

Income/Economic Indicators

“The future is literally in our hands to mold as we like. But we cannot wait until tomorrow. Tomorrow is now.” –Eleanor Roosevelt

Labor Force Participation Rate • 1

Household Income • 2

Poverty • 3

Free and Reduced Meals • 4

Personal Bankruptcy • 5

Housing • 6

Basic Utilities • 7

Unsecured Consumer Debt • 8

These Indicators are not listed in any specific order.

BACKGROUND

The size of the labor force is defined as those employed plus those unemployed. The labor force participation rate is the percentage of the non-institutionalized civilian population age 16 and over that is employed or actively seeking employment.

The Current Population Survey (CPS), sponsored jointly by the U.S. Census Bureau and the U.S. Bureau of Labor Statistics (BLS), is the primary source of labor force statistics for the population of the United States. CPS is a monthly survey of households conducted by the Bureau of Census for the BLS. It provides a comprehensive body of data on the labor force, including employment, unemployment, persons not in the labor force, hours of work, earnings, and other demographic and labor force characteristics.

LABOR FORCE PARTICIPATION RATE					
	2009	2010	2011	2012	2013
La Crosse	93.2%	93.6%	94.2%	94.7%	94.8%
Monroe	92.2%	92.6%	93.3%	93.3%	93.5%
Trempealeau	92.3%	92.9%	93.8%	94.6%	94.5%
Vernon	92.1%	92.2%	93.2%	93.7%	93.9%
Houston	91.8%	92.1%	92.8%	93.8%	94.0%
Wisconsin	92.9%	92.3%	93.2%	94.3%	94.7%
Minnesota	92.5%	92.3%	93.2%	94.3%	94.7%
U.S.	65.7%	64.8%	64.2%	63.7%	63.0%

Source: U.S. Department of Labor, U.S. Bureau of Labor Statistics

- Labor force participation rate: the percentage of the non-institutionalized civilian populations age 16 and over
- All percentages are quarterly averages.

EMPLOYMENT BY INDUSTRY

LA CROSSE COUNTY		
Industry	% Employed in County	% Employed in Wisconsin
Retail Trade	14.4%	11.4%
Manufacturing	14.3%	18.4%
Health Care and Social Assistance	18.1%	14.3%
Educational Service	9.6%	8.6%
Accommodation and Food Services	7.6%	6.7%
Source: 2008-2012 Census		

MONROE COUNTY		
Industry	% Employed in County	% Employed in Wisconsin
Manufacturing	17.1%	18.4%
Health Care and Social Assistance	14.4%	14.3%
Retail Trade	11.3%	11.4%
Public Administration	9.3%	3.6%
Accommodations and Food Services	7.5%	6.7%
Source: 2008-2012 Census		

TREMPEALEAU COUNTY		
Industry	% Employed in County	% Employed in Wisconsin
Manufacturing	29.9%	18.4%
Health Care and Social Assistance	14.1%	14.3%
Retail Trade Industry	8.2%	11.4%
Educational Service	7.5%	8.6%
Agriculture, Forestry, Fishing and Hunting	6.6%	2.4%
Source: 2008-2012 Census		

VERNON COUNTY		
Industry	% Employed in County	% Employed in Wisconsin
Health Care and Social Assistance	17.2%	14.3%
Manufacturing	15.9%	18.4%
Retail Trade	11.4%	11.4%
Agriculture, Forestry, Fishing and Hunting	9.3%	2.4%
Construction	7.4%	5.6%
Source: 2008-2012 Census		

HOUSTON COUNTY		
Industry	% Employed in County	% Employed in Minnesota
Health Care and Social Assistance	21.6%	15.4%
Manufacturing	13.0%	13.7%
Retail Trade	10.1%	11.6%
Construction	8.5%	5.7%
Educational Service	7.6%	8.9%
Source: 2008-2012 Census		

BACKGROUND

Livable incomes are key to a stable economy. Household income is affected by employment, job loss, wage freezes, wage cuts, cuts to benefits, rising prices for goods and services, and inflation. Adequate incomes enable residents to purchase necessary items and maintain quality lifestyles. Median household income is a common indicator used to describe a population. The median income measure divides income distribution into two equal groups, half of the population having income above the median and half the population having income below that amount. Comparing median household incomes as opposed to average household income is generally considered more accurate, as median figures are less affected by outliers on both the high and low end of the wage scale.

The median household income for the Great Rivers Region has been lower than the median household income at the state and national level for many years.

If residents have insufficient household incomes, they may seek public assistance programs to meet basic needs. Federal, state, and local health and human service resources may become strained and unable to meet the needs of the population if income levels are too low.

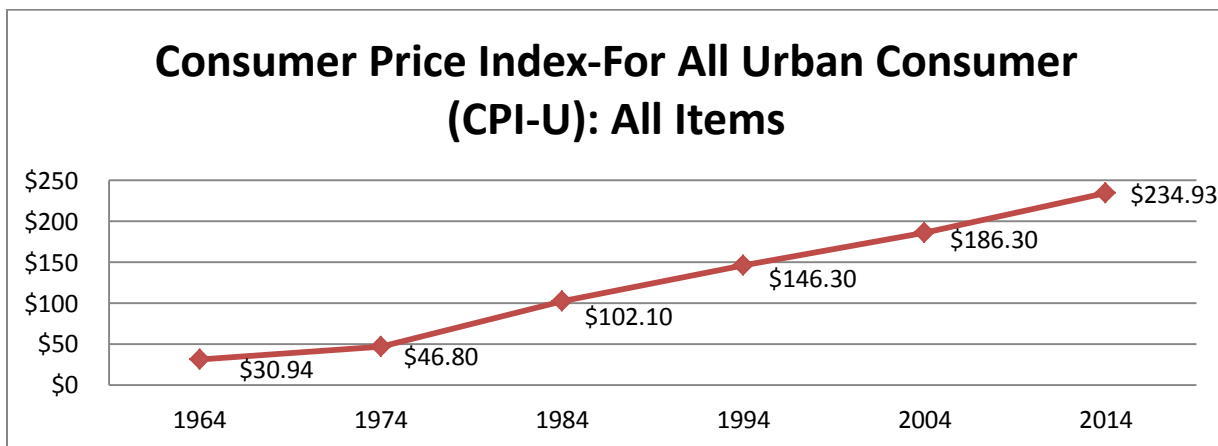
MEDIAN HOUSEHOLD INCOME			
County/State	2009 Median Household Income	2012 Median Household Income	% Change
La Crosse	\$49,505	\$50,771	+2.6%
Monroe	\$49,473	\$48,768	-1.4%
Trempealeau	\$44,997	\$48,624	+8.1%
Vernon	\$40,644	\$44,676	+9.9%
Houston	\$49,269	\$53,453	+8.5%
Wisconsin	\$49,994	\$52,627	+5.3%
Minnesota	\$55,621	\$59,126	+6.3%
U.S.	\$50,221	\$53,046	+5.6%
Source: US Census, American Community Survey, www.powerofwe.org ; CPI Inflation Calculator			
• Adjusted for inflation			

Consumer Price Index-For All Urban Consumer (CPI-U)

The Consumer Price Index (CPI) is the statistical metric developed by the Bureau of Labor Statistics used to monitor the change in the price of a set list of products¹. The idea is that by monitoring the fluctuations in price it costs to purchase a set basket of goods, the government can track the cost of living for most individuals. The CPI-U is the CPI value for Urban Consumers, which excludes rural populations and represents approximately 80% of the population. The CPI and CPI-U do not directly measure inflation, but it gives a very good idea of whether we are in a period of inflation or deflation and how severe that change may be¹.

