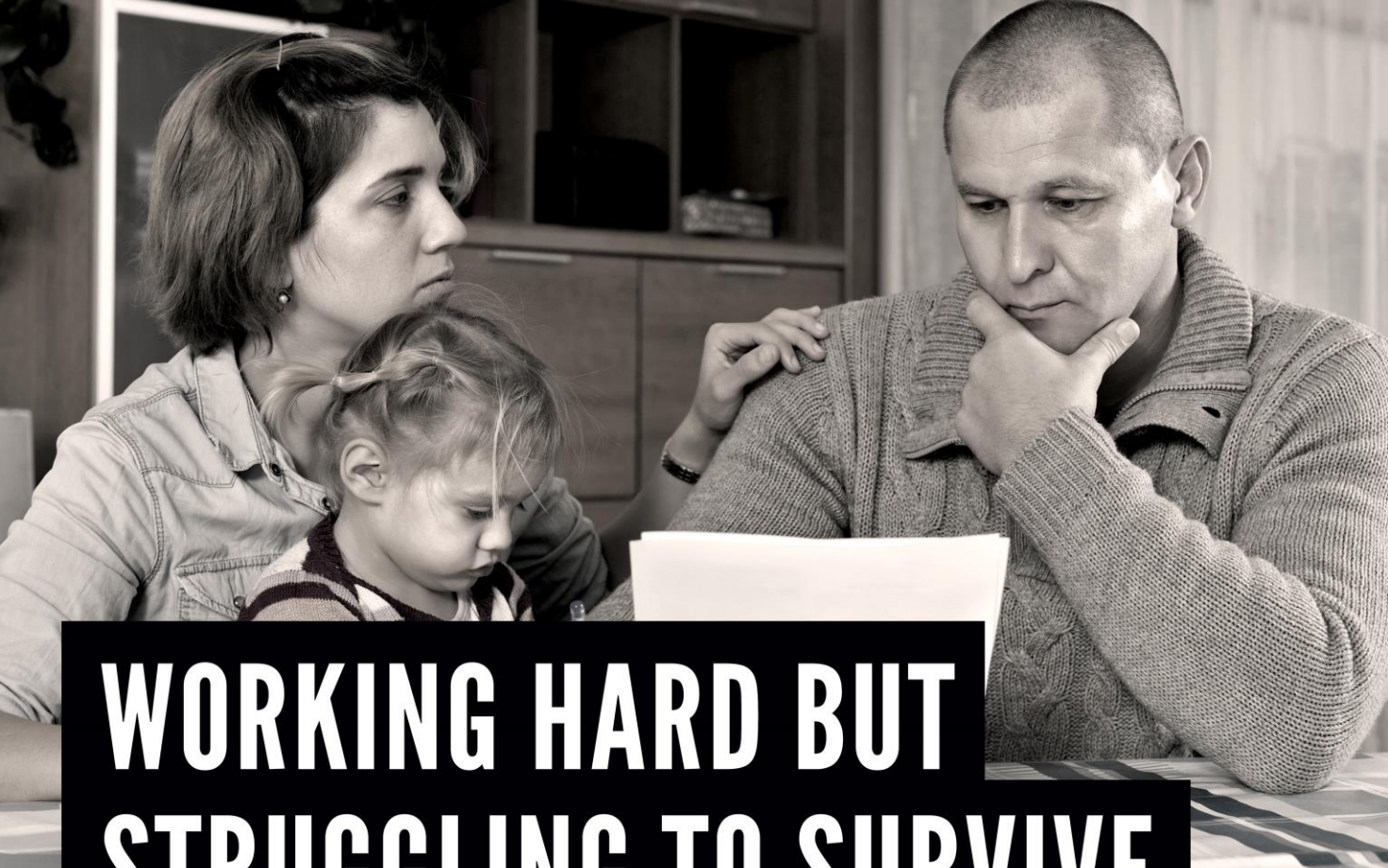




**United Way
of Sumner County**



**WORKING HARD BUT
STRUGGLING TO SURVIVE**

LIVE UNITED®

Tennessee ALICE Report





ALICE: Asset Limited, Income Constrained, Employed.



