

# ALICE<sup>®</sup>

ASSET LIMITED, INCOME CONSTRAINED, EMPLOYED



## MICHIGAN

ALABAMA, ALASKA, ARIZONA, ARKANSAS, CALIFORNIA, COLORADO, **CONNECTICUT**, DELAWARE, **FLORIDA**, GEORGIA, HAWAII, **IDAHO**, ILLINOIS, **INDIANA**, **IOWA**, KANSAS, KENTUCKY, **LOUISIANA**, MAINE, **MARYLAND**, MASSACHUSETTS, **MICHIGAN**, MINNESOTA, MISSISSIPPI, MISSOURI, MONTANA, NEBRASKA, NEVADA, NEW HAMPSHIRE, **NEW JERSEY**, NEW MEXICO, **NEW YORK**, NORTH CAROLINA, NORTH DAKOTA, **OHIO**, OKLAHOMA, **OREGON**, PENNSYLVANIA, RHODE ISLAND, SOUTH CAROLINA, SOUTH DAKOTA, TENNESSEE, TEXAS, UTAH, VERMONT, **VIRGINIA**, **WASHINGTON**, WEST VIRGINIA, **WISCONSIN**, WYOMING

2017  
UPDATE



Winter 2017

## STUDY OF FINANCIAL HARDSHIP

GIVE. ADVOCATE. VOLUNTEER.

United Ways of Michigan

[UnitedWayALICE.org/Michigan](http://UnitedWayALICE.org/Michigan)



# LETTER TO THE COMMUNITY



Dear Michiganders,

The launch of the 2014 Michigan United Way ALICE Report (for **A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed), provided us with greater understanding of the struggles of hard-working families in our communities and the conditions that define their financial hardship.

This 2017 update to the Report shows that many Michiganders are still struggling.

Communities across Michigan continue to have concerns regarding the state of financial hardship that exists with 40 percent of Michigan households, and the growing need for programmatic and policy solutions to help our friends and neighbors reach financial stability.

ALICE represents the men and women of all ages and races who get up each day to go to work, but who face tough financial choices. ALICE is not an individual, but a conceptual blending of all those in our community who bring home a paycheck that doesn't stretch to cover household needs. ALICE is glad to have a job, proud of their work, and happy to contribute to the community. ALICE has no cushion. ALICE has no fall back, their assets are limited, and their income is constrained. ALICE is one crisis away from poverty. A rent hike, a family illness, the need for new car tires, things that the rest of us see as an inconvenience, are a crisis for ALICE all across our nation.

When the first United Way ALICE Report of low-wage workers was launched, the findings underscored how the fate of our community is directly connected to ALICE. With this update, that core fact remains. ALICE is an important part of our communities. Stability in the lives of ALICE is positive for the companies that employ them and the overall economy. We need to bring this conversation to a higher level, showing others that ALICE is integral to the social fabric of our society – across the nation.

The key is prevention – finding ways to keep people from falling off the edge, either into ALICE or from ALICE into poverty. This report allows us to look upstream and think about populations that are teetering on that edge.

Our goal, and the goal of the United Way ALICE Project, is to place a clearer lens on the ALICE population. By learning how to give people more and better opportunities to build stability for themselves and their families, we take another step toward restoring that dream.

Together we have an opportunity to raise awareness, stimulate conversation and create solutions that offer ALICE and our communities a better future. I hope that this update will leave you better informed and newly inspired by the potential that we have when we work together to improve the financial stability of this demographic.

Together, we can strengthen our communities across Michigan and build a better tomorrow.

Sincerely,

A handwritten signature in blue ink that reads "Ann T. Fillmore". The signature is fluid and cursive.

**Ann T. Fillmore**, *United Way of Midland County Executive Director,  
Michigan ALICE Steering Committee Chair*

# THE UNITED WAY *ALICE PROJECT*

The United Way *ALICE Project* provides a framework, language, and tools to measure and understand the struggles of the growing number of households in our communities that do not earn enough to afford basic necessities, a population called ALICE. This research initiative partners with state United Way organizations to present data that can stimulate meaningful discussion, attract new partners, and ultimately inform strategies that affect positive change.

