

Alternatives Federal Credit Union
Living Wage Study 2019

■ In 1994, in response to a staff members' concern that the wage she earned was not sufficient to support her family, Alternatives decided to conduct a study to see what it should pay its employees as a starting salary. The credit union engaged an intern from the [School of Industrial and Labor Relations at Cornell University](#) to work with then Assistant Manager Leni Hochman to conduct the study. (Alternatives has partnered with student interns from the ILR School for ten of the thirteen subsequent Living Wage studies.) Initially intended for internal use, the credit union's board of directors decided that the information was valuable and released the study to the community. Alternatives has continued to update the Living Wage study every two years.

This year is the 25th anniversary of the 1994 release of the first Living Wage. Research into the wage components was conducted by Kennedy Yearby, a junior in the ILR School and Karl Graham, Alternatives' Chief of Community Development. The study is sponsored by Alternatives' field of membership organization, [The Alternatives Fund of Ithaca](#).

According to the updated Living Wage Study, the cost in 2019 for a single person working full-time to live in Tompkins County is \$29,696.00 a year or \$14.28 per 40 hour work week. The new Living Wage figure is an increase of 2.7% from \$13.90 per hour two years ago.

The categories in the study include housing, food, transportation, internet and mobile phone, healthcare, and other necessities, as well as a modest allowance for recreation and savings. Two categories decreased

over 5% from the previous study: Communication decreased 5.5% and Taxes decreased 5.3%. While Payroll and New York State taxes increased 2.7% and 2.6% respectively, federal taxes decreased by 16.4%, Health care (based on Alternatives' employee costs) 9.4%, the highest increase in any of the categories.

The rate of \$14.28 per hour represents the Living Wage for an individual whose employer provides health insurance. For employers that don't offer health insurance, a rate of \$15.37 per hour would be needed to allow their employee's to purchase the Silver Plan on the NYS Health Insurance Exchange/Marketplace. Research was conducted by Rob Brown, The Workers' Center Operations Manager and Alternatives Federal Credit Union Board, Director.

One category of the study that increased significantly was childcare. Childcare costs are an addendum to the study and not a component of the Living Wage. These costs are presented since they represent a major expense to working families with younger than school aged children. Care at registered providers for infants, toddlers and pre-school aged children increased 56.2%, 44.4% and 38.4% respectively.

For more information, contact:

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Living Wage Study comparison 2016 - 2018

Category	2016 Monthly	2018 Monthly	% Change	2018 Yearly	Source
Rent One bedroom	937.00	978.00	+4.3%	11,736.00	HUD: Final FY 2018 FMR Documentation System
Food Avg of male and female USDA low cost plan	222.75	223.55	+0.3%	2,682.60	Low-cost Official USDA Food Plan: Avg of male and female ages 19-50
Transportation Proportional combination of drive alone, carpool, public transit and biking	182.97	193.54	+5.7%	2,322.48	Ithaca-Tompkins County Transportation Council, Consumer Expenditures Survey, BLS, TCAT
Communication Internet and cell phone	76.74	72.57	-5.5%	870.84	Verizon, Spectrum (Time Warner Cable)
Healthcare Employee only, full time, more than two years, average of three plans	214.11	234.18	+9.4%	2,810.16	Alternatives, BLS
Recreation Increased by inflation	111.74	118.99	+6.4%	1,427.88	BLS
Savings Increased by inflation	66.57	70.59	+6.0%	847.08	BLS
Misc. Housekeeping supplies, footwear, apparel products/services and personal care/services	134.46	144.00	+7.4%	1,733.00	Consumer Expenditures Survey
Net	1946.34	2,035.42	+4.5%	24,430.04	
Taxes					
Payroll (S.S.)	184.31	189.33	+2.7%	2,272.00	NYS and Federal tax tables
Federal	192.54	161.08	-16.4%	1933.00	
State	86.12	88.41	+2.6%	1061.00	
Total (Gross)	2,409.32	2,474.25	+2.7%	29,696.00	
Hourly @40 hours/week	13.90	14.28			Based on 40 hours/week, 52 weeks/year
Addendum Childcare costs					
Infant	1201.06	1877.00	56.2%	22,524.00	Average of rates from Downtown Ithaca Children's Center, Bright Horizons/Cornell Child Care Center, NYS Self-sufficiency Report, NYS Office of Children and Family Services.
Toddler	1,130.00	1,632.00	44.4%	19584.00	
Pre-school	1074.40	1,487.00	38.4%	17,844.00	
Although this data is not included in the determination of a living wage for a single-household individual, it is provided here for reference.					