The CPI represents all goods and services purchased for consumption by the reference population. The Bureau of Labor and Statistics has classified all expenditure items into more than 200 categories, arranged into eight major groups. Major groups and examples of categories in each are as follows¹:

- Food and Beverages (breakfast cereal, milk, coffee, chicken, wine, full service meals, snacks)
- Housing (rent of primary residence, owners' equivalent rent, fuel oil, bedroom furniture)
- Apparel (shirts, sweaters, dresses, jewelry)
- Transportation (new vehicles, airline fares, gasoline, motor vehicle insurance)
- Medical Care (prescription drugs and medical supplies, physicians' services, eyeglasses and eye care, hospital services)
- Recreation (televisions, toys, pets and pet products, sports equipment, admissions)
- Education and Communication (college tuition, postage, telephone services, computer software and accessories)
- Other Goods and Services (tobacco and smoking products, haircuts and other personal services, funeral expenses)



Source: U.S. Department of Labor, Bureau of Labor Statistics

- CPI-U is a measure of the average monthly change in the price for goods and services paid by urban consumers between any two time period and can also represent the buying habits of urban consumers. CPIs are based on prices for food, clothing, shelter, and fuels.

BACKGROUND

The experience of living in poverty, can result in individuals lacking hope and feeling powerless, being isolated from family and friends, lacking information about services available, living in an unsafe neighborhood, living in a place with poor environmental conditions, not being able to buy healthy food or new clothing, being unable to afford medicines or visit the dentist, and living from paycheck to paycheck with no savings for an emergency (i.e., losing a job or falling ill). Therefore, one’s description of poverty can be difficult to define. The United Nations defines two different types of poverty. Absolute poverty measures poverty in relation to the amount of money necessary to meet basic needs such as food, clothing, and shelter. Relative poverty is defined as poverty in relation to the economic status of other members of the society: people are poor if they fall below prevailing standards of living in a given societal context. An important criticism of both concepts is that they are largely concerned with income and consumption. Therefore, broader quality of life issues are not considered when defining poverty.

The Applied Population Laboratory at the University of Wisconsin-Extension explains that the poverty threshold “is intended to indicate the income people need for a minimally adequate standard of living. The threshold varies according to the number of household members and their ages, and is adjusted each year to account for inflation.” In 2013, a family with four members including two children was considered in poverty if their household income was less than \$23,624.

Poverty affects the physical and mental health of our community’s residents, affects our children’s ability to learn, and limits members of our community from participating fully in society and reaching their full potential. Poverty is a growing problem in our community and is affecting the residents of the Great Rivers Region in very profound ways.

PERCENTAGE OF POPULATION LIVING IN POVERTY			
County/Region	2009	2012	% Change
La Crosse	12.8%	13.7%	+0.9%
Monroe	12.2%	15.0%	+2.8%
Trempealeau	11.8%	12.0%	+0.2%
Vernon	15.6%	15.2%	-0.4%
Houston	8.6%	9.8%	+1.2%
Wisconsin	12.4%	12.5%	+0.1%
Minnesota	10.9%	11.2%	+0.3%
United States	14.3%	14.9%	+0.6%

Source: U.S. Census

Impacts of Living Wage, Poverty, and Minimum Wage in Our Community

When someone makes less than a living wage, or does not earn enough income to support their daily financial needs, much of society is impacted. The use of assistance programs goes up, and ultimately, participants in the labor force may have to contribute more to these programs to ensure they continue. Those living below a living wage may be forced to make less than ideal decisions in order to stretch their available dollars, potentially impacting their health, educational attainment, social relationships, and other areas of life.

The calculations below come from Living Wage Calculator developed by the Massachusetts Institute of Technology. “Living wage” is the hourly rate that an individual must earn to support his or her family, if working full-time (2080 hours per year) and the sole provider. “Poverty wage” is typically quoted as gross annual income. This wage was converted it to an hourly wage for the sake of comparison. “Minimum wage” is the same for all individuals statewide, regardless of how many dependents they may have.

LA CROSSE COUNTY

Household Size: 1 Adult

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$8.04	\$16,723.20	\$0.00
Poverty Wage	\$5.21	\$10,836.80	-\$5886.40
Minimum Wage	\$7.25	\$15,080.00	\$1,643.20

Source: Massachusetts Institute of Technology, Living Wage Calculator

Household Size: 1 Adult, 1 Child

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$19.15	\$39,832.00	\$0.00
Poverty Wage	\$7.00	\$14,560.00	-\$25,272.00
Minimum Wage	\$7.25	\$15,080.00	-\$24,752.00

Source: Massachusetts Institute of Technology, Living Wage Calculator

Household Size: 2 Adults, 2 Children

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$17.97	\$37,377.60	\$0.00
Poverty Wage	\$10.60	\$22,048.00	-\$15,329.60
Minimum Wage	\$7.25	\$15,080.00	-\$22,297.60

Source: Massachusetts Institute of Technology, Living Wage Calculator

MONROE COUNTY

Household Size: 1 Adult

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$7.98	\$16,598.40	\$0.00
Poverty Wage	\$5.21	\$10,836.80	-\$5,761.60
Minimum Wage	\$7.25	\$15,080.00	-\$1,518.40
Source: Massachusetts Institute of Technology, Living Wage Calculator			

Household Size: 1 Adult, 1 Child

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$19.04	\$39,603.20	\$0.00
Poverty Wage	\$7.00	\$14,560.00	-\$25,043.20
Minimum Wage	\$7.25	\$15,080.00	-\$24,523.20
Source: Massachusetts Institute of Technology, Living Wage Calculator			

Household Size: 2 Adults, 2 Children

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$17.98	\$37,398.40	\$0.00
Poverty Wage	\$10.60	\$22,048.00	-\$15,350.40
Minimum Wage	\$7.25	\$15,080.00	-\$22,318.40
Source: Massachusetts Institute of Technology, Living Wage Calculator			

TREMPEALEAU COUNTY

Household Size: 1 Adult

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$7.98	\$16,598.40	\$0.00
Poverty Wage	\$5.21	\$10,836.80	-\$5,761.60
Minimum Wage	\$7.25	\$15,080.00	-\$1,518.40
Source: Massachusetts Institute of Technology, Living Wage Calculator			

Household Size: 1 Adult, 1 Child

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$18.79	\$39,083.20	\$0.00
Poverty Wage	\$7.00	\$14,560.00	-\$24,523.20
Minimum Wage	\$7.25	\$15,080.00	-\$24,003.20
Source: Massachusetts Institute of Technology, Living Wage Calculator			

TREMPEALEAU COUNTY (CONTINUED)

Household Size: 2 Adults, 2 Children

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$17.61	\$36,628.80	\$0.00
Poverty Wage	\$10.60	\$22,048.00	-\$14,580.80
Minimum Wage	\$7.25	\$15,080.00	-\$21,548.80
Source: Massachusetts Institute of Technology, Living Wage Calculator			

VERNON COUNTY

Household Size: 1 Adult

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$8.45	\$17,576.00	\$0.00
Poverty Wage	\$5.21	\$10,836.80	-\$6,739.20
Minimum Wage	\$7.25	\$15,080.00	-\$2,496
Source: Massachusetts Institute of Technology, Living Wage Calculator			

Household Size: 1 Adult, 2 Children

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$18.79	\$39,083.20	\$0.00
Poverty Wage	\$7.00	\$14,560.00	-\$24,523.20
Minimum Wage	\$7.25	\$15,080.00	-\$24,003.20
Source: Massachusetts Institute of Technology, Living Wage Calculator			

Household Size: 2 Adults, 2 Children

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$17.61	\$36,628.80	\$0.00
Poverty Wage	\$10.60	\$22,048.00	-\$14,580.80
Minimum Wage	\$7.25	\$15,080.00	-\$21,548.80
Source: Massachusetts Institute of Technology, Living Wage Calculator			