ALICE Context – Federal Poverty Level

2019 Federal Government Poverty Guidelines

Persons in Family/Household	Poverty Income Guideline
1	\$12,490
2	\$16,910
3	\$21,330
4	\$25,750
5	\$30,170

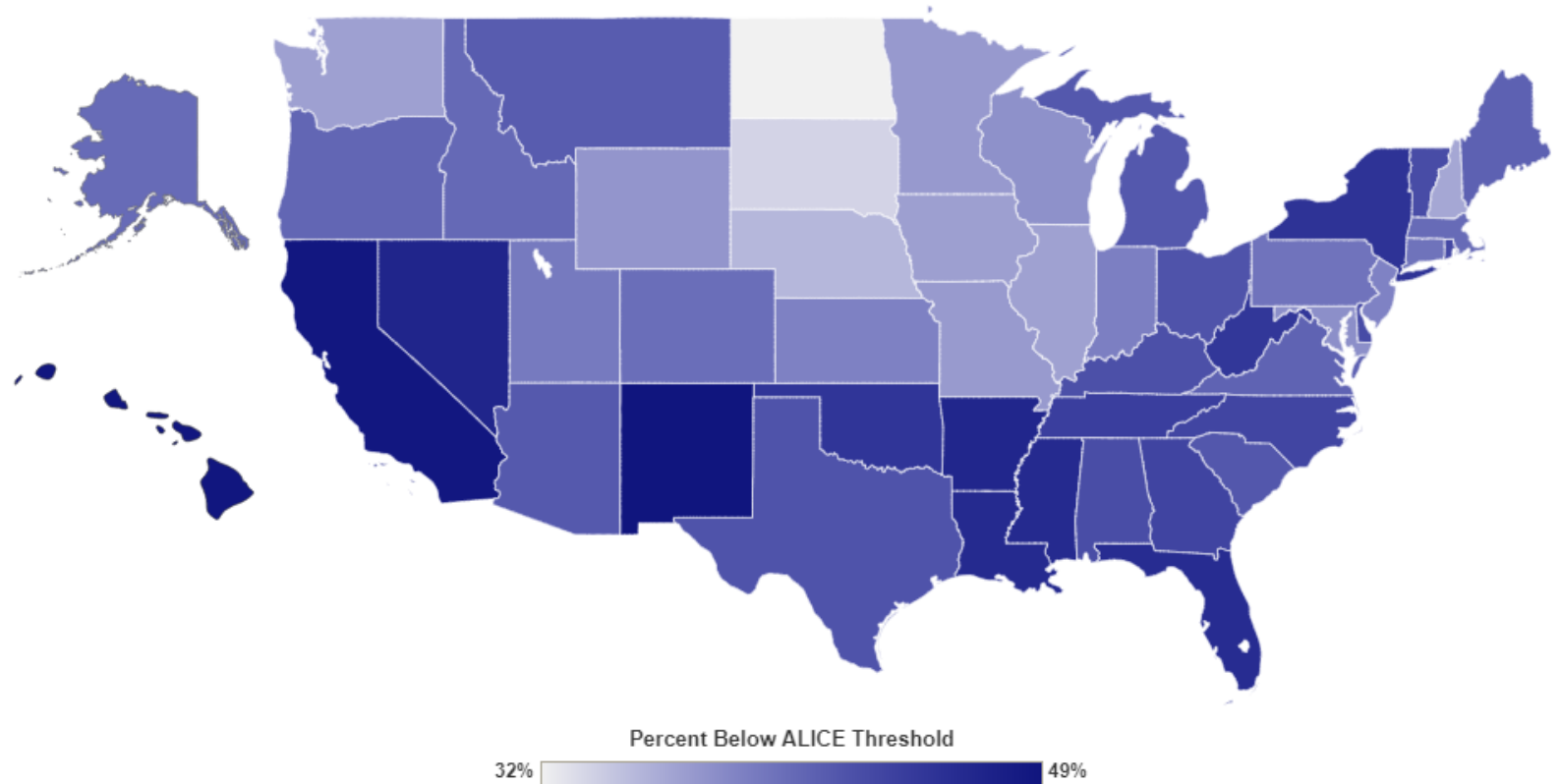
Household Survival Budget sources

- **Housing:** HUD's Fair Market Rent (40th percentile) – Efficiency studio rate for single adult, 2 bedroom for family, includes utilities (excluding phone)
 - **Child Care:** Represents cost of registered home-based child-care
 - **Food:** Thrifty Level (lowest of four levels) of the U.S. Department of Agriculture (USDA) Food Plans – with regional variation
