

Alternatives Federal Credit Union Living Wage Study 2017



alternatives.org



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The first Living Wage study was conducted in 1994 to determine how much Alternatives 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 each subsequent Living Wage study.) 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.

In 2017, members of the Living Wage Task Force, including Alternatives, the Tompkins County Workers' Center and Just Consulting, conducted a brand new study to discover for the first time how the voluntary Employer Certification Program affects its workforce and who makes up that workforce. The Alternatives Fund of Ithaca, Inc., hired Just Consulting to compile and report on the study.

This year, research into the wage components was conducted by students Arabella Hartino, Blake Terry, and Liam Terry from Northern Light Home School Cooperative. The students were supervised by Alison Christie. Cornell University ILR School intern Samuel Keltz provided the graphs showing changes in the wage and wage categories over the past 22 years. At its August 24 meeting, Alternatives' Board of Directors is expected to vote to raise the credit union's starting wage to the new Living Wage level.

According to the updated Living Wage Study, the cost in 2017 for a single person working full-time to live in Tompkins County is \$28,911.84 a year or \$13.90 per 40 hour work week. The new Living Wage figure is an increase of 0.9% from \$13.77 per hour two years ago.

The categories in the study include housing, food, transportation, internet and cell phone, healthcare, and other necessities, as well as a modest allowance for recreation and savings. Two categories increased over 10% from the previous study: Communication increased 11.6% and misc. increased 10.6%. Payroll, federal and state taxes increased 9.0%, 5.0% and 2.7% Health care increased a relatively modest 6.0%.

The rate of \$13.90 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 \$15.11 per hour would be needed to allow their employee's to purchase the Silver Plan on the NYS Health Insurance Exchange/ Marketplace.

For more information, contact:

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Living Wage Study comparison 2014 - 2016

Category	2014 Monthly	2016 Monthly	% Change	2016 Yearly	Source
Rent One bedroom	943.00	937.00	-0.64%	11,244.00	HUD: Final FY 2016 FMR Documentation System
Food Avg of male and female USDA low cost plan	225.65	222.75	-1.0%	2,673.00	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	191.95	182.97	-4.7%	2,195.64	Ithaca-Tompkins County Transportation Council, BLS, US Census
Communication Internet and cell phone	68.74	76.74	11.6%	920.88	Verizon, Spectrum (Time Warner Cable), US Census
Healthcare Employee only, full time, more than two years, average of three plans	201.98	214.11	6.0%	2,569.32	Alternatives, BLS
Recreation Increased by inflation	110.06	111.74	1.5%	1,340.88	BLS
Savings Increased by inflation	65.83	66.57	1.1%	798.84	BLS
Misc. Housekeeping supplies, footwear, apparel products/services and personal care/services	121.50	134.46	10.6%	1,613.50	Consumer Expenditures Survey
Net	1,928.71	1946.34	0.9%	23,356.06	
Taxes					NYS and Federal tax tables
Payroll (S.S.)	182.56	184.31	0.9%	2,211.76	
Federal	191.41	192.54	0.5%	2,310.55	
State	83.77	86.12	2.7%	1,033.47	
Total	2,386.45	2,409.32	0.9%	28,911.84	
Hourly @40 hours/week	13.77	13.90			
Addendum Childcare costs					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.
Infant	1,130.58	1201.06	6.2%	14,412.72	
Toddler	1,138.00	1,130.00	-0.7%	13,560.00	
Pre-school	1,013.61	1074.40	6.0%	12,892.80	

Although this data is not included in the determination of a living wage for a single-household individual, it is provided here for reference.