HOUSTON COUNTY

Household Size: 1 Adult

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$8.03	\$16,702.40	\$0.00
Poverty Wage	\$5.21	\$10,836.80	-\$5,865.60
Minimum Wage	\$7.25	\$15,080.00	-\$1,622.40
Source: Massachusetts Institute of Technology, Living Wage Calculator			

Household Size: 1 Adult, 1 Child

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$18.60	\$38,688.00	\$0.00
Poverty Wage	\$7.00	\$14,560	-\$24,128.00
Minimum Wage	\$7.25	\$15,080.00	-\$23,608
Source: Massachusetts Institute of Technology, Living Wage Calculator			

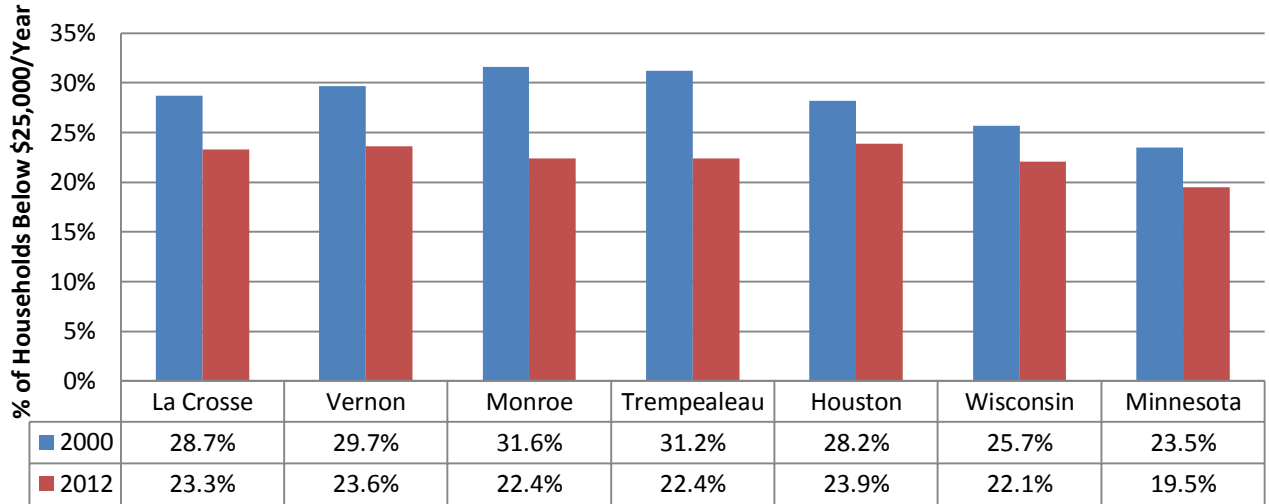
Household Size: 2 Adults, 2 Children

Hourly Wage	Hourly Compensation	Annual Income	Annual Deficit
Living Wage	\$18.08	\$37,606.40	\$0.00
Poverty Wage	\$10.60	\$22,048.00	-\$15,558.40
Minimum Wage	\$7.25	\$15,080.00	-\$22,526.40
Source: Massachusetts Institute of Technology, Living Wage Calculator			

Household Income

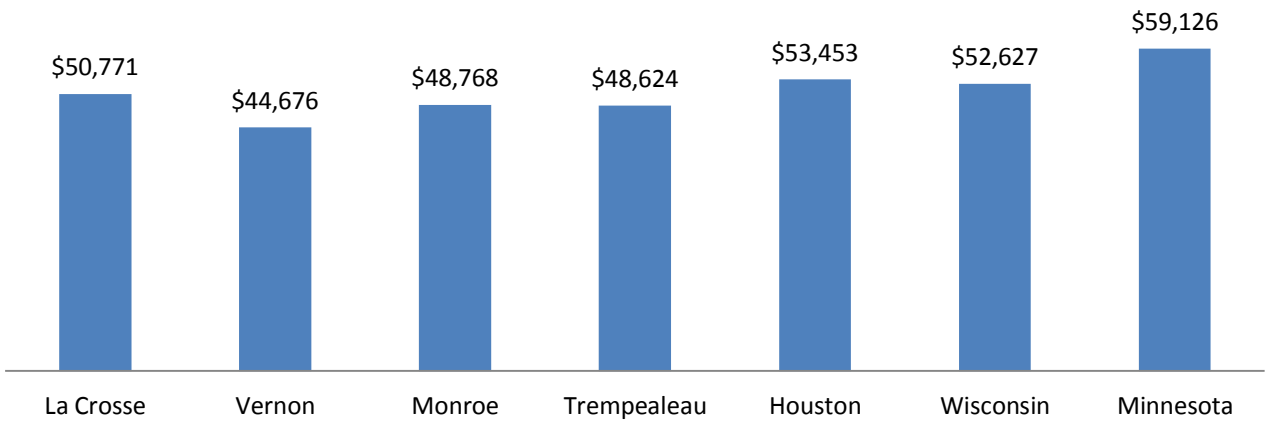
Household income is affected by inflation, location, type of industry household members work in, educational attainment of heads of household, and age of household earners. Household income is a measure of the income of the head of household plus all other individuals in the household 15 years old or over. According to the 2008-2012 Census, the national median household income is \$53,046, Wisconsin's is slightly lower at \$52,627 and Minnesota's is higher at \$59,126.

HOUSEHOLD EARNINGS BELOW \$25,000/YEAR



Source: US Census, 2008-2012

MEDIAN HOUSEHOLD INCOME



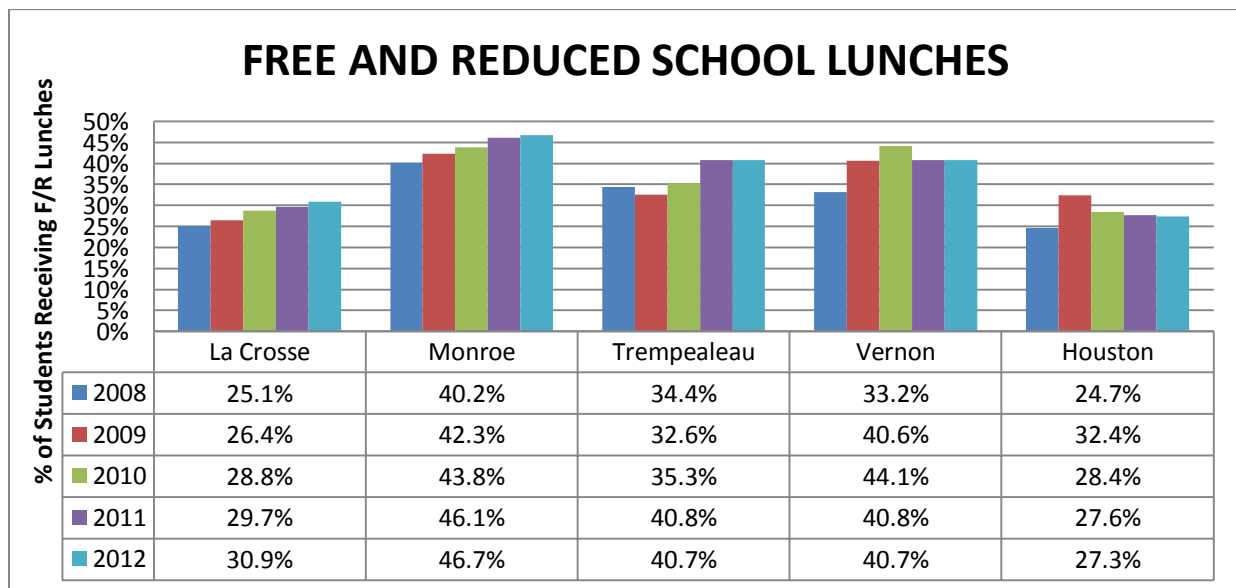
Source: US Census 2008-2012, American Community Survey

BACKGROUND

A student’s nutritional intake influences his or her health and ability to learn. Poor nutrition and hunger can lead to nervousness, lack of interest in learning, irritability, and the inability to concentrate.

