,760	*	146,660
Aircraft Structure, Surfaces, Rigging, and Systems Assemblers	43,150	26.70	55,530
Ambulance Drivers and Attendants, Except Emergency Medical Technicians	15,380	13.95	29,010
Animal Breeders	2,160	20.71	43,080
Animal Control Workers	12,080	18.51	38,490
Animal Trainers	14,830	16.95	35,260
Announcers	35,260	23.54	48,960
Appraisers and Assessors of Real Estate	57,900	29.75	61,870
Architects, Except Naval	123,020	41.58	86,480
Architectural and Engineering Managers	188,290	71.62	148,970
Archivists, Curators, and Museum Technicians	31,760	25.61	53,280
Artists and Related Workers	90,990	40.83	84,930
Arts, Communications, and Humanities Teachers, Postsecondary	260,960	*	80,670
Astronomers and Physicists	19,770	59.48	123,730
Athletes, Coaches, Umpires, and Related Workers	266,860	*	45,080
Atmospheric and Space Scientists	9,310	45.95	95,580
Audiologists	13,300	39.52	82,210
Audio-Visual and Multimedia Collections Specialists	9,540	25.13	52,270
Automotive and Watercraft Service Attendants	113,760	12.47	25,940



Occupation	Total Employees	Average Hourly Wage (\$)	Average Annual Wage (\$)
Automotive Technicians and Repairers	809,740	21.17	44,030
Baggage Porters, Bellhops, and Concierges	79,840	14.46	30,070
Bailiffs, Correctional Officers, and Jailers	433,900	23.71	49,320
Bakers	180,010	13.78	28,660
Barbers, Hairdressers, Hairstylists and Cosmetologists	397,350	14.59	30,340
Bartenders	631,480	12.88	26,780
Bill and Account Collectors	251,330	18.38	38,220
Billing and Posting Clerks	469,250	19.00	39,520
Biological Scientists	109,040	41.54	86,390
Biological Technicians	77,450	23.10	48,060
Biomedical Engineers	18,970	45.72	95,090
Boilermakers	13,870	30.41	63,240
Bookkeeping, Accounting, and Auditing Clerks	1,530,430	20.25	42,110
Brickmasons, Blockmasons, and Stonemasons	76,240	25.39	52,810
Bridge and Lock Tenders	3,170	22.91	47,660
Broadcast and Sound Engineering Technicians and Radio Operators	121,890	24.02	49,960
Brokerage Clerks	55,100	25.93	53,940
Budget Analysts	52,810	38.38	79,830
Building Cleaning Workers	3,094,210	13.44	27,960
Bus and Truck Mechanics and Diesel Engine Specialists	264,860	23.63	49,150
Bus Drivers	678,260	17.44	36,280
Business Teachers, Postsecondary	84,230	*	103,330
Butchers and Other Meat, Poultry, and Fish Processing Workers	365,660	14.38	29,910
Buyers and Purchasing Agents	407,410	32.47	67,530
Cabinetmakers and Bench Carpenters	102,100	17.59	36,580
Cargo and Freight Agents	92,280	22.15	46,070
Carpenters	718,730	24.58	51,120
Carpet, Floor, and Tile Installers and Finishers	83,740	21.79	45,330
Cashiers	3,657,570	11.19	23,270
Cement Masons, Concrete Finishers, and Terrazzo Workers	189,130	22.76	47,340
Chemical Engineers	32,060	55.03	114,470
Chemical Processing Machine Setters, Operators, and Tenders	132,660	23.30	48,470
Chemical Technicians	65,500	24.84	51,670
Chemists and Materials Scientists	92,300	41.06	85,400
Chief Executives	195,530	96.22	200,140
Childcare Workers	564,630	11.83	24,610
Chiropractors	34,740	41.28	85,870
Civil Engineers	306,030	45.06	93,720
Claims Adjusters, Appraisers, Examiners, and Investigators	302,930	32.42	67,440
Clergy	50,960	25.62	53,290