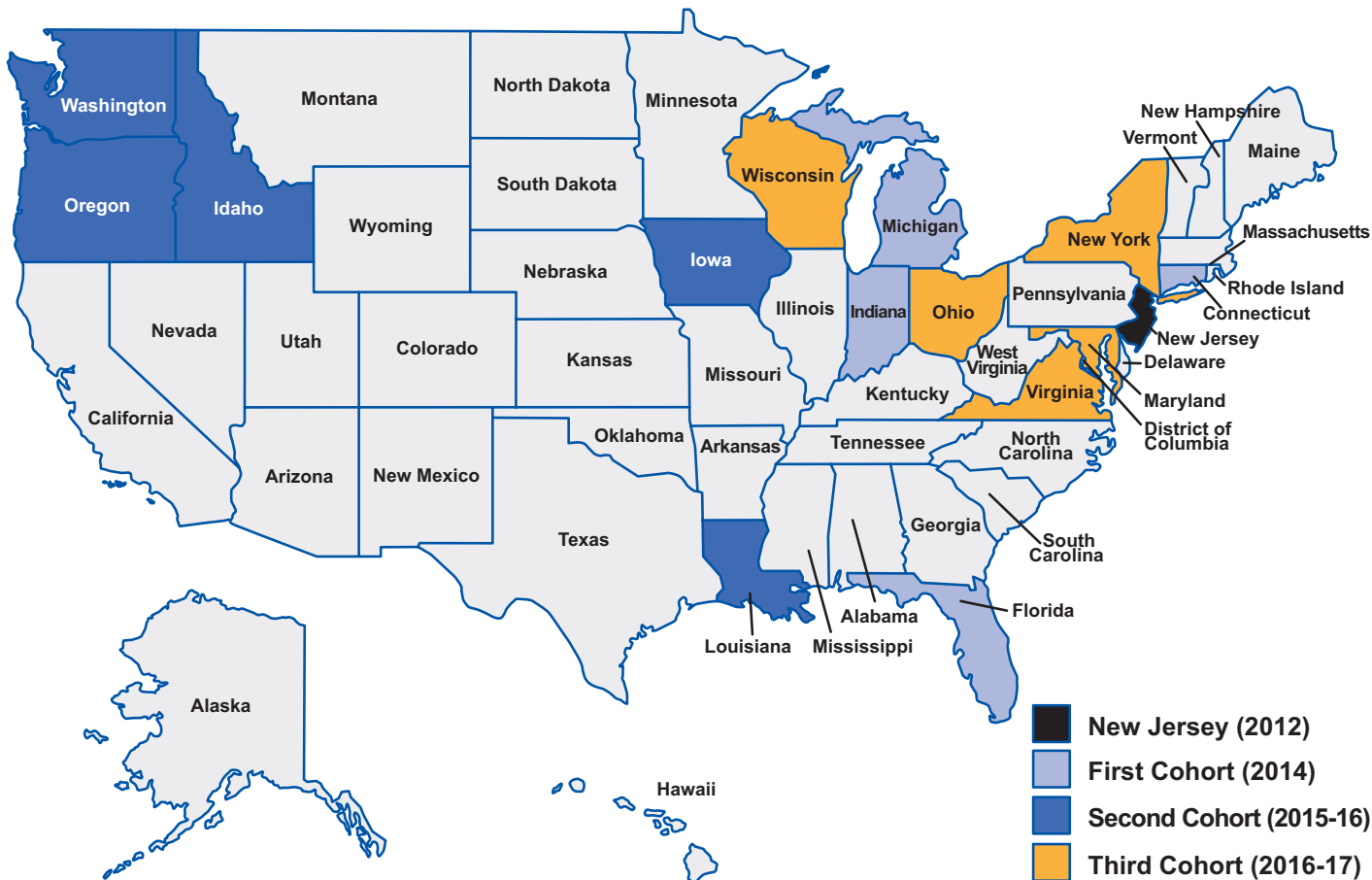
Based on the overwhelming success of this research in identifying and articulating the needs of this vulnerable population, the United Way *ALICE Project* has grown from a pilot in Morris County, New Jersey in 2009, to the entire state of New Jersey in 2012, and now to the national level with 15 states participating.

United Ways of Michigan are proud to join the some 450 United Ways from these states to better understand the struggles of ALICE. Organizations across the country are also using this data to better understand the struggles and needs of their employees, customers, and communities. The result is that ALICE is rapidly becoming part of the common vernacular, appearing in the media and in public forums discussing financial hardship in communities across the country.