 - **Transportation:** Car expenses include gas and motor oil and other vehicle maintenance expenses from BLS– Consumer Expenditure Survey (CES)
 - **Health Care:** Out-of-pocket health care spending for insurance, medical services, prescription drugs, and medical supplies based on region and household income from Consumer Expenditure Survey (CES)
 - **Technology:** Basic smartphone plan using Consumer Reports “Best Low-Cost Cell-Phone Plans”
 - **Taxes:** Includes federal and state taxes where applicable, as well as SSI and Medicare taxes from IRS Form 1040
 - **Miscellaneous:** 10 percent of the total (including taxes) to cover cost overruns
-



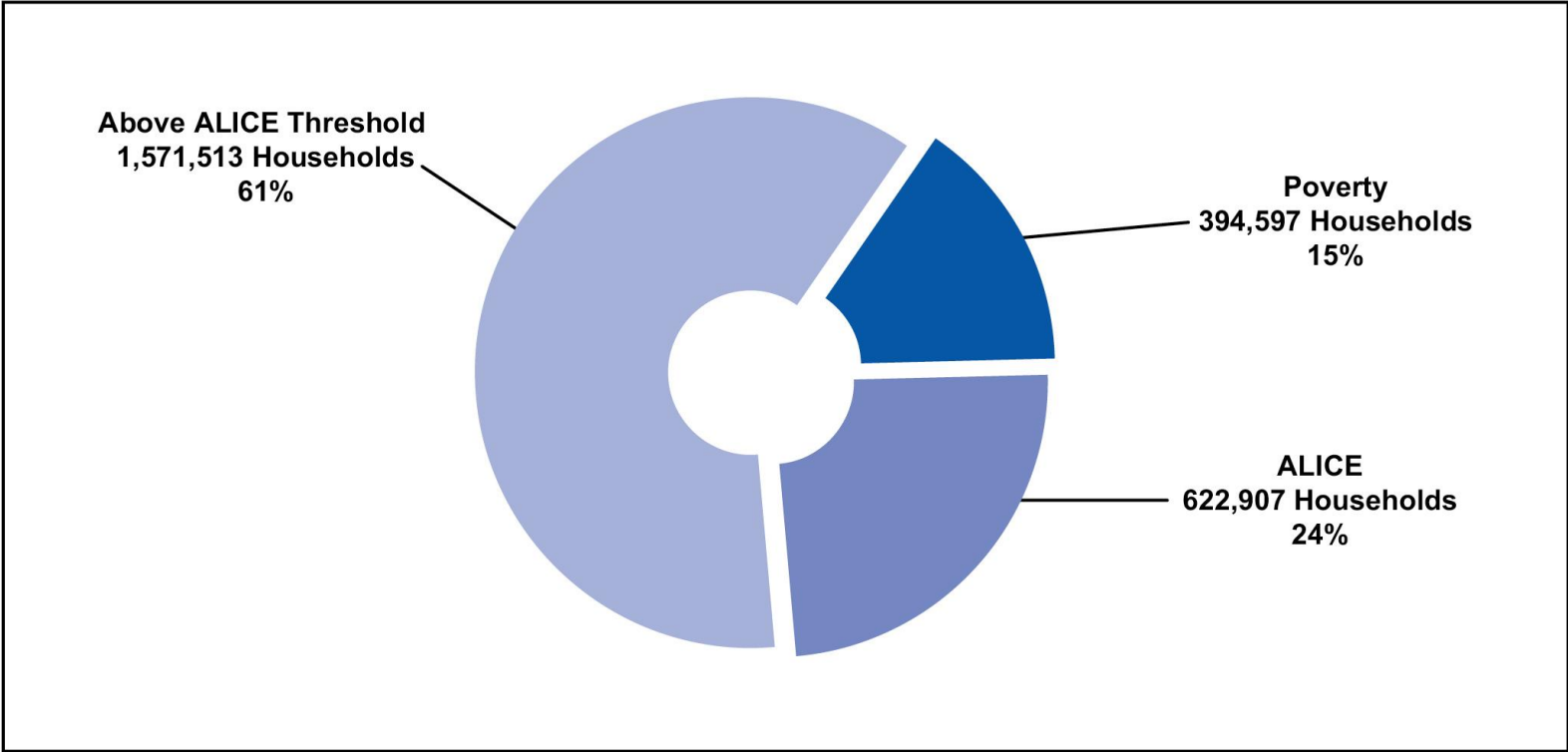
How does Tennessee compare?

