

Cost of Raising a Child

MARRIAGE

SENSE



"Utah State University is an affirmative action/equal opportunity institution."

Carolyn Washburn, FCS Agent
Washington County
Barlene Christensen, FCS Agent
Tooele County

Children require more than just unconditional love. Food, housing, clothing, transportation and education are essential to the child raising process. Parents need to be aware of the financial impact children will have on their lives and make plans for this ultimate investment.

The Cost of Raising a Child

Children are priceless, but raising them is probably one of the most expensive things you will do. During the child's first 17 years, the cost is currently estimated to total between \$139,000 and \$279,000. However, with inflation included, the total is somewhere between \$183,000 and \$366,000.

If the current average cost of raising a child to age 17 is \$200,000, excluding inflation, the cost breakdown is:

\$16,222 a year
\$1,352 a month
\$318.46 a week
\$49.34 a day
and just over
\$2 an hour.

And for that price you even get to name your child!

Date from 2007 USDA report



Cost of Raising a Child Calculator

With USDA's Cost of Raising a Child Calculator, you can estimate how much it will annually cost to raise a child. This can help you plan better for overall expenses.

<http://www.cnpp.usda.gov/calculatorintro.htm>



\$\$\$ Breakdown of Your Money

For every \$1.00:

- 6¢ - Clothing (most clothing comes from grandparents)
- 7¢ - Health care (out of pocket)
- 11¢ - Education
- 12¢ - Miscellaneous (entertainment, child care)
- 31¢ - Food and Transportation
- 33¢ - Housing



Costs to Consider

- Formula (up until your baby is one-year-old), will most likely cost between \$1,000-\$2,300. Plan to spend at least \$40 a week on infant formula. You can cut your costs dramatically by breastfeeding for a year or more.
- If you plan to use disposable diapers, plan on spending between \$2,000-\$3,300 by the time your baby is potty-trained.
- Expect your baby to go through at least 7-8 diapers a day on average and spending \$80-\$130 a month on diapers alone (especially in the first few months, when changes are more frequent.)
- If you go back to work right away, childcare can cost as much as \$3,000-\$4,500 in your baby's first year.
- Delivery costs vary between \$8,000-\$12,000 for a normal delivery, up to \$15,000 for a cesarean delivery, and

more for complications. If you are covered by insurance, it may cover most of the cost.

Thinking of Adoption?

These costs according to Adoption Guide 2008 may typically run from \$15,000-\$20,000 in the US with costs from \$20,000-\$40,000 if you go internationally.



References

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- Lino, Mark. *Expenditures on Children by Families, 2005*, US Department of Agriculture, Center for Nutritional Policy and Promotion, Misc Publications 1528-2005, 2006.
- Maynard, R.A. (1996). Kids having kids: A Robin Hood Foundation special report on the costs of adolescent childbearing. New York, Robin Hood Foundation.

Saving Costs on Children's Clothing



Clothing can be very expensive; the biggest help to clothing the child comes from the grandparents. They are America's number one baby clothier. Here are some additional tips that may stretch your babies clothing allowance.

1. Choose a Larger Size

Babies grow fast. You'll be wasting money if you buy perfect fitting clothes because they'll soon be too small. Buying a larger size will extend the amount of time your baby can wear the clothing you purchase.

2. Know the Season

Think about clothes labels that state size in terms of a baby's age, such as 12 or 18 months. Then ask this question: "When my baby is X months old, what will the weather or temperature be like?" Buying for the right size and season can prevent wasting money on unusable clothing.

3. Find Easy To Put On Outfits

Sometimes you'll struggle to dress your baby into an outfit you want him to wear. Outfits that come in several pieces, button from behind or pull over the head may require more of your patience and time. Outfits that come in one piece, open in the front, have zippers, or snap buttons should be easier to deal with.

4. Have clothing for the Emergency

Babies are messy. They can spill, drop, or throw up on their clothing. When a messy accident occurs, you'll need a clean set of clothes ready for your baby to wear.

5. Save with Sale Items

You can save a bundle at the clearance racks. Almost every type of store has these. In addition, if you wait for a big

sale you can save even more. Some stores will also markdown the clearance item further at the cash register.

6. Accept Hand Me Downs

Your family and friends may want to give you their children's baby clothes. They may have new clothes that their baby didn't have a chance to wear. If you decide to accept what they are willing to give, you'll save yourself some money, especially if they have clothing you would have bought.

7. Exchange Old Clothes for Cash

Sell the clothes your baby no longer fits into on eBay or at such stores as Kids to Kids. There are many other ways to trade your old clothes for cash. You may not make as much as you had originally paid for them, however, you'll at least earn some of your money back.

Happy Families

One mother puts it this way: "It's not that I want to spoil my kids with possessions. But I want to be able to give them some of the things that make life enjoyable for them, like going to camp, and having birthday parties."

Current one year cost of child:

Housing	\$2,520-\$5,490
Food	\$940-\$1,500
Transportation	\$800-\$1,670
Clothing	\$420-\$640
Healthcare	\$470-\$700
Childcare/education	\$840-\$2,100
Miscellaneous	\$700-\$1,700





MARRIAGE

SURVIVAL

It's a jungle out there!

Having children brings many changes to a marriage. Discussing financial costs, child care costs, and future educational costs will help couples survive some of the ripples that arise with raising children.

1. Know and plan ahead for the average costs of raising each child.
2. Plan for future educational opportunities and college.
3. Provide adequate medical insurance.
4. Prepare for family emergencies. Always have some money put away for the unexpected.
5. Remember to set aside daily time to focus and nourish your relationship.
6. Avoid Divorce. Divorce puts additional costs on the price of raising children; two homes, additional travel, additional child care and emotional issues.



**USU Extension
44 N. 100 E.
St. George, UT 84770**



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