Together, United Ways, government agencies, nonprofits, and corporations have the opportunity to evaluate current initiatives and discover innovative approaches that give ALICE a voice, and create changes that improve life for ALICE and the wider community.

To access reports from all states, visit [UnitedWayALICE.org](http://UnitedWayALICE.org)

## States with United Way ALICE Reports



# THE ALICE RESEARCH TEAM

The United Way *ALICE Project* provides high-quality, research-based information to foster a better understanding of who is struggling in our communities. To produce the United Way ALICE Report for Michigan, a team of researchers collaborated with a Research Advisory Committee, composed of representatives from across the state, who advised and contributed to our Report. This collaborative model, practiced in each state, ensures each Report presents unbiased data that is replicable, easily updated on a regular basis, and sensitive to local context. Working closely with United Ways, the United Way *ALICE Project* seeks to equip communities with information to create innovative solutions.

## Lead Researcher

**Stephanie Hoopes, Ph.D.** is the lead researcher and director of the United Way *ALICE Project*.

Dr. Hoopes' work focuses on the political economy of the United States and specifically on the circumstances of low-income households. Her research has garnered both state and national media attention. She began the United Way *ALICE Project* as a pilot study of the low-income community in affluent Morris County, New Jersey in 2009, and has overseen its expansion into a broad-based initiative to more accurately measure financial hardship in states across the country. In 2015, Dr. Hoopes joined the staff at United Way of Northern New Jersey in order to expand this project as more and more states become involved.

Dr. Hoopes was an assistant professor at the School of Public Affairs and Administration (SPAA), Rutgers University-Newark, from 2011 to 2015, and director of Rutgers-Newark's New Jersey DataBank, which makes data available to citizens and policymakers on current issues in 20 policy areas, from 2011 to 2012. SPAA continues to support the United Way *ALICE Project* with access to research resources.

Dr. Hoopes has a doctorate from the London School of Economics, a master's degree from the University of North Carolina at Chapel Hill, and a bachelor's degree from Wellesley College.

## Research Support Team

**Andrew Abrahamson**

**Helen McGinnis**

**Dan Treglia, Ph.D.**

## ALICE Research Advisory Committee for Michigan

**David Callejo Pérez, Ed.D.**  
*Saginaw Valley State University*

**Neil Carlson, Ph.D.**  
*Calvin College*

**David Clifford, Ph.D.**  
*Eastern Michigan University*

**Lee Coggin, J.D.**  
*Baker College of Muskegon*

**Huda Fadel, M.P.H., Ph.D.**  
*Blue Cross Blue Shield of Michigan*

**Ryan Gimarc**  
*Talent 2025*

**Jane Johnson, M.A.**  
*Department of Human Services,  
Muskegon County*

**Rex LaMore, Ph.D.**  
*Michigan State University*

**Katherine Frohardt-Lane, Ph.D.**  
*Data Driven Detroit*

**Matt McCauley, M.P.A.**  
*Networks Northwest*

**Kurt Metzger, M.A.**  
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**Luke Shaefer, Ph.D.**  
*University of Michigan*