- In 2017, **Tennessee** had the 12th highest percentage of households with income below the ALICE Threshold compared to other states
- **New Mexico** had the highest with 49 percent
- **North Dakota** had the lowest with 32 percent



39% of households are struggling in Tenn.

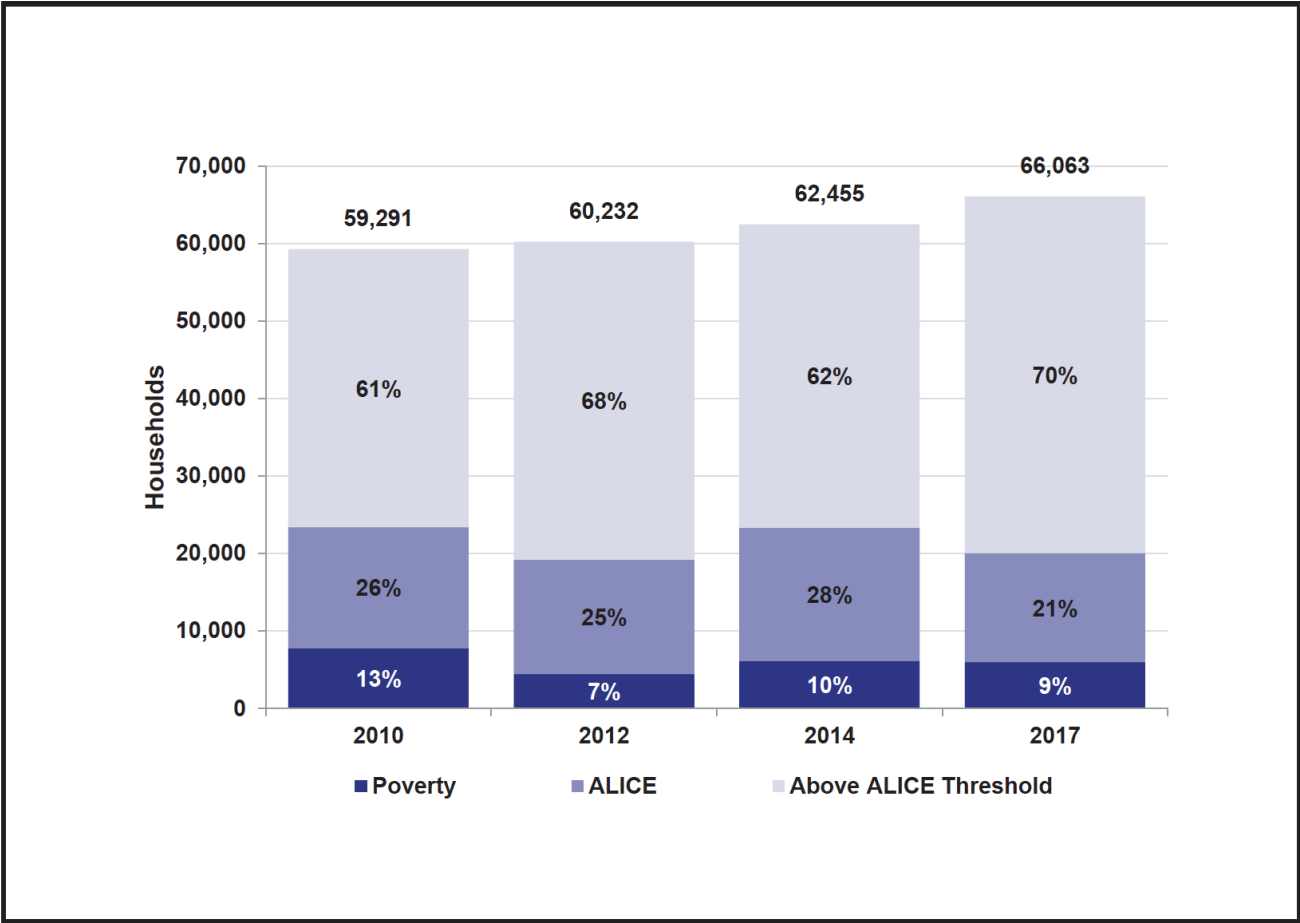
Household Income, Tennessee, 2017



Sumner County, 2017		
Town	Total HH	% ALICE & Poverty
Bethpage CDP	154	16%
Castalian Springs CDP	207	53%
Cottontown CDP	134	7%
Gallatin	12,881	43%
Goodlettsville	6,941	41%
Hendersonville	21,264	31%
Millersville	2,648	40%
New Deal CDP	161	35%
Portland	4,241	47%
Shackle Island CDP	942	17%
Walnut Grove CDP	359	38%
Westmoreland	824	61%