Occupation	Total Employees	Average Hourly Wage (\$)	Average Annual Wage (\$)
Clinical Laboratory Technologists and Technicians	321,220	25.91	53,880
Compensation and Benefits Managers	15,660	63.87	132,860
Compensation, Benefits, and Job Analysis Specialists	83,550	32.65	67,910
Compliance Officers	300,900	34.86	72,520
Computer and Information Analysts	696,030	45.67	94,990
Computer and Information Research Scientists	30,070	59.54	123,850
Computer and Information Systems Managers	391,430	73.49	152,860
Computer Control Programmers and Operators	171,920	21.13	43,940
Computer Hardware Engineers	60,750	56.66	117,840
Computer Operators	34,700	22.47	46,750
Computer Support Specialists	812,060	27.86	57,950
Computer, Automated Teller, and Office Machine Repairers	102,810	19.65	40,880
Conservation Scientists and Foresters	30,600	31.12	64,720
Construction and Building Inspectors	104,090	30.36	63,150
Construction Equipment Operators	433,690	25.09	52,190
Construction Laborers	1,001,470	19.40	40,350
Construction Managers	278,460	49.57	103,110
Control and Valve Installers and Repairers	74,400	25.70	53,460
Conveyor Operators and Tenders	23,390	16.88	35,110
Cooks	2,403,510	12.77	26,560
Correspondence Clerks	5,460	18.75	38,990
Cost Estimators	211,600	33.52	69,710
Counselors	735,100	24.96	51,920
Counter and Rental Clerks and Parts Salespersons	681,580	15.52	32,280
Couriers and Messengers	75,720	14.72	30,620
Court, Municipal, and License Clerks	142,350	19.76	41,100
Crane and Tower Operators	44,410	27.96	58,160
Credit Analysts	74,820	39.57	82,300
Credit Authorizers, Checkers, and Clerks	29,980	19.55	40,670
Credit Counselors and Loan Officers	340,690	35.33	73,490
Crushing, Grinding, Polishing, Mixing, and Blending Workers	190,770	18.25	37,960
Customer Service Representatives	2,871,400	17.53	36,470
Cutting Workers	71,420	16.87	35,090
Dancers and Choreographers	14,810	22.44	46,670
Data Entry and Information Processing Workers	228,060	17.05	35,470
Database and Systems Administrators and Network Architects	629,020	45.09	93,780
Dental Hygienists	215,150	36.30	75,500
Dentists	128,060	86.82	180,590
Derrick, Rotary Drill, and Service Unit Operators, Oil, Gas, and Mining	79,030	25.46	52,950
Designers	519,180	24.05	50,020



Occupation	Total Employees	Average Hourly Wage (\$)	Average Annual Wage (\$)
Desktop Publishers	10,740	22.47	46,750
Detectives and Criminal Investigators	103,450	40.88	85,020
Diagnostic Related Technologists and Technicians	390,630	31.38	65,260
Dietitians and Nutritionists	64,670	29.43	61,210
Dining Room and Cafeteria Attendants and Bartender Helpers	455,700	11.52	23,950
Directors, Religious Activities and Education	21,700	22.59	46,980
Dishwashers	504,770	11.15	23,190
Dispatchers	294,900	20.70	43,050
Drafters	193,260	27.97	58,180
Dredge, Excavating, and Loading Machine Operators	49,780	23.46	48,790
Driver/Sales Workers and Truck Drivers	3,130,500	19.68	40,920
Drywall Installers, Ceiling Tile Installers, and Tapers	120,220	24.24	50,420
Earth Drillers, Except Oil and Gas	18,270	22.87	47,570
Economists	18,650	55.78	116,020
Education Administrators	498,200	46.65	97,030
Education and Library Science Teachers, Postsecondary	65,570	*	73,800
Electrical and Electronics Engineers	320,610	50.12	104,250
Electrical, Electronics, and Electromechanical Assemblers	287,630	17.26	35,910
Electricians	655,840	28.46	59,190
Elementary and Middle School Teachers	2,032,880	*	62,150
Elevator Installers and Repairers	26,830	38.16	79,370
Eligibility Interviewers, Government Programs	137,830	22.34	46,480
Embalmers	4,070	22.42	46,640
Emergency Management Directors	9,550	39.70	82,570
Emergency Medical Technicians and Paramedics	257,210	18.15	37,760
Engine and Other Machine Assemblers	48,200	21.79	45,330
Engineering and Architecture Teachers, Postsecondary	44,420	*	111,450
Engineering Technicians, Except Drafters	430,400	29.51	61,380
Environmental Engineers	53,070	44.54	92,640
Environmental Scientists and Geoscientists	116,020	41.10	85,480
Explosives Workers, Ordnance Handling Experts, and Blasters	5,640	25.38	52,780
Extruding, Forming, Pressing, and Compacting Machine Setters, Operators, and Tenders	72,870	17.69	36,800
Farm and Home Management Advisors	8,020	25.33	52,700
Farmers, Ranchers, and Other Agricultural Managers	4,770	38.43	79,940
Fast Food and Counter Workers	4,150,030	10.70	22,260
Fence Erectors	23,530	18.10	37,650
File Clerks	110,020	16.25	33,810
Financial Analysts and Advisors	602,500	50.03	104,050
Financial Examiners	58,590	43.42	90,310



