

Just Economics 2022 Buncombe County Living Wage Rate

Just Economics calculates the living wage for Buncombe County based on the idea that a person who works full-time (2000 hours per year) should be able to afford a one bedroom apartment among their other expenses. Just Economics uses 33 ⅓ percent as a measure of housing affordability because many landlords require an individual to prove that they are making three times the rent to qualify for a lease. The Formula indexes the wage to the local cost of housing set each year by HUD's Fair Market Rents (FMR). We base our living wage on the needs of a single individual and view the living wage rate as a more just minimum than the minimum wage. We chose this formula because it is straightforward, easy to calculate, and reflects local needs. This formula was adjusted in 2021.

JE adjusts our living wage rate based on a four year average of the FMR. We do this because the FMR can be volatile. Using an average smooths out some of these changes while still being responsive to the real costs of living in our area.

Calculations for Buncombe County

Fair Market Rent

Year	FMR
2022	\$990
2021	\$1,099
2020	\$1,045
2019	\$799
4 year average	\$983.25

FMR average / 33 1/3% = monthly expenses
 $\$983.25 / 33 \frac{1}{3}\% = \2949.75

Monthly expenses x 12 = annual expenses
 $\$2949.75 \times 12 = \$35,397$

2000 working hours per year (full-time)

Annual expenses / working hours per year = **HOURLY LIVING WAGE**
 $\$35,397 / 2000 \text{ hours} = \17.70

JE's 2022 Buncombe Co. Living Wage = \$17.70