School lunch eligibility is generally the best measurement annually available to estimate the percentage of low-income children in each school district. The National School Lunch Program (NSLP) is a federally-assisted meal program operating in public schools, nonprofit private schools, and residential child care institutions. It provides nutritionally balanced, low-cost or free lunches to children each school day. Families must apply for the program to be enrolled. Participating school districts and private schools receive cash subsidies and donated commodities from the U.S. Department of Agriculture for each meal served. The meals must meet the USDA’s Dietary Guidelines for Americans. It is important to note that the availability of NSLP during summer months is not guaranteed and very much depends on the School District.

According to the federal Poverty Guidelines for 2014, a household of four is considered to be living below poverty level if their annual household income is \$23,550 or below. Families with incomes at 130% of the poverty level (approximately \$31,000) qualify for free school lunches and those with incomes between 130%-185% (approximately between \$31,000 and \$44,123) of poverty level qualify for reduced-price school lunches.

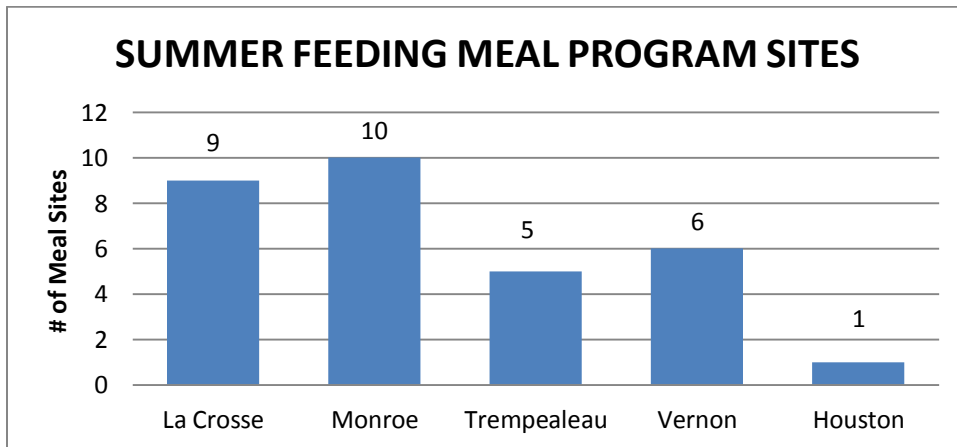


Source: U.S. Department of Education's National Center for Education Statistics, Common Core of Data

Summer Food Service Program

The Summer Food Service Program (SFSP) was established to ensure that low-income children continue to receive nutritious meals when school is not in session. Free meals, that meet Federal nutrition guidelines, are provided to all children 18 years old and under at approved SFSP sites in areas with significant concentrations of low-income children².

During the summer of 2014, nearly 170 Minnesota schools and organizations operated almost 700 SFSP sites and served almost 2.4 million meals to children 18 and under. Despite this effort, only 15% of disadvantaged children were connected with the summer meal programs³. During the summer of 2013, 187 Wisconsin agencies operated over 700 SFSP sites and served over 2.5 million meals to children 18 and under⁴.

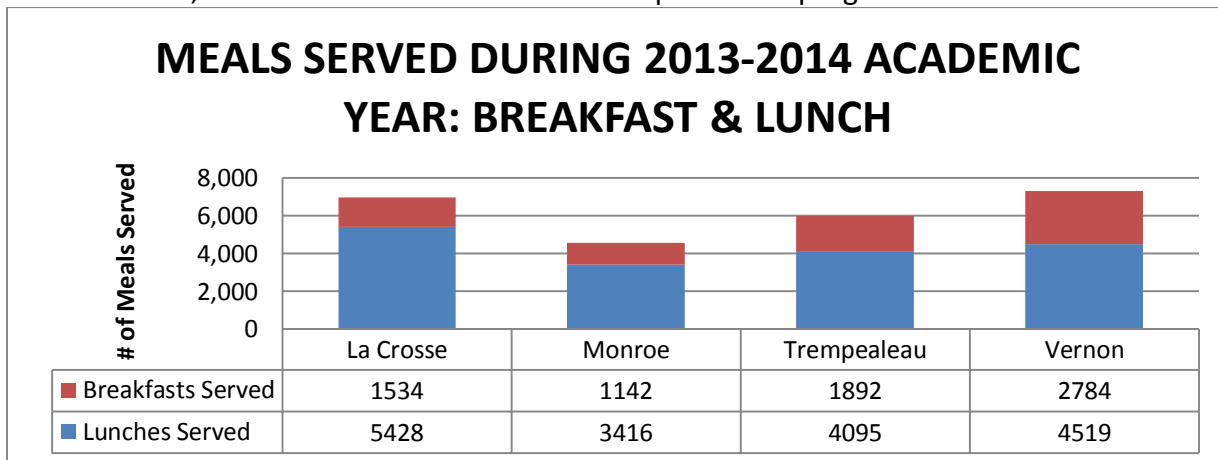


Source: Minnesota Department of Education, Wisconsin Department of Instruction

- Data from Wisconsin counties is from the summer of 2014. Data from Houston County is from the summer of the 2012-2013 academic year.

Breakfast Program

The School Breakfast Program (SBP) provides cash assistance to states to operate nonprofit breakfast programs in schools and residential childcare institutions. The Food and Nutrition Service administers the SBP at the federal level. State education agencies administer the SBP at the state level, and local school food authorities operate the program in schools⁵.



Source: Wisconsin Department of Public Instruction

- Made request for data from Minnesota Department of Education but was unable to secure information.

BACKGROUND

Bankruptcy is a federal court process that allows debtors to address debts under temporary protection from most collection actions. Different types of consumer bankruptcy are designed to help people in different circumstances. A bankruptcy discharge releases the debtor from personal liability for certain specified types of debts. In other words, the debtor is no longer legally required to pay any debts that are discharged⁶.

Bankruptcy rate is an effective measure of the economic health of a community. Job loss, increased medical bills, and costs associated with divorce and separation are the primary reasons that people file for bankruptcy⁷. Although our community’s job loss rates are currently decreasing, the cost burden of medical bills is increasing and divorce rates are continuously rising (3.6 per 1,000 population⁸).

In 2012, the National Bureau of Economic Research conducted a study and determined that 200,000 households were using their tax refunds to pay for bankruptcy filing and legal fees⁹. These households were putting their tax refunds toward this purpose because they would otherwise be unable to afford pay these fees. Before the Bankruptcy Reform Act of 2005, the average cost of legal and administrative fees was \$921. After the reform of this law, which changed eligibility requirements among other things, this priced jumped to \$1,477⁹.

