

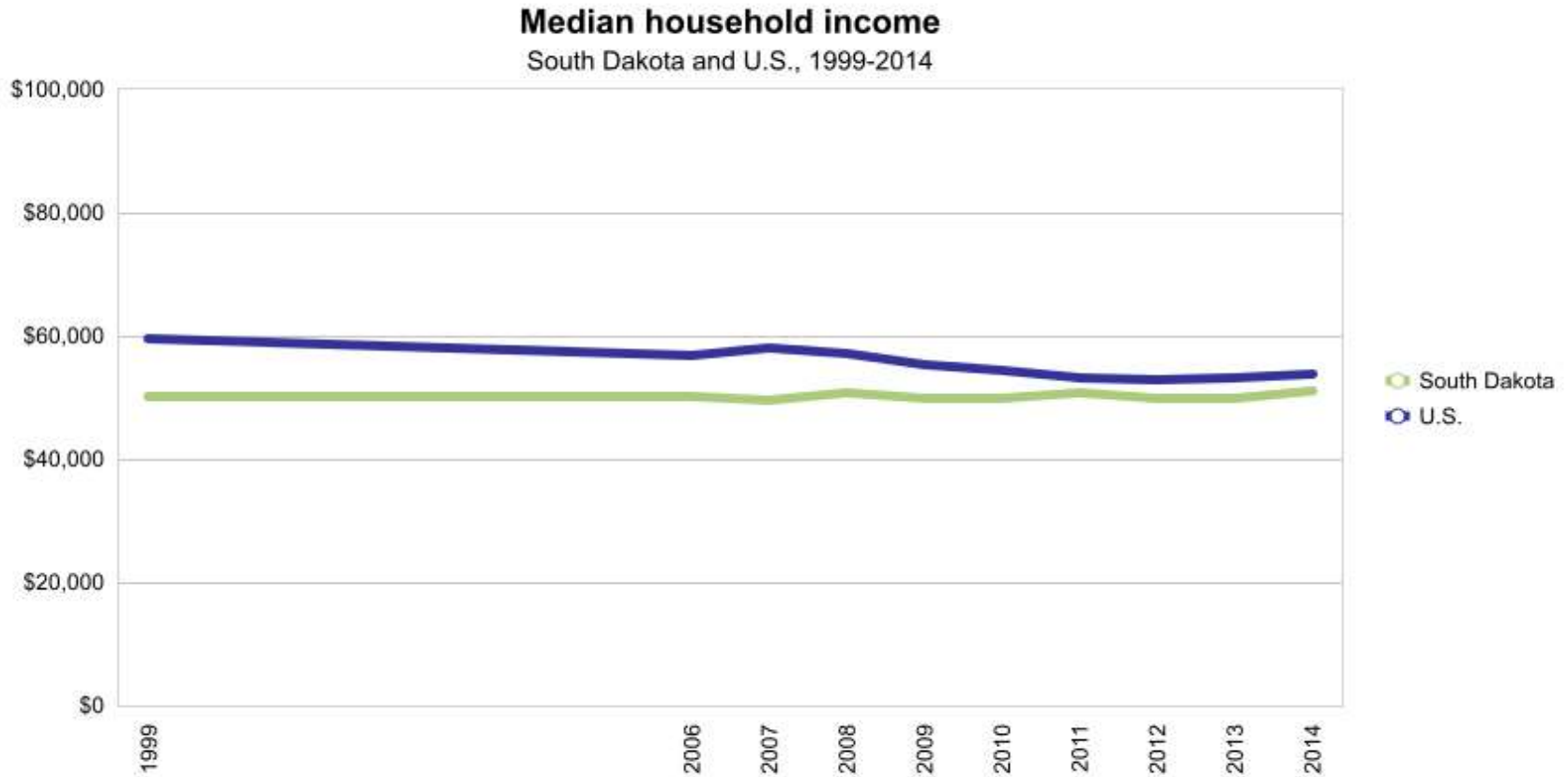
Focusing on Prosperity

Presentation by Barbara Garcia

Focus on the Economy

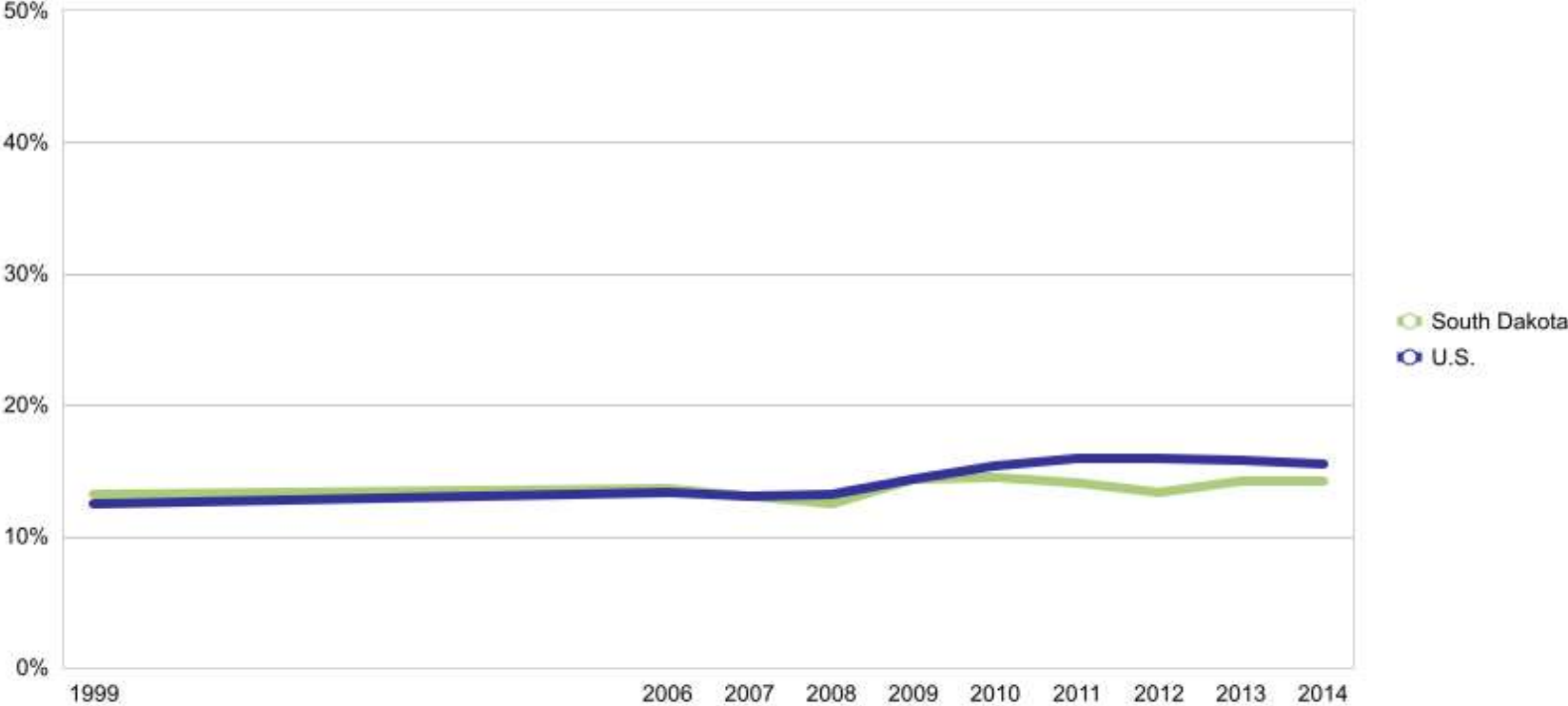
October 8, 2015

As US Median Household Income Falls, SD and US Converge



Poverty Rates Have Risen in US and South Dakota

Individuals below the poverty level
South Dakota and U.S., 1999-2014



How Are We Doing Now?

