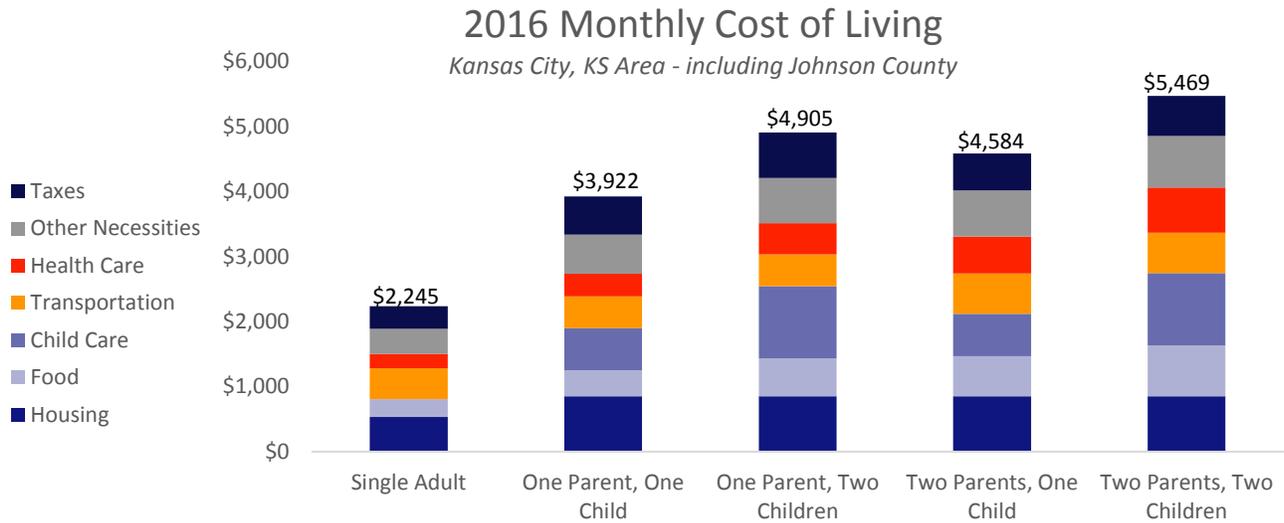




MAKING ENDS MEET IN JOHNSON COUNTY
Cost of Living and the Role of Good Jobs

Poverty is a reality for more than 30,000 residents in Johnson County. An individual or family with income at or below the federal poverty level has limited funds to spend on life's essentials such as a safe place to live, health care, reliable transportation, nutritious food and child care. Consequently, these residents consistently face difficult choices about how to use their limited resources to meet basic needs.

Data indicates that the financial cost of these difficult choices is present regardless of the household size. For our metro area, the Economic Policy Institute estimates that it costs approximately \$59,000 annually (\$4,905 per month, \$28 per hour for full-time work) to attain a modest yet adequate standard of living for a household consisting of a single parent and two children. The cost of child care alone consumes 23% of the household budget, but it is a necessary expense for working parents.

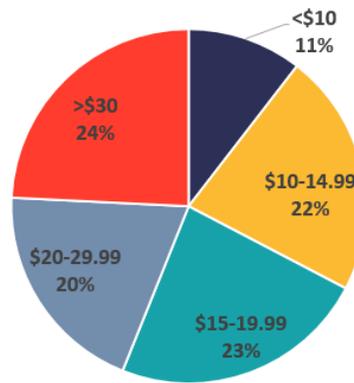


Individuals and families living in poverty must figure out how to meet these essential needs with extremely limited resources. Poor families with children are especially hard pressed to sustain the household, in most cases only earning around 35% of what it costs to live in Johnson County. These families are forced to go without certain necessities, rely on the public and charitable safety net, or depend on family and friends to help them get by.



It is important to keep in mind what it costs to live and what people actually earn. Often, the jobs that low-income workers hold pay low wages or only offer part-time or seasonal work. A third of the jobs in the area pay less than \$15 per hour. Only about 20% of jobs pay \$20 to \$30 per hour. Nearly 1 in 6 poor adults work full time, year-round. More than 6 in 10 work part time or part year. Because of low and inconsistent wages, low-income residents are working hard but not getting ahead.

Johnson County Average Hourly Wages

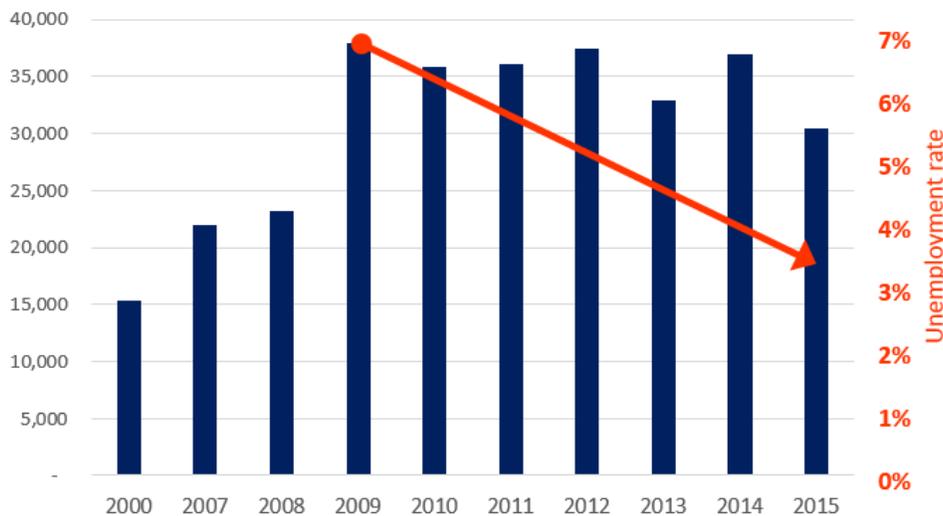


Annual wages for full-time, year-round work
 \$10 = \$20,800
 \$15 = \$31,200
 \$20 = \$41,600
 \$30 = \$62,400

2015 Jobs = 368,200

Wages and wage growth must be a part of the conversation about reducing poverty and creating opportunity. This is reflected in another trend in Johnson County: that the rate of unemployment in Johnson County has decreased in recent years, yet poverty levels remain stagnant at higher rates than in the past. This indicates that many Johnson County residents are working in jobs that are keeping them at or below the poverty level.

Johnson County Poverty More Than Doubled, 2000 - 2015 Despite Decreasing Unemployment Rates, Poverty Persists



The occupations with the largest projected employment growth through 2022 will be predominantly low-wage, low-skill occupations, according to the wages and annual job growth projections for the Kansas City Area Region (Johnson, Wyandotte, Miami, and Leavenworth Counties). These jobs will not pay wages that are adequate to lift a family out of poverty and meet basic household needs, will lack predictable schedules and paid benefits, and will not offer opportunities for advancement. If work truly is the pathway out of poverty, then work must pay enough to ensure that families can sustain their households. This requires employers in the region to commit to making every job a good job with a living wage, paid benefits, and opportunities for workers to advance in their careers. UCS is addressing this issue through the work of the [Employment Planning Project](#).

Sources: Economic Policy Institute Family Budget Calculator 2015 (epi.org); U.S. Census Bureau American Community Survey 2000-2015 1-year estimate; KS Dept. of Labor, Labor Market Information Services 2014; Mid-America Regional Council, EMSI 3Q 2015