Occupation	Total Employees	Average Hourly Wage (\$)	Average Annual Wage (\$)
Financial Managers	608,120	70.59	146,830
Fire Inspectors	14,660	29.82	62,030
Firefighters	321,570	25.60	53,240
First-Line Supervisors of Building and Grounds Cleaning and Maintenance Workers	255,580	22.30	46,380
First-Line Supervisors of Construction Trades and Extraction Workers	598,210	33.91	70,540
First-Line Supervisors of Farming, Fishing, and Forestry Workers	21,800	24.42	50,790
First-Line Supervisors of Fire Fighting and Prevention Workers	65,920	38.61	80,310
First-Line Supervisors of Gaming Workers	30,330	24.16	50,250
First-Line Supervisors of Law Enforcement Workers	160,410	41.51	86,350
First-Line Supervisors of Mechanics, Installers, and Repairers	471,820	33.33	69,320
First-Line Supervisors of Office and Administrative Support Workers	1,477,560	28.53	59,340
First-Line Supervisors of Personal Service Workers	228,620	20.05	41,710
First-Line Supervisors of Production and Operating Workers	622,790	30.93	64,340
First-Line Supervisors of Sales Workers	1,429,100	24.97	51,930
First-Line Supervisors of Transportation and Material Moving Workers, Except Aircraft Cargo Handling Supervisors	411,060	27.95	58,140
Fish and Game Wardens	6,040	28.49	59,260
Flight Attendants	118,770	*	56,630
Food Preparation Workers	814,600	11.94	24,830
Food Servers, Nonrestaurant	266,190	12.01	24,980
Food Service Managers	219,160	28.35	58,960
Forest and Conservation Workers	7,510	15.06	31,320
Forming Machine Setters, Operators, and Tenders, Metal and Plastic	120,630	18.35	38,170
Fundraisers	75,700	29.62	61,610
Funeral Attendants	35,340	13.69	28,480
Funeral Service Managers	8,400	45.11	93,820
Furnace, Kiln, Oven, Drier, and Kettle Operators and Tenders	17,730	19.52	40,610
Furniture Finishers	17,250	16.27	33,850
Gaming Cage Workers	16,020	13.93	28,980
Gaming Managers	4,300	40.99	85,260
Gaming Services Workers	113,640	11.65	24,240
General and Operations Managers	2,289,770	59.56	123,880
Geological and Petroleum Technicians	15,060	30.23	62,890
Glaziers	50,940	23.38	48,620
Graders and Sorters, Agricultural Products	38,210	12.74	26,510
Grounds Maintenance Workers	994,880	15.19	31,600
Hazardous Materials Removal Workers	44,000	22.62	47,050
Health Practitioner Support Technologists and Technicians	801,590	17.76	36,930
Health Teachers, Postsecondary	255,190	*	113,370
Heating, Air Conditioning, and Refrigeration Mechanics and Installers	324,310	24.12	50,160



Occupation	Total Employees	Average Hourly Wage (\$)	Average Annual Wage (\$)
Heavy Vehicle and Mobile Equipment Service Technicians and Mechanics	199,280	24.89	51,780
Helpers, Construction Trades	233,580	15.82	32,900
Helpers--Extraction Workers	15,930	18.10	37,660
Highway Maintenance Workers	149,260	19.92	41,440
Hoist and Winch Operators	3,180	27.11	56,390
Home Appliance Repairers	31,130	19.72	41,020
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	416,950	11.18	23,260
Hotel, Motel, and Resort Desk Clerks	260,780	12.08	25,130
Human Resources Assistants, Except Payroll and Timekeeping	124,600	20.01	41,620
Human Resources Managers	143,580	60.91	126,700
Human Resources Workers	671,140	32.32	67,240
Industrial Engineers, Including Health and Safety	305,780	44.14	91,800
Industrial Machinery Installation, Repair, and Maintenance Workers	487,640	25.64	53,330
Industrial Production Managers	181,310	54.51	113,370
Industrial Truck and Tractor Operators	604,130	17.54	36,480
Inspectors, Testers, Sorters, Samplers, and Weighers	557,510	20.20	42,010
Instructional Coordinators	163,900	32.45	67,490
Insulation Workers	56,440	22.55	46,910
Insurance Claims and Policy Processing Clerks	274,560	20.26	42,150
Insurance Sales Agents	393,830	32.64	67,890
Interviewers, Except Eligibility and Loan	192,820	17.08	35,520
Jewelers and Precious Stone and Metal Workers	25,910	20.95	43,570
Judges, Magistrates, and Other Judicial Workers	49,040	52.49	109,170
Laborers and Material Movers, Hand	4,002,390	14.32	29,790
Laundry and Dry-Cleaning Workers	213,350	11.77	24,480
Law, Criminal Justice, and Social Work Teachers, Postsecondary	44,500	*	96,110
Lawyers and Judicial Law Clerks	659,090	68.33	142,130
Legislators	50,330	*	47,620
Librarians	125,750	29.58	61,530
Library Assistants, Clerical	88,970	13.92	28,960
Library Technicians	88,690	17.34	36,080
Licensed Practical and Licensed Vocational Nurses	701,690	22.62	47,050
Life Sciences Teachers, Postsecondary	64,660	*	96,110
Line Installers and Repairers	233,010	31.03	64,540
Loan Interviewers and Clerks	222,620	19.86	41,310
Locomotive Engineers and Operators	41,090	31.37	65,240
Lodging Managers	37,050	29.94	62,270
Logging Workers	37,400	20.36	42,340
Logisticians	169,820	37.85	78,730