**Bridget Flynn Timmeney, M.S.W.**  
*W.E. Upjohn Institute for  
Employment Research*

# ALICE IN EMMET COUNTY

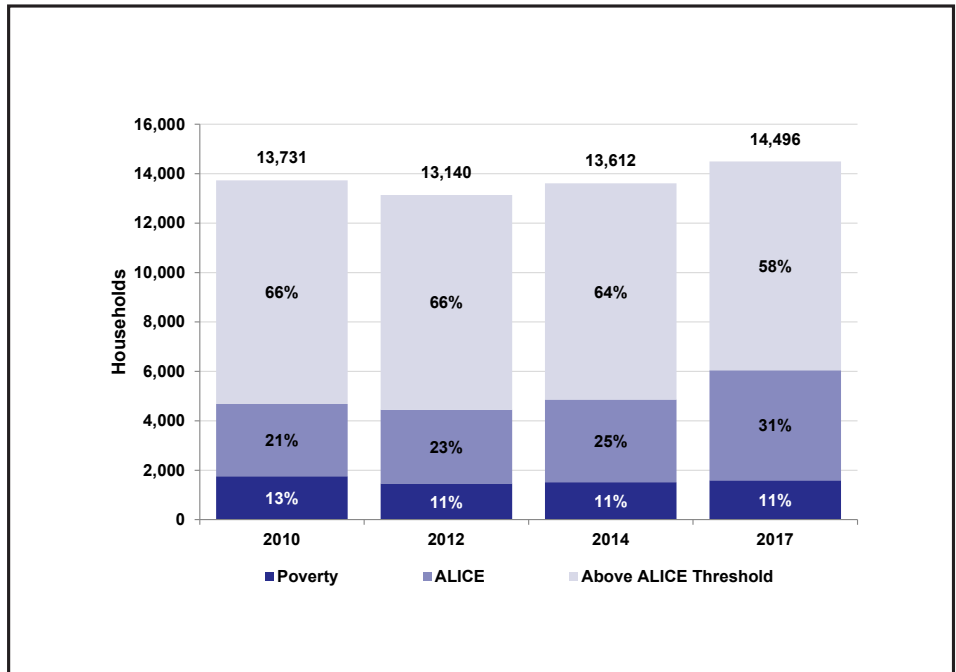
## 2017 Point-in-Time Data

**Population:** 32,978 • **Number of Households:** 14,496  
**Median Household Income:** \$51,475 (state average: \$54,909)  
**Unemployment Rate:** 6.1% (state average: 5.9%)  
**ALICE Households:** 31% (state average: 29%) • **Households in Poverty:** 11% (state average: 14%)

## How has the number of ALICE households changed over time?

**ALICE** is an acronym for **A**sset Limited, **I**ncome **C**onstrained, **E**mloyed – households that earn more than the Federal Poverty Level, but less than the basic cost of living for the county (the ALICE Threshold). Combined, the number of ALICE and poverty-level households equals the total population struggling to afford basic needs. The number of households below the ALICE Threshold changes over time; households move in and out of poverty and ALICE status as their circumstances improve or worsen. The recovery, which started in 2010, has been uneven across the state. Conditions have improved for some families, but with rising costs, many still find themselves struggling.

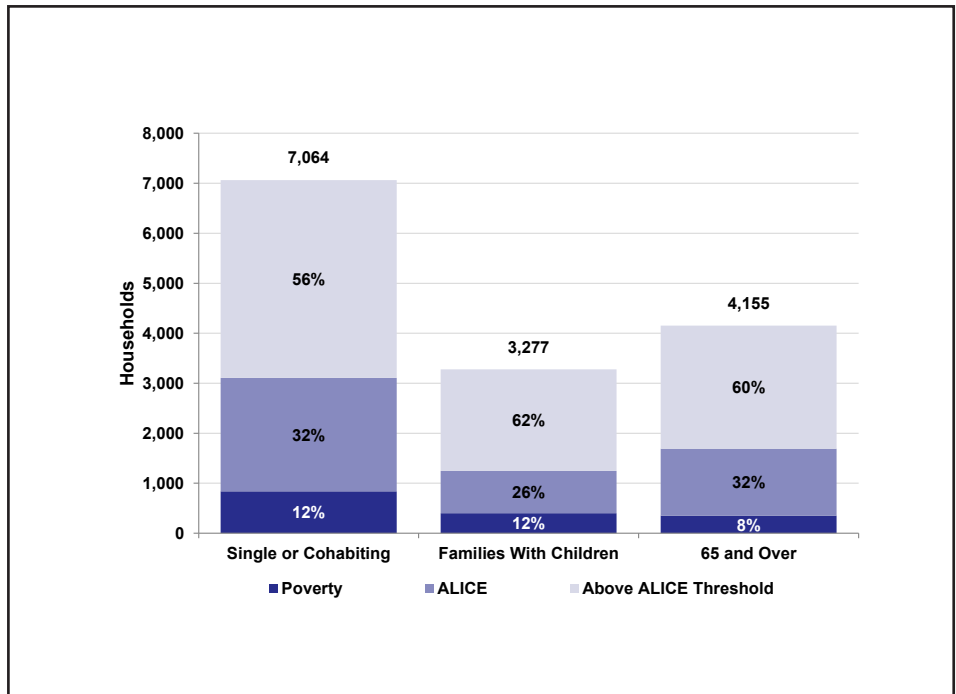
### Households by Income, 2010 to 2017



## What types of households are struggling?

The way Americans live is changing. There are more different family and living combinations than ever before, including more adults living alone, with roommates, or with their parents. Families with children are changing: There are more non-married cohabiting parents, same-sex parents, and blended families with remarried parents. The number of senior households is also increasing. Yet all types of households continue to struggle: ALICE and poverty-level households exist across all of these living arrangements.