Medical Bankruptcy

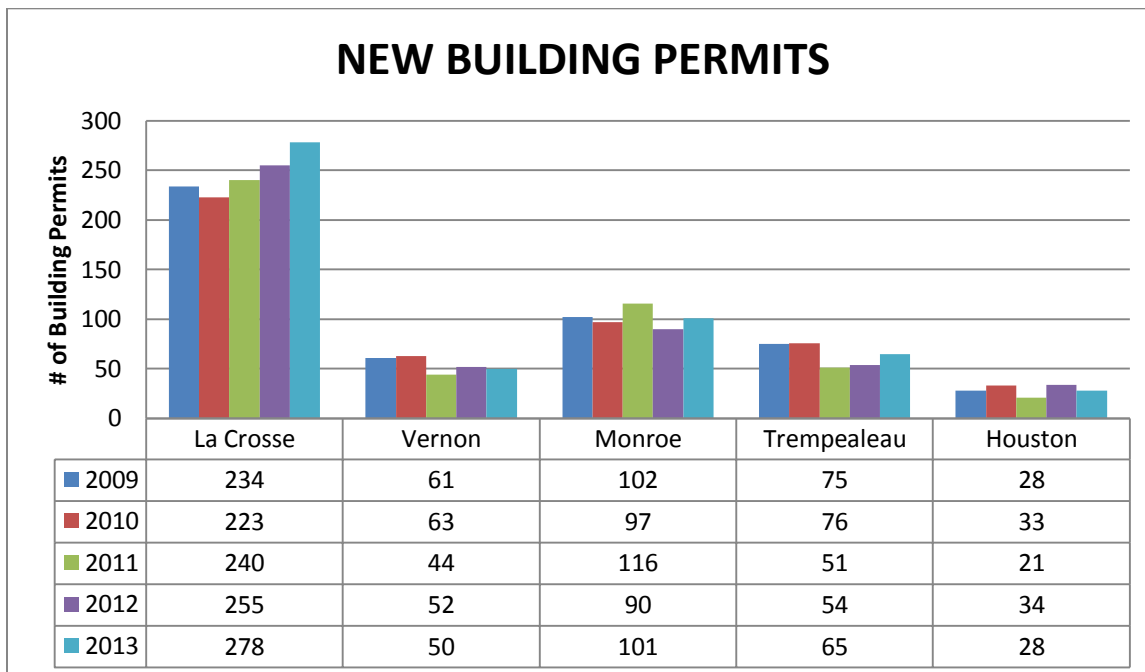
In 2013, over 20% of American adults struggled to pay their medical bills, and three in five bankruptcies are due to medical bills⁹. Excessive debt is commonly blamed on poor savings and spending habits; however, the burden of health costs also causes extensive indebtedness. 25 million people hesitate to take their medications in order to control their medical costs⁹. This can lead to worsening health conditions, which ultimately require more expensive medical interventions.

2013 NON-BUSINESS BANKRUPTCY RATES	
Location	Bankruptcies/1,000 People
La Crosse	2.44
Monroe	2.97
Trempealeau	1.62
Vernon	2.31
Houston	1.70
Wisconsin	5.10
Minnesota	3.41
Source: Administrative Office of U.S. Courts	

BACKGROUND

Building Permits

A building permit is required for new construction, adding to pre-existing structures, and sometimes for major renovations. One subset of the construction industry is the housing industry. This industry alone accounts for about 27% of investment spending and 5% of the overall economy¹⁰. Therefore, continuous declines in new home construction numbers can slow the economy and can drive it into a recession. Likewise, increases in housing activity, such as construction, additions, and renovations, can trigger economic growth.



Source: U.S. Census Bureau Residential Construction Branch

Median Home Value

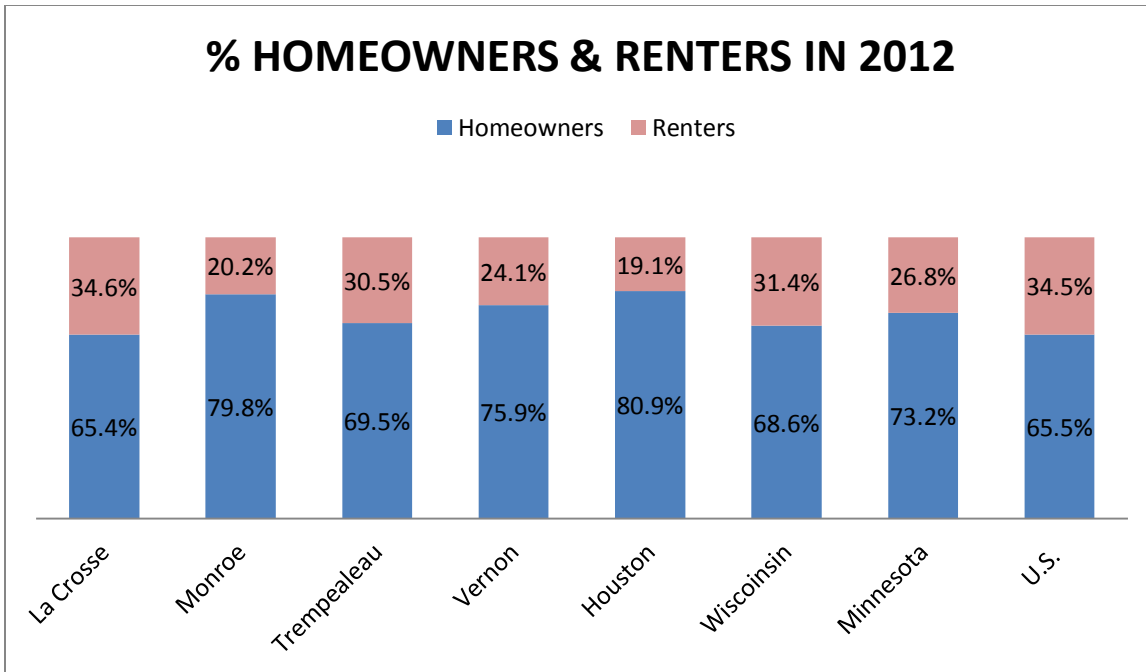
Median home value in a given community is a strong indicator of the local economy. Especially for middle-class citizens, an owned home is most often the largest debt, as well as collateral. Overall, owning a home is one of the best ways to build long-term wealth because it provides equity accumulation and tax benefits over time.

MEDIAN HOME VALUE		
County/Region	Median Value 2009	Median Value 2012
La Crosse	\$94,400	\$153,600
Monroe	\$79,300	\$134,000
Trempealeau	\$81,200	\$133,300
Vernon	\$79,300	\$136,800
Houston	\$92,600	\$151,100
Wisconsin	\$109,900	\$169,000
Minnesota	\$118,100	\$194,300

Source: Census 2008-2012

Homeowners and Renters

Home ownership has a direct impact on the economy in many ways, through both the initial purchase and future maintenance costs. It also directly affects the economy through the positive impact home improvements can have on the value of homes and the neighborhoods in which they are located. Research has found that the average child of homeowners is significantly more likely to achieve a higher level of education and, thereby, a higher level of earnings than a child whose family rents¹¹. The housing tenure of parents plays a primary role in determining whether or not a child becomes a homeowner¹¹. Home ownership also encourages residents to become more invested in their community. For example, one study found that 77% of homeowners voted in local elections, compared to only 55% of renters¹².