Occupation	Total Employees	Average Hourly Wage (\$)	Average Annual Wage (\$)
Machine Tool Cutting Setters, Operators, and Tenders, Metal and Plastic	318,860	18.00	37,450
Machinists	384,350	21.75	45,250
Mail Clerks and Mail Machine Operators, Except Postal Service	86,150	15.41	32,040
Maintenance and Repair Workers, General	1,384,240	19.72	41,020
Management Analysts	684,470	45.38	94,390
Marine Engineers and Naval Architects	11,350	47.58	98,970
Market Research Analysts and Marketing Specialists	638,200	34.11	70,960
Marketing and Sales Managers	619,500	68.75	143,000
Massage Therapists	105,160	22.06	45,880
Materials Engineers	26,930	46.60	96,930
Math and Computer Teachers, Postsecondary	83,690	*	90,650
Mathematicians	2,580	50.42	104,870
Mechanical Engineers	303,440	44.62	92,800
Medical and Health Services Managers	372,670	54.68	113,730
Medical Records and Health Information Technicians	208,650	21.16	44,010
Medical Scientists	127,380	45.80	95,270
Medical, Dental, and Ophthalmic Laboratory Technicians	77,110	19.15	39,840
Meeting, Convention, and Event Planners	110,120	25.83	53,730
Metal Furnace Operators, Tenders, Pourers, and Casters	25,520	19.79	41,160
Meter Readers, Utilities	33,570	21.46	44,640
Mine Shuttle Car Operators	1,690	26.99	56,150
Mining and Geological Engineers, Including Mining Safety Engineers	5,780	47.32	98,420
Mining Machine Operators	22,910	25.53	53,090
Miscellaneous Agricultural Workers	357,850	13.12	27,290
Miscellaneous Assemblers and Fabricators	1,376,130	16.49	34,300
Miscellaneous Business Operations Specialists	1,060,580	37.00	76,960
Miscellaneous Communications Equipment Operators	2,100	20.87	43,410
Miscellaneous Community and Social Service Specialists	693,040	20.59	42,820
Miscellaneous Computer Occupations	381,380	44.88	93,350
Miscellaneous Construction and Related Workers	33,340	20.68	43,000
Miscellaneous Education, Training, and Library Workers	106,590	22.44	46,680
Miscellaneous Electrical and Electronic Equipment Mechanics, Installers, and Repairers	236,690	26.23	54,570
Miscellaneous Engineers	142,030	47.80	99,410
Miscellaneous Entertainers and Performers, Sports and Related Workers	13,740	21.53	*
Miscellaneous Entertainment Attendants and Related Workers	349,440	11.61	24,140
Miscellaneous Extraction Workers	6,110	26.10	54,300
Miscellaneous Financial Clerks	31,010	21.00	43,670
Miscellaneous Financial Specialists	128,760	37.30	77,580