### Household Types by Income, 2017





## Why do so many households struggle?

### The cost of living continues to increase...

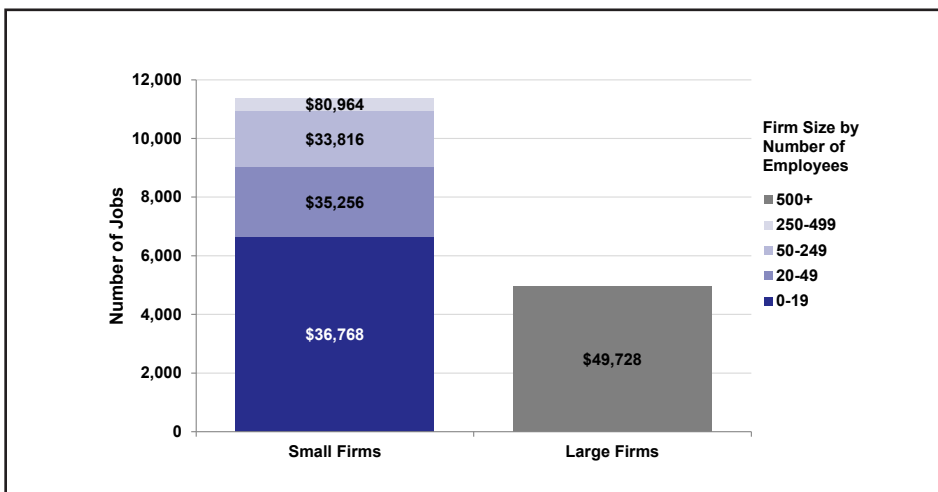
The Household Survival Budget reflects the bare minimum that a household needs to live and work today. It does not include savings for emergencies or future goals like college. In 2017, costs were well above the Federal Poverty Level of \$12,060 for a single adult and \$24,600 for a family of four. Family costs increased by 26 percent statewide from 2010 to 2017, compared to 12 percent inflation nationally.

Household Survival Budget, Emmet County		
	SINGLE ADULT	2 ADULTS, 1 INFANT, 1 PRESCHOOLER
<b>Monthly Costs</b>		
Housing	\$522	\$800
Child Care	\$-	\$1,161
Food	\$199	\$604
Transportation	\$340	\$679
Health Care	\$236	\$888
Technology	\$55	\$75
Miscellaneous	\$160	\$476
Taxes	\$249	\$555
Monthly Total	\$1,761	\$5,238
<b>ANNUAL TOTAL</b>	\$21,132	\$62,856
Hourly Wage	\$10.57	\$31.43

### ...and wages lag behind

Employment and wages vary by location; firms generally pay higher wages in areas with a higher cost of living, although those wages still do not always cover basic needs. Employment and wages also vary by firm size: Large firms tend to offer higher wages and more job stability; smaller businesses can account for more jobs overall, especially in rural areas, but may pay less and offer less stability. Medium-size firms pay more but typically employ the fewest workers.

## Private-Sector Employment by Firm Size With Average Annual Wages, 2017



Sources: 2017 Point-in-Time Data: American Community Survey, 2017. ALICE Demographics: American Community Survey and the ALICE Threshold, 2017. Wages: BLS, 2017. Budget: BLS, 2017; Consumer Reports, 2017; HUD, 2017; IRS, 2016, 2017; Michigan Department of Education Office of Great Start, 2018; Tax Foundation 2017, 2018; USDA, 2017.

Emmet County, 2017		
Town	Total HH	% ALICE & Poverty
Bear Creek Township	2,728	39%
Bliss Township	278	48%
Carp Lake Township	365	40%
Center Township	245	46%
Cross Village Township	118	53%
Friendship Township	363	37%
Harbor Springs City	513	44%
Little Traverse Township	1,012	33%
Littlefield Township	1,292	47%
Maple River Township	577	41%
Mckinley Township	526	62%
Petoskey City	2,927	55%
Pleasantview Township	393	31%
Readmond Township	304	32%
Resort Township	982	23%
Springvale Township	839	30%
Wawatam Township	281	56%
West Traverse Township	753	23%

Note: Municipal-level data on this page is for County Subdivisions. Municipal-level data relies on 5-year averages and is not available for the smallest towns. Since there are missing geographies, totals will not match county-level numbers.