Source: US Census, 2008-2012

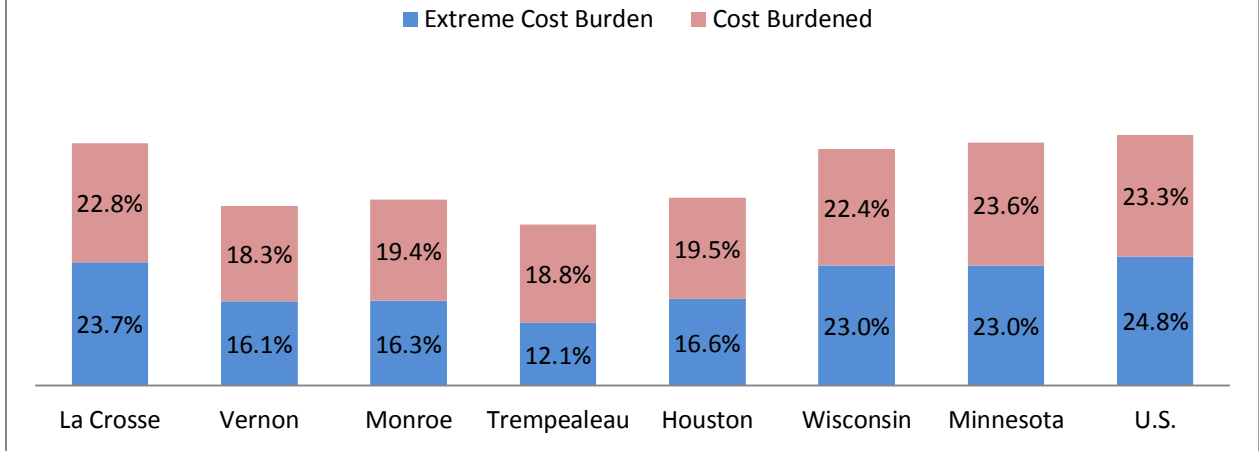
Affordable Housing

The term “affordable” can vary greatly depending on the location in which someone lives and other debts they are responsible for, however, families who pay more than 30% of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care¹³. It is estimated that there are 12 million renter and homeowner households paying greater than 50% of their annual incomes for housing. These households are considered to be living with an extreme housing cost burden. A family with one full-time worker earning the minimum wage cannot afford the local fair-market rent for a two-bedroom apartment anywhere in the United States¹³.

Homeowners and Renters Burdened by Housing Costs

A household is considered “cost-burdened” when 30%-49% of their household income is dedicated to housing costs. Moreover, a household is considered “extremely cost burdened” when 50% or more of their household income is dedicated to housing costs. Individuals who are cost-burdened may drop health care coverage, select less expensive child care arrangements, or skip meals, which result in poorer outcomes in other areas of well-being.

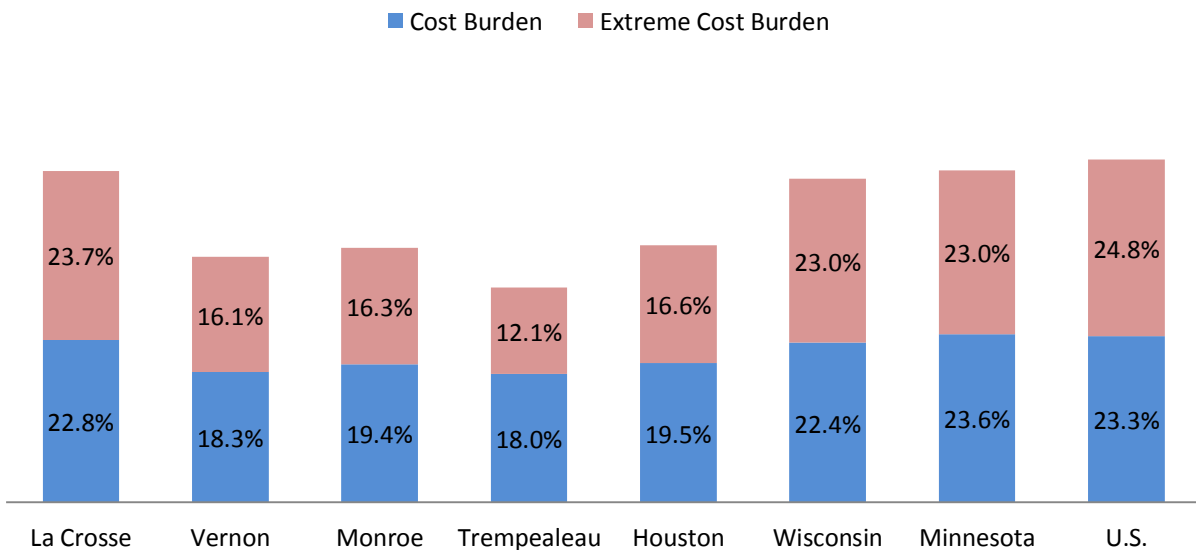
HOMEOWNERS BURDENED BY HOUSING COSTS IN 2012



Source: Census, 2008-2012

- The total percentage of burdened homeowners (homeowners paying 30% or more of their household income to housing) can be determined by adding cost burdened and extreme cost burden percentages together.

RENTERS BURDENED BY HOUSING COSTS IN 2012



Source: Census, 2008-2012

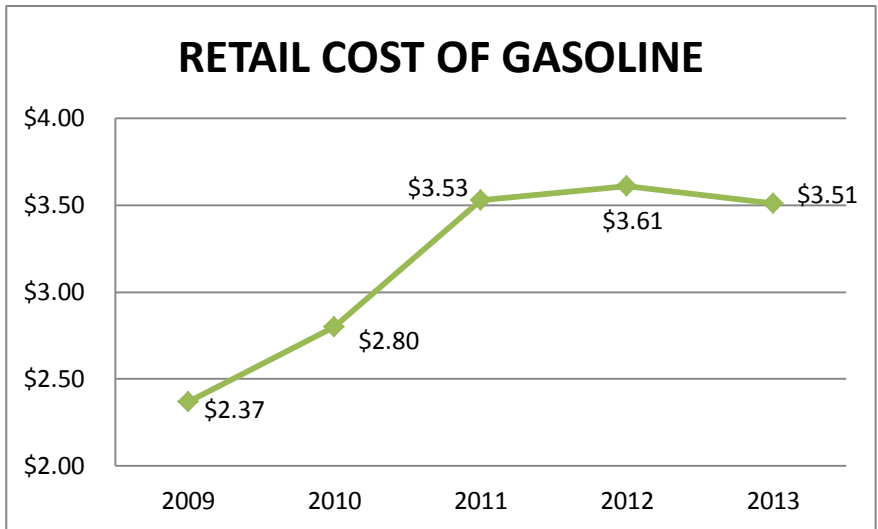
- The total percentage of burdened renters (renters paying 30% or more of their household income to rent) can be determined by adding cost burdened and extreme cost burdened percentages together.

BACKGROUND

When the cost of gasoline is high, many aspects of the economy are impacted. First, overall discretionary spending goes down. Second, consumers will drive shorter distances in order to minimize costs. Likewise, the utilization of public transportation becomes more frequent. However, those living in rural areas often lack access to public transportation. Lastly, a Gallup poll found that individuals' views of the economy appear to be inversely correlated to the price of gasoline. As gas prices increase, a decreasing percentage of Gallup poll respondents felt that the economy was "getting better."

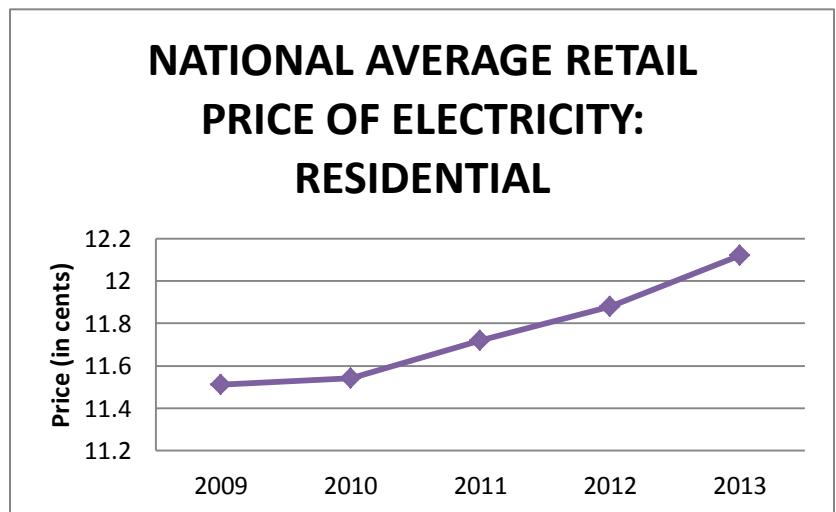
Cost of Basic Utilities

Basic utilities are costs that consumers consider to be "necessities." They allow the consumer to use modern amenities that require electricity. In the Midwest, heat and air conditioning are also considered to be basic utilities.