Occupation	Total Employees	Average Hourly Wage (\$)	Average Annual Wage (\$)
Miscellaneous First-Line Supervisors, Protective Service Workers	78,610	25.35	52,730
Miscellaneous Food Preparation and Serving Related Workers	55,980	12.23	25,430
Miscellaneous Food Processing Workers	256,100	15.07	31,340
Miscellaneous Health Diagnosing and Treating Practitioners	36,680	41.16	85,600
Miscellaneous Health Practitioners and Technical Workers	62,210	27.89	58,000
Miscellaneous Health Technologists and Technicians	141,790	23.82	49,540
Miscellaneous Healthcare Support Occupations	1,464,780	17.23	35,830
Miscellaneous Information and Record Clerks	155,220	20.15	41,900
Miscellaneous Installation, Maintenance, and Repair Workers	347,350	19.25	40,040
Miscellaneous Legal Support Workers	109,820	29.19	60,710
Miscellaneous Life Scientists	6,850	42.86	89,150
Miscellaneous Life, Physical, and Social Science Technicians	144,010	24.38	50,720
Miscellaneous Managers	462,840	55.57	115,590
Miscellaneous Material Moving Workers	27,010	16.83	35,000
Miscellaneous Mathematical Science Occupations	2,010	34.80	72,390
Miscellaneous Media and Communication Equipment Workers	18,790	37.06	77,080
Miscellaneous Media and Communication Workers	77,560	26.20	54,490
Miscellaneous Metal Workers and Plastic Workers	100,470	18.24	37,940
Miscellaneous Motor Vehicle Operators	56,810	17.14	35,640
Miscellaneous Office and Administrative Support Workers	196,570	18.02	37,480
Miscellaneous Personal Appearance Workers	177,770	14.13	29,380
Miscellaneous Personal Care and Service Workers	58,970	13.59	28,270
Miscellaneous Physical Scientists	17,380	52.93	110,090
Miscellaneous Plant and System Operators	94,010	31.94	66,430
Miscellaneous Postsecondary Teachers	444,210	*	60,200
Miscellaneous Production Workers	796,900	16.02	33,320
Miscellaneous Protective Service Workers	411,300	15.06	31,330
Miscellaneous Rail Transportation Workers	2,890	28.12	58,490
Miscellaneous Religious Workers	8,460	17.24	35,860
Miscellaneous Sales and Related Workers	105,120	19.19	39,910
Miscellaneous Sales Representatives, Services	1,033,820	31.18	64,860
Miscellaneous Social Scientists and Related Workers	51,640	41.02	85,320
Miscellaneous Teachers and Instructors	902,740	18.19	37,840
Miscellaneous Textile, Apparel, and Furnishings Workers	71,570	17.18	35,740
Miscellaneous Transportation Workers	37,560	20.61	42,870
Miscellaneous Vehicle and Mobile Equipment Mechanics, Installers, and Repairers	139,370	14.80	30,780
Miscellaneous Woodworkers	5,970	16.60	34,530
Model Makers and Patternmakers, Metal and Plastic	8,090	25.69	53,430
Model Makers and Patternmakers, Wood	1,280	26.70	55,540



Occupation	Total Employees	Average Hourly Wage (\$)	Average Annual Wage (\$)
Models, Demonstrators, and Product Promoters	84,560	15.96	33,200
Molders and Molding Machine Setters, Operators, and Tenders, Metal and Plastic	179,710	16.44	34,200
Morticians, Undertakers, and Funeral Directors	25,740	27.70	57,620
Motion Picture Projectionists	4,840	12.42	25,820
Multiple Machine Tool Setters, Operators, and Tenders, Metal and Plastic	133,840	18.03	37,510
Musicians, Singers, and Related Workers	53,840	35.53	*
Natural Sciences Managers	60,260	67.16	139,680
New Accounts Clerks	41,500	17.79	37,000
News Analysts, Reporters and Correspondents	43,030	29.10	60,530
Nonfarm Animal Caretakers	199,850	12.45	25,890
Nuclear Engineers	15,980	53.26	110,790
Nuclear Technicians	7,230	38.45	79,970
Nurse Anesthetists	43,520	84.03	174,790
Nurse Midwives	6,250	51.40	106,910
Nurse Practitioners	179,650	52.90	110,030
Nursing, Psychiatric, and Home Health Aides	2,355,640	13.55	28,180
Occupational Health and Safety Specialists and Technicians	106,410	34.43	71,610
Occupational Therapy Assistants and Aides	50,360	27.00	56,150
Office Clerks, General	2,972,930	16.92	35,200
Office Machine Operators, Except Computer	48,580	16.60	34,530
Operations Research Analysts	104,200	42.48	88,350
Opticians, Dispensing	72,250	19.20	39,930
Optometrists	37,220	57.68	119,980
Order Clerks	159,210	17.21	35,790
Packaging and Filling Machine Operators and Tenders	395,330	15.74	32,740
Painters and Paperhangers	231,200	20.69	43,030
Painting Workers	156,470	19.16	39,850
Paralegals and Legal Assistants	309,940	26.20	54,500
Parking Enforcement Workers	8,070	20.29	42,200
Parking Lot Attendants	145,900	12.08	25,130
Payroll and Timekeeping Clerks	144,030	22.17	46,110
Personal Care Aides	2,211,950	12.06	25,090
Pest Control Workers	77,300	18.24	37,950
Petroleum Engineers	32,510	75.18	156,370
Pharmacists	309,550	59.45	123,670
Photographers	49,560	20.56	42,770
Photographic Process Workers and Processing Machine Operators	16,680	16.78	34,910
Physical Sciences Teachers, Postsecondary	52,160	*	97,280
Physical Therapist Assistants and Aides	141,510	23.07	47,980



