



NEWS

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Central Florida's Working Families Continue to Struggle New United Way ALICE report reveals 46% of households fail to cover basic needs

Orlando, Fla. (February 6, 2019) – Heart of Florida United Way announced that more than 350,000 households in Central Florida struggle to afford basic necessities such as housing, food, transportation, health care and child care, according to the 2018 ALICE Report. Statewide, 46% of households face the same financial challenges. In Central Florida, the number of low-income workers struggling to cover essentials grew by approximately 1.1 percent (between 2010 and 2016).

The report documents the status of people in the state of Florida who, despite holding jobs, have little or no savings and are one emergency away from falling into poverty. Known as ALICE (**A**sset **L**imited, **I**ncome **C**onstrained, **E**mloyed), the vast majority of these families – from single individuals to large families – work one or more full time jobs and earn enough to be above the Federal Poverty Level, but they still find it difficult to make ends meet and cover the basic cost of living. Using even the most conservative scenarios for a family's monthly expenses for housing, child care, food, transportation, health care, and necessary technology, these families are vulnerable to financial disaster every day. Any emergency or circumstance can put their financial stability at risk.

In Orange County, for instance, a family of four making between \$24,300 (the federal poverty level) and \$55,200 (the minimum household survival budget) would qualify as ALICE. Forty-seven percent of Orange County households are either ALICE or under the poverty level, compared to 39 percent in Seminole County, 57 percent in Osceola County and 46 percent statewide.

The affordable housing crisis continues to aggravate ALICE's stability. There is a deficit of more than 309,000 affordable housing units across the state. Experts recommend households spend less than 30 percent of their income on housing to have a healthy financial standing, but 44 percent of Orlando households are spending at least 30 percent on housing, according to the *Orlando Business Journal*. Currently, metro Orlando only has 17 affordable residential units for every 100 renters in need. The average cost of monthly rent for a two-bedroom unit in Central Florida is \$1,264.

"The ALICE Report illustrates the challenges hardworking people in our community face every day," said Jeff Hayward, president and CEO, Heart of Florida United Way. "In a robust economy with less than 3 percent unemployment in Central Florida, the number of households at or below the ALICE threshold continue to increase. It is time that we ask ourselves what needs to be done as a community to help ALICE families improve their quality of life. We need to take action and determine how we can address the challenges and work together as a community in order to improve the health, education and financial stability of those living at or below the ALICE threshold. A solution will involve continuous collaboration by businesses, non-profits and government agencies."

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Since 2010, Orange, Osceola and Seminole counties have seen steady gains in the percent of households rising above the ALICE threshold. However, Osceola has seen an increase with 5 percent more households falling below the line with a total of 57 percent in 2016, when compared to 52 percent in 2014. Regardless of county, the overall ALICE population is still significantly higher than pre-recessionary levels from 2007.

Key findings from the 2018 report include:

- Households continue to struggle. 340,160 of the tri-county area's 733,633 households (46 percent) are ALICE. In Florida, the number of ALICE households increased from 29 percent in 2014 to 32 percent in 2016.
- The increase in number of ALICE households is driven by older households, both senior and those 45 to 64 years old. The number of senior households increased from 1.9 million in 2010 to 2.4 million in 2016, a 22 percent increase. Households headed by 45- to 64-year-olds grew by 4 percent, yet the number of these households with income below the ALICE Threshold increased by 10 percent.
- Florida's average survival budget for a family of four has increased by 20 percent from 2010 to 2016 to \$55,164.
- While unemployment is considerably low and the number of jobs in Florida increased from 7.1 million in 2010 to 8.2 million in 2016, 67 percent of jobs pay less than \$20 an hour, with almost three-quarters of those jobs paying less than \$15 per hour.
- At least 47 percent of Floridians do not have money set aside to cover expenses for three months in case of illness or the loss of a job.
- The majority of residents under the age of 25 are unable to afford to live on their own, and for both economic and cultural reasons are delaying getting married, having children or moving for new job opportunities.
- More seniors are aging without saving for retirement.
- There is a deficit of more than 309,000 affordable housing units across the state. Due to of this shortage, more households are burdened by the cost of housing.
- Technology has become a part of everyday life, and smartphones today are an expectation for employment. The Household Survival Budget now includes the cost of a smartphone for each adult.

Florida is one of 18 states that have published ALICE reports. The United Way ALICE Report uses standardized measurements to quantify the cost of a basic household budget in each county in each state and to show how many households are struggling to afford it.

To produce the ALICE Report for Florida, a team of researchers collaborated with a Research Advisory Committee, composed of 26 representatives from across Florida, who advised and contributed to the report. Sources include the American Community Survey, the U.S. Department of Housing and Urban Development, the U.S. Department of Agriculture, the Bureau of Labor Statistics at the U.S. Department of Labor, the Internal Revenue Service, the Tax Foundation and the Florida Department of Education.

"Heart of Florida United Way works with partners in many ways to empower ALICE households and keep people from falling into poverty," Hayward said. "With donor funds, we invest to help families, seniors, veterans and children in a wide range of life-changing services and programs."

For more information on the 2018 ALICE Report, visit StandWithALICE.org.

About Heart of Florida United Way

Heart of Florida United Way (HFUW) is Central Florida's most comprehensive health and human services charity and the largest provider of funds to the region's most critical health and human service programs. Last year, it raised and managed \$24.4 million throughout Orange, Osceola and Seminole counties. HFUW is working to advance the common good by focusing on education, income, health and basic needs. It operates United Way 2-1-1, Central Florida's information and assistance, crisis, suicide and referral helpline; Volunteer Resource Center; Gifts In Kind Center; Emergency Homelessness Services; and the Ryan White Part B program, which administers more than \$2 million to provide HIV/AIDS services and referrals. HFUW impacts more than 650,000 individuals annually through its direct service and funded programs. United Way partners with local businesses, government, other charities to increase awareness of local health and human service issues and to inspire hope, provide options and create possibilities for people in need. Visit www.HFUW.org for more information, or call (407) 835-0900.

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