Source: US Energy Information Administration

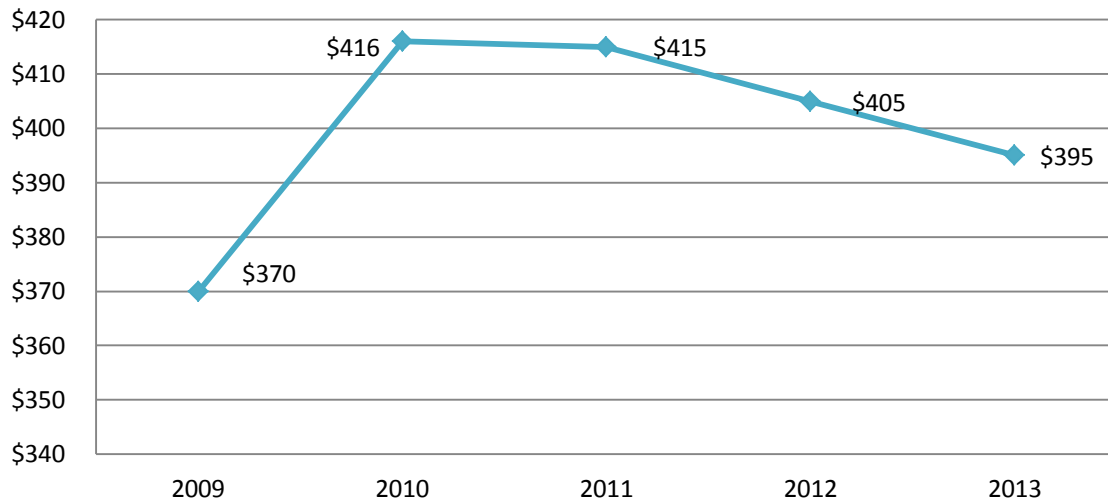
- Dollars per gallon, including tax



Source: US Energy Information Administration

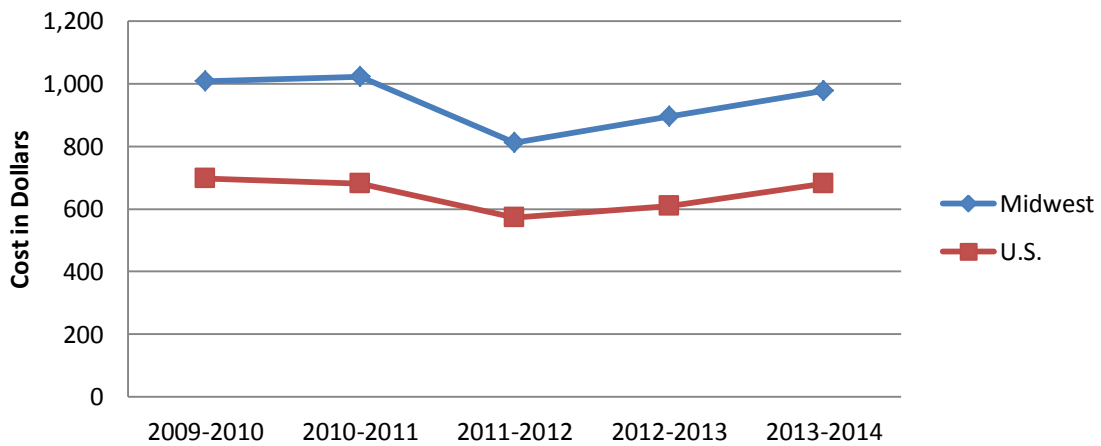
- Total by End-Use Sector, 2004 - August 2014 (Cents per kWh)

AVERAGE U.S. RESIDENTIAL SUMMER ELECTRIC BILL

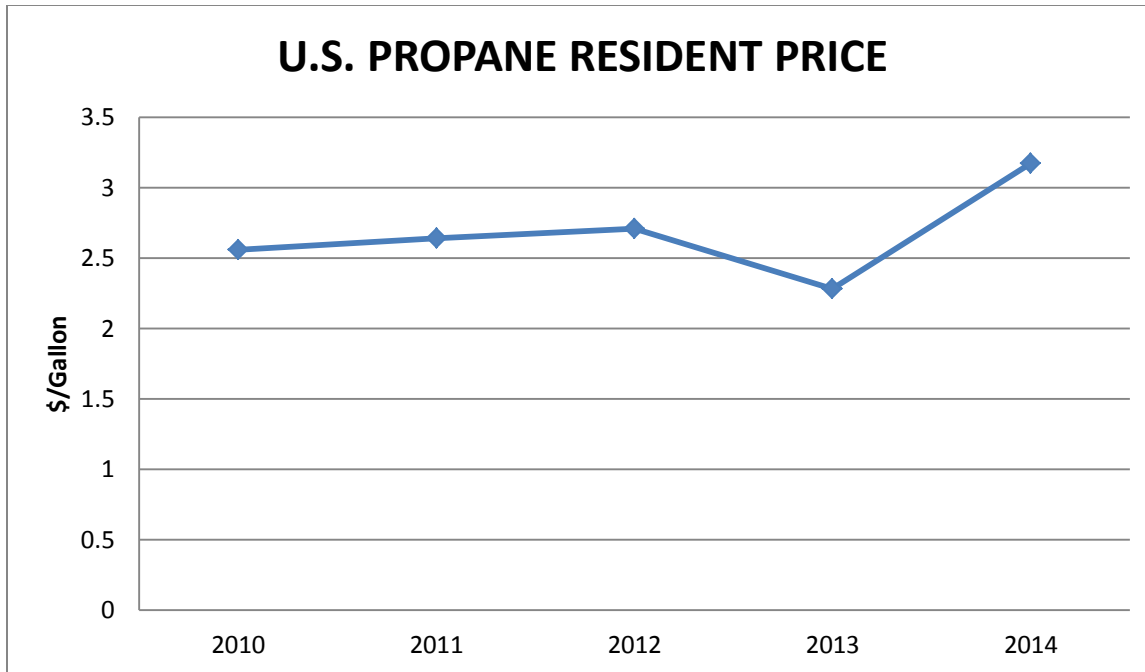


Source: US Energy Information Administration

AVERAGE CONSUMER PRICES AND EXPENDITURES FOR HEATING FUELS DURING WINTER



Source: US Energy Information Administration



Source: US Energy Information Administration

- Prices taken from January of each year.