Occupation	Total Employees	Average Hourly Wage (\$)	Average Annual Wage (\$)
Physician Assistants	114,710	52.13	108,430
Physicians and Surgeons	679,280	101.43	210,980
Pipelayers, Plumbers, Pipefitters, and Steamfitters	476,140	27.39	56,980
Plasterers and Stucco Masons	24,870	22.89	47,610
Podiatrists	9,500	71.26	148,220
Police Officers	665,800	31.47	65,460
Postal Service Workers	525,070	24.78	51,540
Postmasters and Mail Superintendents	13,770	37.04	77,040
Power Plant Operators, Distributors, and Dispatchers	51,820	39.31	81,760
Precision Instrument and Equipment Repairers	72,010	24.58	51,120
Preschool and Kindergarten Teachers	555,680	19.26	40,070
Pressers, Textile, Garment, and Related Materials	38,320	11.57	24,060
Printing Workers	249,140	18.39	38,260
Private Detectives and Investigators	30,990	27.31	56,810
Procurement Clerks	68,100	20.76	43,180
Production, Planning, and Expediting Clerks	350,150	24.05	50,020
Proofreaders and Copy Markers	9,820	20.17	41,950
Property, Real Estate, and Community Association Managers	202,550	34.49	71,730
Psychologists	124,750	41.63	86,600
Public Relations and Fundraising Managers	72,460	63.26	131,570
Public Relations Specialists	239,030	32.90	68,440
Pumping Station Operators	27,560	25.24	52,510
Purchasing Managers	69,490	60.40	125,630
Radio and Telecommunications Equipment Installers and Repairers	243,820	27.42	57,030
Railroad Brake, Signal, and Switch Operators	14,270	28.31	58,890
Railroad Conductors and Yardmasters	42,360	31.77	66,080
Rail-Track Laying and Maintenance Equipment Operators	14,410	27.46	57,120
Real Estate Brokers and Sales Agents	197,080	31.37	65,240
Receptionists and Information Clerks	1,043,630	14.59	30,350
Recreation and Fitness Workers	662,040	17.25	35,890
Refuse and Recyclable Material Collectors	118,520	19.50	40,560
Registered Nurses	2,951,960	36.30	75,510
Reinforcing Iron and Rebar Workers	18,360	26.28	54,670
Reservation and Transportation Ticket Agents and Travel Clerks	132,050	20.06	41,730
Residential Advisors	108,380	14.41	29,970
Retail Salespersons	4,448,120	13.61	28,310
Rock Splitters, Quarry	4,870	17.19	35,760
Roof Bolters, Mining	3,250	28.41	59,090
Roofers	128,680	21.09	43,870
Roustabouts, Oil and Gas	54,810	19.34	40,220



Occupation	Total Employees	Average Hourly Wage (\$)	Average Annual Wage (\$)
Sailors and Marine Oilers	32,220	22.20	46,180
Sales Engineers	65,720	52.22	108,610
Sales Representatives, Wholesale and Manufacturing	1,663,160	35.43	73,680
Secondary School Teachers	1,129,040	*	64,230
Secretaries and Administrative Assistants	3,498,120	20.34	42,320
Securities, Commodities, and Financial Services Sales Agents	415,890	47.49	98,770
Security Guards and Gaming Surveillance Officers	1,124,610	15.43	32,090
Self-Enrichment Education Teachers	243,080	21.62	44,960
Semiconductor Processors	25,730	19.14	39,810
Septic Tank Servicers and Sewer Pipe Cleaners	27,090	19.97	41,530
Sewing Machine Operators	136,450	12.98	26,990
Sheet Metal Workers	131,570	25.34	52,710
Ship and Boat Captains and Operators	38,910	38.61	80,310
Ship Engineers	8,740	36.40	75,710
Shipping, Receiving, and Traffic Clerks	655,590	16.82	34,980
Shoe and Leather Workers	12,450	14.37	29,900
Small Engine Mechanics	69,130	18.84	39,180
Social and Community Service Managers	149,870	34.46	71,670
Social Science Research Assistants	34,550	24.24	50,420
Social Sciences Teachers, Postsecondary	117,510	*	92,440
Social Workers	662,550	25.51	53,060
Sociologists	2,710	43.41	90,290
Software Developers and Programmers	1,666,270	50.23	104,480
Solar Photovoltaic Installers	8,950	22.12	46,010
Special Education Teachers	475,700	*	63,890
Stationary Engineers and Boiler Operators	31,710	30.62	63,690
Statistical Assistants	11,010	24.09	50,110
Statisticians	39,920	44.52	92,600
Stock Clerks and Order Fillers	2,056,030	13.71	28,520
Structural Iron and Steel Workers	77,410	27.97	58,170
Structural Metal Fabricators and Fitters	76,090	20.02	41,640
Subway and Streetcar Operators	8,850	30.28	62,970
Supervisors of Food Preparation and Serving Workers	1,093,000	18.30	38,070
Survey Researchers	11,690	30.40	63,240
Surveying and Mapping Technicians	52,300	22.93	47,690
Surveyors, Cartographers, and Photogrammetrists	56,360	32.12	66,810
Switchboard Operators, Including Answering Service	71,600	15.04	31,290
Tailors, Dressmakers, and Sewers	26,500	16.04	33,350
Tank Car, Truck, and Ship Loaders	9,000	20.35	42,330
Tax Examiners, Collectors and Preparers, and Revenue Agents	122,640	25.45	52,930



