ALICE IN MONTGOMERY COUNTY
2016 Point-in-Time Data

Population: 531,239 • Number of Households: 223,131
Median Household Income: $46,936 (state average: $52,334)
Unemployment Rate: 7% (state average: 5.7%)
ALICE Households: 29% (state average: 28%) • Households in Poverty: 17% (state average: 14%)

How has the number of ALICE households changed over time?

ALICE is an acronym for Asset Limited, Income Constrained, Employed – 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.

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.
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 2016, costs were well above the Federal Poverty Level of $11,880 for a single adult and $24,300 for a family of four. Family costs increased by 26 percent statewide from 2010 to 2016, compared to 9 percent inflation nationally.

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.

...and wages lag behind

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Private-Sector Employment by Firm Size With Average Annual Wages, 2016

<table>
<thead>
<tr>
<th>Firm Size by Number of Employees</th>
<th>Small Firms</th>
<th>Large Firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>500+</td>
<td>$38,076</td>
<td>$45,840</td>
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<tr>
<td>250-499</td>
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<td>50-249</td>
<td>$40,644</td>
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<tr>
<td>20-49</td>
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<tr>
<td>0-19</td>
<td>$34,236</td>
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