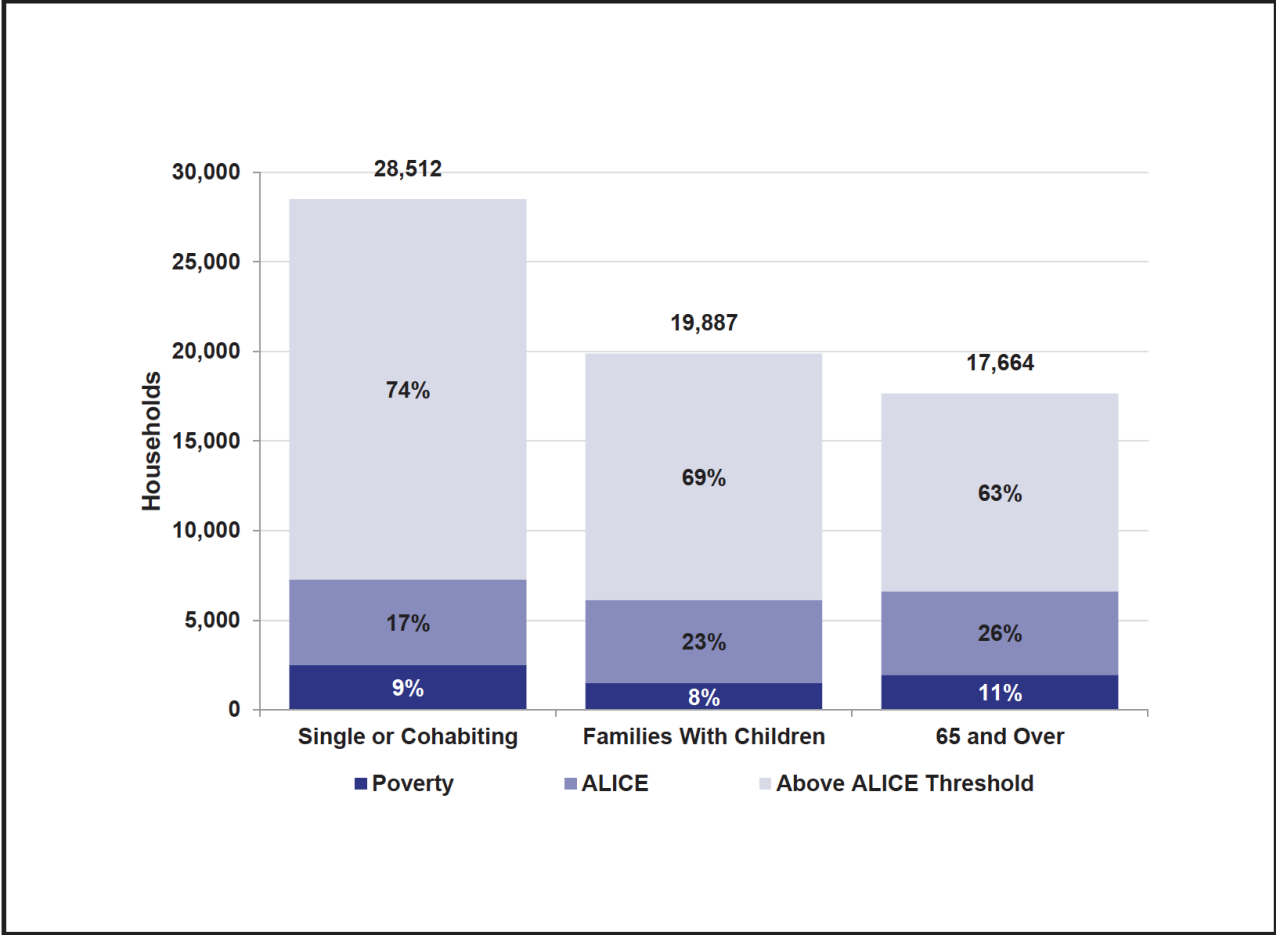
Sumner County ALICE trend

Households by Income, 2010 to 2017

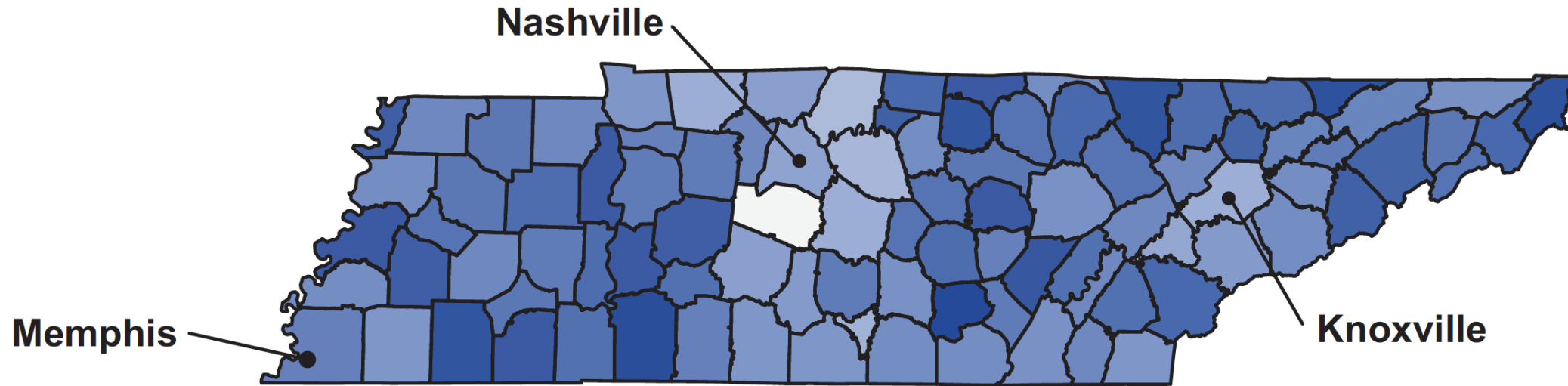


Sumner County ALICE household types

Household Types by Income, 2017



Where does ALICE live in Tenn.?