Occupation	Total Employees	Average Hourly Wage (\$)	Average Annual Wage (\$)
Taxi Drivers and Chauffeurs	207,920	13.68	28,450
Teacher Assistants	1,331,560	*	28,750
Telemarketers	164,160	13.72	28,550
Telephone Operators	5,160	18.93	39,360
Television, Video, and Motion Picture Camera Operators and Editors	49,240	36.58	76,090
Tellers	468,470	14.49	30,140
Textile Machine Setters, Operators, and Tenders	75,490	14.37	29,880
Therapists	687,790	38.24	79,530
Tool and Die Makers	72,700	25.79	53,650
Tour and Travel Guides	49,740	14.25	29,630
Traffic Technicians	7,290	24.38	50,700
Training and Development Managers	35,690	58.53	121,730
Training and Development Specialists	291,380	31.31	65,120
Transportation Attendants, Except Flight Attendants	25,460	14.73	30,640
Transportation Inspectors	29,990	36.22	75,330
Transportation, Storage, and Distribution Managers	124,810	49.45	102,850
Travel Agents	69,480	20.54	42,720
Urban and Regional Planners	37,840	36.65	76,240
Ushers, Lobby Attendants, and Ticket Takers	133,970	11.35	23,610
Veterinarians	71,060	50.59	105,240
Waiters and Waitresses	2,582,410	12.42	25,830
Water and Wastewater Treatment Plant and System Operators	123,650	23.79	49,490
Weighers, Measurers, Checkers, and Samplers, Recordkeeping	65,830	16.39	34,100
Welding, Soldering, and Brazing Workers	424,270	21.12	43,930
Wind Turbine Service Technicians	5,580	27.88	58,000
Woodworking Machine Setters, Operators, and Tenders	131,240	14.98	31,150
Writers and Editors	191,320	34.58	71,920

* Wages for some occupations that do not generally work year-round, full time, are reported either as hourly wages or annual salaries depending on how they are typically paid.

May 2018 National Occupational Employment and Wage Estimates

Source: Bureau of Labor Statistics

[https://www.bls.gov/oes/current/oes_nat.htm#\(4\)](https://www.bls.gov/oes/current/oes_nat.htm#(4))



The 50/30/20 Rule

According to this rule, you should budget your after-tax earnings (net income) in this way:

- **Needs** should be 50 percent of your net income
- **Wants** should be 30 percent of your net income
- **Financial goals** (savings and debt reduction) should be 20 percent of your net income

Monthly Income	50% Needs	30% Wants	20% Financial Goals
\$500	\$250	\$150	\$100
\$750	\$375	\$225	\$150
\$1,000	\$500	\$300	\$200
\$1,250	\$625	\$375	\$250
\$1,500	\$750	\$450	\$300
\$1,750	\$875	\$525	\$350
\$2,000	\$1,000	\$600	\$400
\$2,250	\$1,125	\$675	\$450
\$2,500	\$1,250	\$750	\$500
\$2,750	\$1,375	\$825	\$550
\$3,000	\$1,500	\$900	\$600
\$3,250	\$1,625	\$975	\$650
\$3,500	\$1,750	\$1,050	\$700
\$3,750	\$1,875	\$1,125	\$750
\$4,000	\$2,000	\$1,200	\$800
\$4,250	\$2,125	\$1,275	\$850
\$4,500	\$2,250	\$1,350	\$900
\$4,750	\$2,375	\$1,425	\$950
\$5,000	\$2,500	\$1,500	\$1,000
\$5,250	\$2,625	\$1,575	\$1,050
\$5,500	\$2,750	\$1,650	\$1,100
\$5,750	\$2,875	\$1,725	\$1,150
\$6,000	\$3,000	\$1,800	\$1,200
\$6,250	\$3,125	\$1,875	\$1,250
\$6,500	\$3,250	\$1,950	\$1,300
\$6,750	\$3,375	\$2,025	\$1,350
\$7,000	\$3,500	\$2,100	\$1,400
\$7,250	\$3,625	\$2,175	\$1,450
\$7,500	\$3,750	\$2,250	\$1,500



