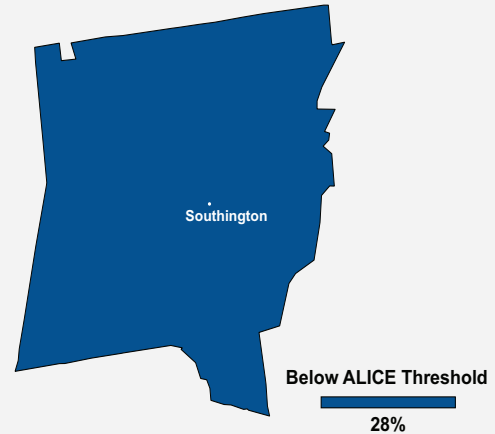


Meet ALICE

ALICE is an acronym for **A**sset Limited, **I**ncome **C**onstrained, **E**mloyed – representing the growing number of single adults and families who earn less than the basic costs of living (Below the ALICE Threshold).

Town	Total Households	% Below ALICE Threshold
Southington	17,149	28%
United Way of Southington	17,149	29%
Connecticut	1,397,324	39%



The Cost of Basics Outpaces Wages

The Household Survival Budget reflects the minimum cost to live and work in the modern economy. It does not include savings for emergencies or future goals like college or retirement.

The Household Survival Budget is calculated at the county level, based on 2021 data, and varies by household composition. In 2021, the cost of basics increased in Connecticut and remained well above the Federal Poverty Level (FPL) of \$26,500 for a family of four and \$12,800 for a single adult, respectively.

Averages and outdated measures, like the Federal Poverty Level, often obscure the true extent of financial hardship for Connecticut households.

When prices increase faster than wages and other sources of income, as we have seen in the last two years, purchasing power decreases and households struggle to make ends meet. This is especially challenging for ALICE households.

**Hourly wage needed, for one worker or for a total of two workers, to cover the Household Survival Budget working full-time (40 hrs per week, 50 weeks per year).

***Pandemic-related enhanced Federal benefits: Child Tax Credit (CTC) and Child and Dependent Care Tax Credit (CDCTC). These enhancements have since expired.

Household Survival Budget, 2021*

	SINGLE ADULT	2 ADULTS, 1 INFANT, 1 PRESCHOOLER
Monthly Costs		
Housing	\$735	\$1,055
Utilities	\$154	\$292
Child Care	-	\$2,188
Food	\$472	\$1,288
Transportation	\$357	\$834
Health Care	\$241	\$815
Technology	\$75	\$110
Miscellaneous	\$203	\$658
Taxes	\$395	\$1,470
Monthly Total	\$2,632	\$8,710
Annual Total before Credits	\$31,584	\$104,520
Full-Time Hourly Wage**	\$15.79	\$52.26
Federal Tax Credits (CTC and CDCTC)***		(\$15,204)
Monthly Total with credits	\$2,632	\$7,443
Annual Total with Credits	\$31,584	\$89,316
Full-Time Hourly Wage with Credits**	\$18.66	\$44.66

*United For ALICE. (2023). "ALICE in the Crosscurrents: COVID and Financial Hardship in Connecticut." UnitedForALICE.org/Connecticut

Inflation Projections

The ALICE Essentials Index, which measures change over time in the cost of household essentials, **projects an 18.2% increase statewide in basic costs from 2021 to 2023** (before taxes). For households in the United Way of Southington region, depending on available tax credits, **this could be as high as \$37,000 for a single individual and \$123,500 for a family of four.**

Learn more about the ALICE methodology at UnitedForALICE.org/Methodology.

WORKING HARD, NOT GETTING BY

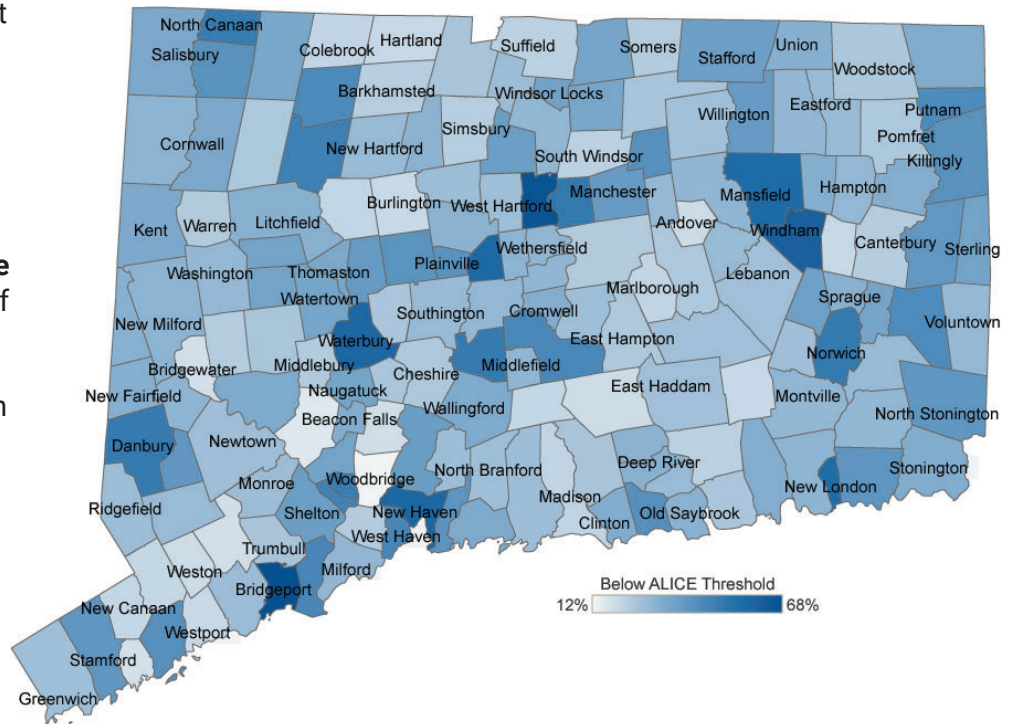
ALICE families live paycheck-to-paycheck, struggling to make ends meet. Every hour of every day, they must choose between keeping food on the table, paying rent, clothing their children or affording the high cost of needed medications. Despite working hard at the jobs available to them, they cannot always afford life's most basic necessities.

We lean on ALICE for support; yet, many ALICE households are one emergency away from a financial crisis, impacting their ability to feed their families, heat their homes, maintain their housing and ensure their medical care.



ALICE IN CONNECTICUT

The crux of the problem is a mismatch between earnings and the costs of basics. For example, 43% of cashiers (a common occupation in Connecticut) were below the ALICE Threshold in 2021. Earning a median wage of \$13.80/hour, these workers could not even afford a Household Survival Budget for one person employed full-time.



ALICE lives in every town and city in Connecticut.

Households below the ALICE Threshold cross all demographic groups. However, persistent disparities exist. In Connecticut for 2021:

- 57% of Hispanic and 54% of Black households were below the ALICE Threshold.
- 68% of single-female-headed households and 50% of single-male-headed households struggled to make ends meet.
- The youngest (under age 25) and oldest (age 65+) households faced the highest rates of hardship.

When households can't afford the basics, they are forced to make difficult choices and trade-offs every day – impossible decisions like whether to pay for prescriptions or keep enough food on the table.

Connecticut United Ways use their local presence to build stronger, more resilient and more equitable communities where everyone can thrive. We work to improve the health, education and economic mobility of every person in every community we serve. Find your local United Way at ctunitedway.org/ctuways.