Percent Below ALICE Threshold



Cost to live in Tennessee

Household Survival Budget, 2017

FPL =

\$12,060 single adult and
\$24,600 family

TN minimum wage 2017:

\$7.25/hour = \$14,500/year

**Basic costs increased
from 2007 to 2017:**

23% for a single adult, 31%
for a family of four –
compared to 22% inflation

Household Survival Budget, Tennessee Average, 2017		
	SINGLE ADULT	2 ADULTS, 1 INFANT, 1 PRESCHOOLER
Monthly Costs		
Housing	\$497	\$692
Child Care	\$–	\$898
Food	\$179	\$543
Transportation	\$322	\$644
Health Care	\$124	\$539
Technology	\$55	\$75
Miscellaneous	\$144	\$385
Taxes	\$265	\$457
Monthly Total	\$1,586	\$4,233
ANNUAL TOTAL	\$19,032	\$50,796
Hourly Wage*	\$9.52	\$25.40

*Full-time wage required to support this budget

Sources: BLS, 2017—Consumer Expenditure Surveys; Consumer Reports, 2017—Best Low-Cost Cell-Phone; HUD, 2017—Fair Market Rents; IRS, 2017—About Form 1040; Tax Foundation, 2017; Tennessee Department of Human Services, 2018—Fiscal Year; USDA, 2017—Official USDA Food Plans



Cost to live in Sumner County

What does it cost to afford the basic necessities?

The Household Survival Budget gives the cost of housing, child care, food, transportation, and health care at a bare-minimum “survival” level. It does not include any savings, leaving households without a cushion for unexpected expenses and unable to invest in the future. Yet even this minimal budget was much higher than the adjusted Federal Poverty Level of \$12,060 for a single adult and \$24,600 for a family of four in 2017.

Household Survival Budget - Sumner, Tennessee, 2017		
	Single Adult	2 Adults, 1 Infant, 1 Preschooler
Housing	\$700	\$959
Child Care	\$0	\$1,237
Food	\$179	\$543
Transportation	\$322	\$644
Health Care	\$124	\$556
Technology	\$55	\$75
Miscellaneous	\$172	\$472
Taxes	\$336	\$703
Monthly Total	\$1,888	\$5,189
ANNUAL TOTAL	\$22,656	\$62,268
Hourly Wage	\$11.33	\$31.13

Sources: BLS, 2017—Consumer Expenditure Surveys; Consumer Reports, 2017—Best Low-Cost Cell-Phone; HUD, 2017—Fair Market Rents; IRS, 2017—About Form 1040; Tax Foundation, 2017; Tennessee Department of Human Services, 2018; USDA, 2017—Official USDA Food Plans.

Tennessee Minimum Wage is \$7.25/hour.

Sources: BLS, 2017—Consumer Expenditure Surveys; Consumer Reports, 2017—Best Low-Cost Cell-Phone; HUD, 2017—Fair Market Rents; IRS, 2017—About Form 1040; Tax Foundation, 2017; Tennessee Department of Human Services, 2018—Fiscal Year; USDA, 2017—Official USDA Food Plans