Budgeting Software

Budgeting software offers many features including bill payment reminders and actual bill payment. Features change, and new software is constantly being developed, so do your research to find something that works for you. Many, but not all, are free. Here are some to consider:

Mint.com: This app from Intuit offers a range of services. You can set up your budget and view charts showing how much goes to various categories, such as fuel and groceries. The app allows you to set up alerts to make sure you pay bills on time, and you can pay bills online using it, too. You can also link to Intuit tax preparation software (TurboTax) and easily transfer information.

GnuCash.org: Freely licensed personal and small-business accounting software. Use it to track your income and expenses and the money in bank accounts and stocks, bonds, and mutual fund accounts. The app can generate graphs and reports to help you see where your money is and where it goes.

PocketGuard.com: This app creates a simple budget and links all of your financial accounts. The app will flag your spending if you're going over budget, and reminds you of bills that need to be paid. It can compare your spending this month to last month, and even help you find savings.

YouNeedaBudget.com: This budget app allows you to link your accounts and track your spending. You can set up custom categories or stick with the suggested budget areas. You can include future expenses, such as a holiday, and the app will set up monthly payments for your savings to keep you on track.

GoodBudget.com: This software uses the envelope budgeting method in a virtual form. You allocate funds to various envelopes and pay expenses from them. If you are budgeting with someone else, such as a spouse, you can sync the app across your devices to make sure everyone knows what's been paid, how much is left in various envelopes, and how close you are to financial goals.

Mvelopes.com: Another virtual envelope budgeting app, this one also provides information about the merchants you use and which envelopes your money spent there comes from.



HomeBudget: This app offers a range of budgeting features, such as bill reminders and expense analysis. It also allows you to sync across multiple devices, for example, with a spouse or several family members.

Wally.me: This is marketed as a lifestyle app. It offers a variety of budgeting features, including bill reminders and savings goals. It will store images of your receipts. It also provides insight into your spending—showing who you were with and where you were when you spent money, for example.

LevelMoney.com: This app tracks your income and expenses. It calls the funds you have left after paying the bills “Spendable.” Trackers help you keep an eye on what you do with that money.

Spendee.com: This app can integrate with your online banking and bill paying. You can create a variety of budgets (wallets) and view spending habits, including location of the transaction. You can also share select wallets with others.

BUDGT.ch: This app offers features for people who have small monthly incomes, including students. It creates a new budget daily based on how much you’ve already spent during the month. This lets you easily see if you are on track or need to cut back to avoid running out of money. It can also put a surplus into savings.

Unsplurge: This app focuses on saving for a coveted expense. It helps you to budget, with a goal in mind.

Digit.co: This app looks at your finances every day. It then makes available the amount you can afford by moving it from your checking account to your Digit account. Digit also has a no-overdraft guarantee.



Glossary

This glossary contains the most important terms used in this publication.

Budget	A plan showing income and expenses.
Fixed Needs	Necessary expenses that usually don't change from month to month, such as rent.
Variable Needs	Necessary expenses that are not usually the same, such as gas and groceries.
Wants	Unnecessary expenses, such as clothing and entertainment costs.
Student Loans	Private, state, or federal loans used to pay for education, such as college.
Consolidation	Combining several debts, such as credit cards, to get one interest rate and simplify payment by reducing the number of bills.
Garnishment	When the government has your employer withhold a portion of your earnings to repay a debt, such as a student loan.
Net Income	After-tax earnings, also called take-home pay—the amount you receive as a direct deposit or when you cash your paycheck.
Unit Price	The price of an item broken down by unit, such as one ounce. The unit price allows shoppers to easily see which size is the most inexpensive—for example, when comparing large and small packages of pasta or cereal.
Principal	The amount you have borrowed, such as a loan amount or credit card charge.
Interest	The percentage of the amount you owe that you pay to the lender for use of the funds.



Compound Interest

Interest calculated on both the principal and the interest owed.



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