Energy Assistance Programs

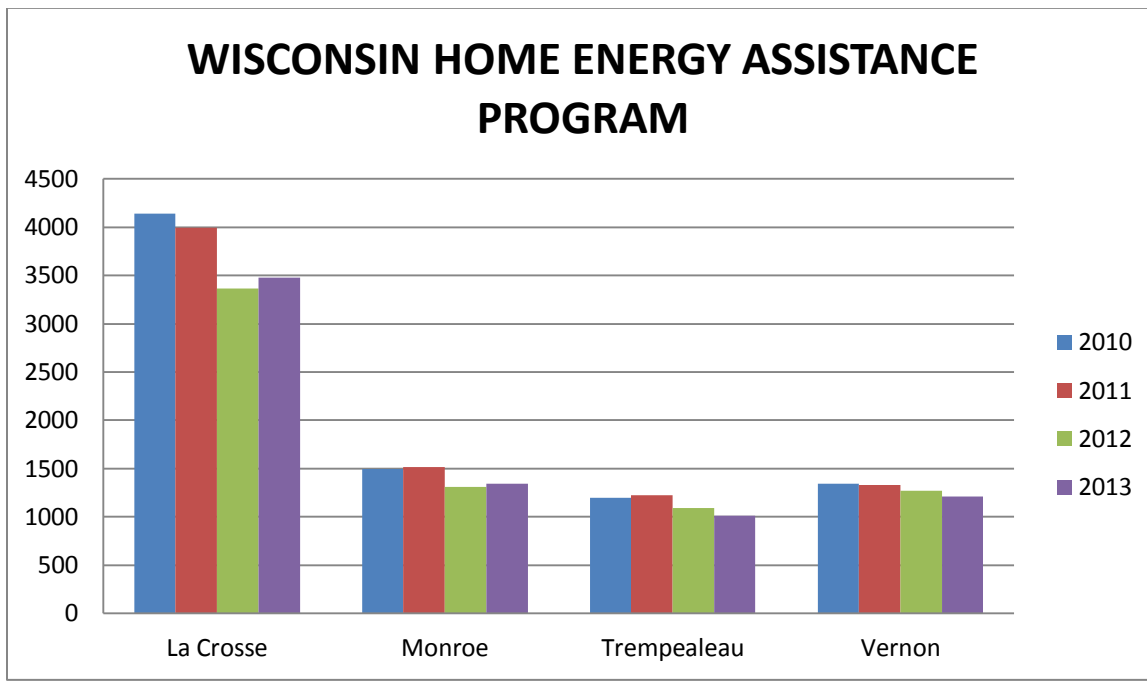
Wisconsin Home Energy Assistance Program (WHEAP)

Overseen by Wisconsin's Division of Energy Services, the Wisconsin Home Energy Assistant Program (WHEAP) includes the federally-funded Low Income Home Energy Assistance Program and the Public Benefits Energy Assistance Program. WHEAP provides financial assistance to help eligible households pay a portion of their heating costs, electric energy costs, and energy crisis situations. Eligible households may receive a benefit payment once per heating season (October 1 through May 15), and crisis assistance funds and help for non-operating furnaces and heating systems may also be available. The amount of the benefit payment depends on household size, income level, and energy costs (see chart below). WHEAP is administered locally through County social services offices, tribal governments, and private non-profit agencies in each county in Wisconsin¹⁴. It is important to note that Wisconsin collects public benefit dollars and 50% of those funds are allocated to bill-pay assistance programs such as WHEAP. The state of Minnesota has a small subsidy but doesn't have the same assistance system in place as Wisconsin does.

WISCONSIN HOME ENERGY ASSISTANCE PROGRAM GUIDELINES

Household Size	Maximum Household Income (per year)
1	\$24,692
2	\$32,290
3	\$39,887
4	\$47,485
5	\$55,082
6	\$62,680
7	\$64,104
8	\$65,526

• Add \$1,425 per additional person for households with more than 8 people.



Source: Department of Administration, Division of Energy Services

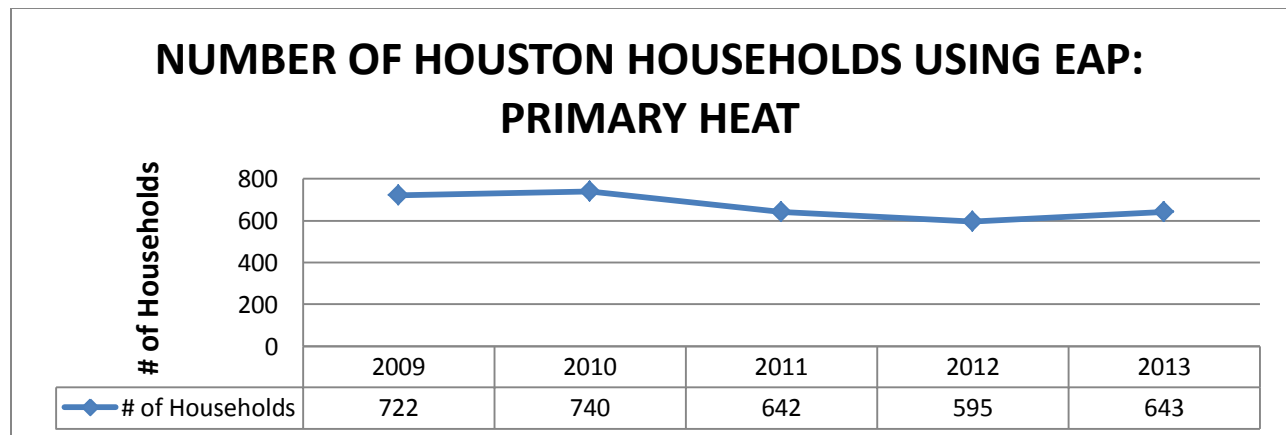
Energy Assistance Program (EAP)

The Energy Assistance Program of Minnesota helps pay home heating costs and furnace repairs for income-qualified households. EAP is federally funded through the U.S. Department of Health and Human Services. Grants are available for renters or homeowners, for households with income at or below 50% of the state median income, and are based on household size, income, fuel type and energy usage. Services covered by the program may include payment of energy bills, help with utility disconnections or necessary fuel deliveries, education on efficient and safe use of home heating energy, advocacy with energy suppliers and human service providers on behalf of consumers, and for the repair or replacement of homeowners' malfunctioning heating systems¹⁵.

ENERGY ASSISTANCE ELIGIBILITY GUIDELINES		
Household Size	Annual	3-Month
1	\$23,354	\$5,838
2	\$30,540	\$7,635
3	\$37,726	\$9,431
4	\$44,912	\$11,228
5	\$52,098	\$13,024
6	\$59,284	\$14,821
7	\$60,631	\$15,157
8	\$61,979	\$15,494

Source: Minnesota Department of Commerce

- Eligibility for assistance is based on the last 3 months of household income prior to signing the application, or the most recent Federal Tax Form 1040 for self-employment income.
- For information regarding eligibility for households with more than eight people, reference the Minnesota Department of Commerce website.



Source: Semcac

BACKGROUND

Unsecured debt is any debt that is not tied to an asset. The most common form of unsecured debt is credit card debt, but can also refer to personal loans and medical debt¹⁶. Unlike unsecured debt, unsecured consumer debt has no collateral. With secured debt, such as car loans or mortgages, creditors may claim the collateral (the car or home) to satisfy the debt if payments are not made. With unsecured debts, lenders have no claim on the affected property and cannot repossess items or foreclose on a home. It is also what allows one to explore debt reduction possibilities¹⁶.

Credit Card Debt

Credit card debt is the most prevalent type of unsecured debt, and Americans currently are responsible for \$672 billion in credit card debt¹⁶. A credit card is a revolving line of credit, meaning that borrowing can continue each month and the balance will carry over. Similar to other debts, it is most effective to pay more than the minimum payment each month; this is especially important with credit cards as interest rates can be extremely high¹⁶.

Credit Scores

Credit scores are calculated from several types of credit data, which is grouped into five categories in a credit report: payment history, amounts owed, length of credit history, new credit, and types of credit used¹⁷. This score considers both positive and negative information in a credit report. For example, late payments will lower a credit score, but establishing or re-establishing a positive track record of making payments on time will raise the score¹⁷.

The three major national credit bureaus are Equifax, Experian, and TransUnion. The average Experian credit card score in 2011 for Wisconsin was 707 (10th highest in the nation), while the state of Minnesota had an average score of 718, the highest score in the nation¹⁸.

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