Tennessee ALICE Survival Budgets

ALICE HOUSEHOLD SURVIVAL BUDGET

	Single Adult	Married Couple	1 Adult, 1 School- Age Child	1 Adult, 1 Infant	2 Adult, 2 School- Age Children	2 Adults, 1 Infant, 1 Preschooler
Housing	\$497	\$551	\$551	\$551	\$692	\$692
Child Care	\$—	\$—	\$165	\$458	\$330	\$898
Food	\$179	\$372	\$309	\$259	\$622	\$543
Transportation	\$322	\$386	\$386	\$386	\$644	\$644
Health Care	\$124	\$248	\$248	\$251	\$597	\$539
Technology	\$55	\$75	\$55	\$55	\$75	\$75
Miscellaneous	\$144	\$198	\$191	\$224	\$327	\$385
Taxes	\$265	\$347	\$199	\$280	\$309	\$457
Monthly Total	\$1,586	\$2,177	\$2,104	\$2,464	\$3,596	\$4,233
Annual Total	\$19,032	\$26,124	\$25,248	\$29,568	\$43,152	\$50,796
Hourly Wage	\$9.52	\$13.06	\$12.62	\$14.78	\$21.58	\$25.40

Note: The budgets reflect different costs based on the age of children in the household; full-day care for infants and preschoolers (4-year-old) and after school care for school-age children. To create budgets for additional family types: For an additional infant, increase the total budget by 14 percent; for an additional 4-year-old, by 13 percent; and for a school-age child, by 6 percent.

Sources: BLS, 2017—Consumer Expenditure Surveys; Consumer Reports, 2017—Best Low-Cost Cell-Phone; HUD, 2017—Fair Market Rents; IRS, 2017—About Form 1040; Tax Foundation, 2017; Tennessee Department of Human Services, 2018; USDA, 2017—Official USDA Food Plans.



Sumner County ALICE Survival Budgets

ALICE HOUSEHOLD SURVIVAL BUDGET

	Single Adult	Married Couple	1 Adult, 1 School- Age Child	1 Adult, 1 Infant	2 Adult, 2 School- Age Children	2 Adults, 1 Infant, 1 Preschooler
Housing	\$700	\$780	\$780	\$780	\$959	\$959
Child Care	\$—	\$—	\$226	\$635	\$451	\$1,237
Food	\$179	\$372	\$309	\$259	\$622	\$543
Transportation	\$322	\$386	\$386	\$386	\$644	\$644
Health Care	\$124	\$248	\$248	\$301	\$529	\$556
Technology	\$55	\$75	\$55	\$55	\$75	\$75
Miscellaneous	\$172	\$229	\$230	\$286	\$369	\$472
Taxes	\$336	\$432	\$292	\$448	\$412	\$703
Monthly Total	\$1,888	\$2,522	\$2,526	\$3,150	\$4,061	\$5,189
Annual Total	\$22,656	\$30,264	\$30,312	\$37,800	\$48,732	\$62,268
Hourly Wage	\$11.33	\$15.13	\$15.16	\$18.90	\$24.37	\$31.13

Note: The budgets reflect different costs based on the age of children in the household; full-day care for infants and preschoolers (4-year-old) and after school care for school-age children. To create budgets for additional family types: For an additional infant, increase the total budget by 16 percent; for an additional 4-year-old, by 15 percent; and for a school-age child, by 6 percent.

Sources: BLS, 2017—Consumer Expenditure Surveys; Consumer Reports, 2017—Best Low-Cost Cell-Phone; HUD, 2017—Fair Market Rents; IRS, 2017—About Form 1040; Tax Foundation, 2017; Tennessee Department of Human Services, 2018; USDA, 2017—Official USDA Food Plans.



ALICE Discussion Points

- You can't fix what you can't measure.
 - ALICE doesn't overlook the population living in poverty, it simply expands our understanding of who is really struggling financially.
 - Policies to address poverty strive to raise those below the poverty line to just above it, after which 40% find themselves back below the poverty line within five years.
 - A lot of data, but ALICE is actually about people. All of us suffer when the ALICE segment of our population suffers.
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UNITED FOR ALICE

<https://www.unitedforalice.org/tennessee>