Median Household Income

- Sioux Falls \$71,000
- Rapid City \$64,800
- Sioux City \$58,800
- Dewey Co. \$43,900 Eagle Butte
- Ziebach Co. \$34,400 Cheyenne River
- Todd Co. \$33,600 Rosebud
- Oglala Lakota
- Co. \$28,300 Pine Ridge

Four Types of Poverty

Situational

Working Class

Immigrant

Generational



illiteracy
human trafficking
disease war racism
cold inflation homelessness
corruption genocide filth child labor
africa **poverty** hiv/aids
oppression orphans crime crowding
hunger debt death slums
disasters drought inequality
neglect hopeless rebellion
spiritual deprivation

Poverty Realities in America

- The Numbers
 - More than 15% of the population live in poverty (43.2 million people)
 - *South Dakota – 14.1% (98,227 people)
 - *Rapid City – 16% (11,200)

(*2009-2013)



Poverty Realities in America

- Housing
 - 1 in 4 working households spend more than 50% of their pre-tax income on house
 - Need 2.1 minimum wage jobs in S.D. to afford 2 bedroom apartment



Poverty Realities in America

- Welfare
 - Average check for 1 adult and 2 children is \$478
 - In 20 years amount increased only \$70
 - Average increase for a baby born is \$60
 - Average disability check is \$600
 - Less than 2% of Federal Budget is allocated to welfare.

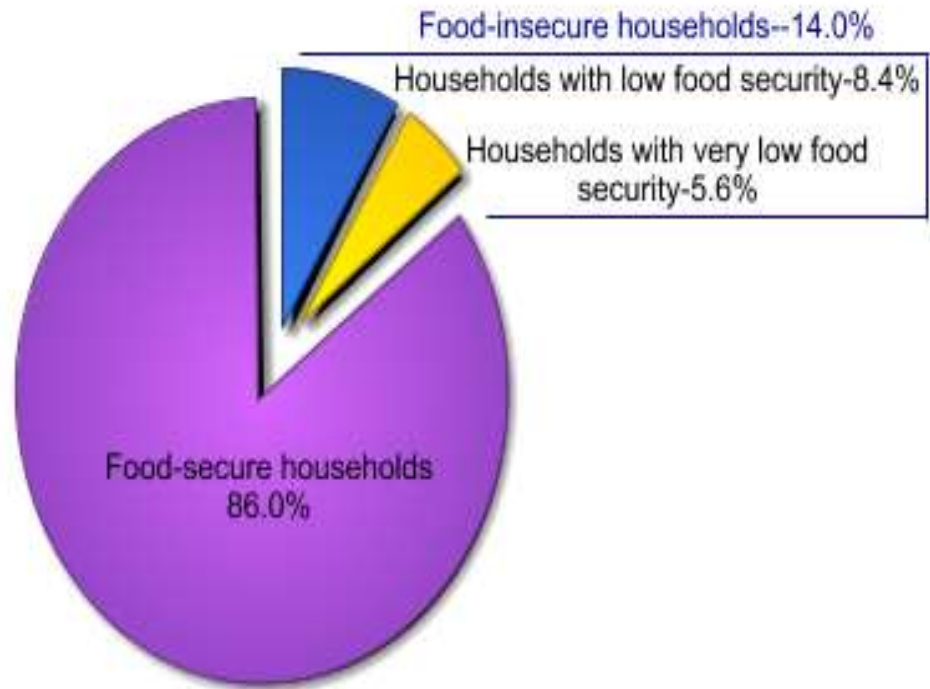


Poverty Realities in America

- Food

- Rates of hunger continue to climb
- 44.6 million people suffer food insecurity
- Almost 1/3 chronic hunger
- SNAP (Food stamps) allocates only \$4.40 per day, per person

U.S. households by food security status, 2014

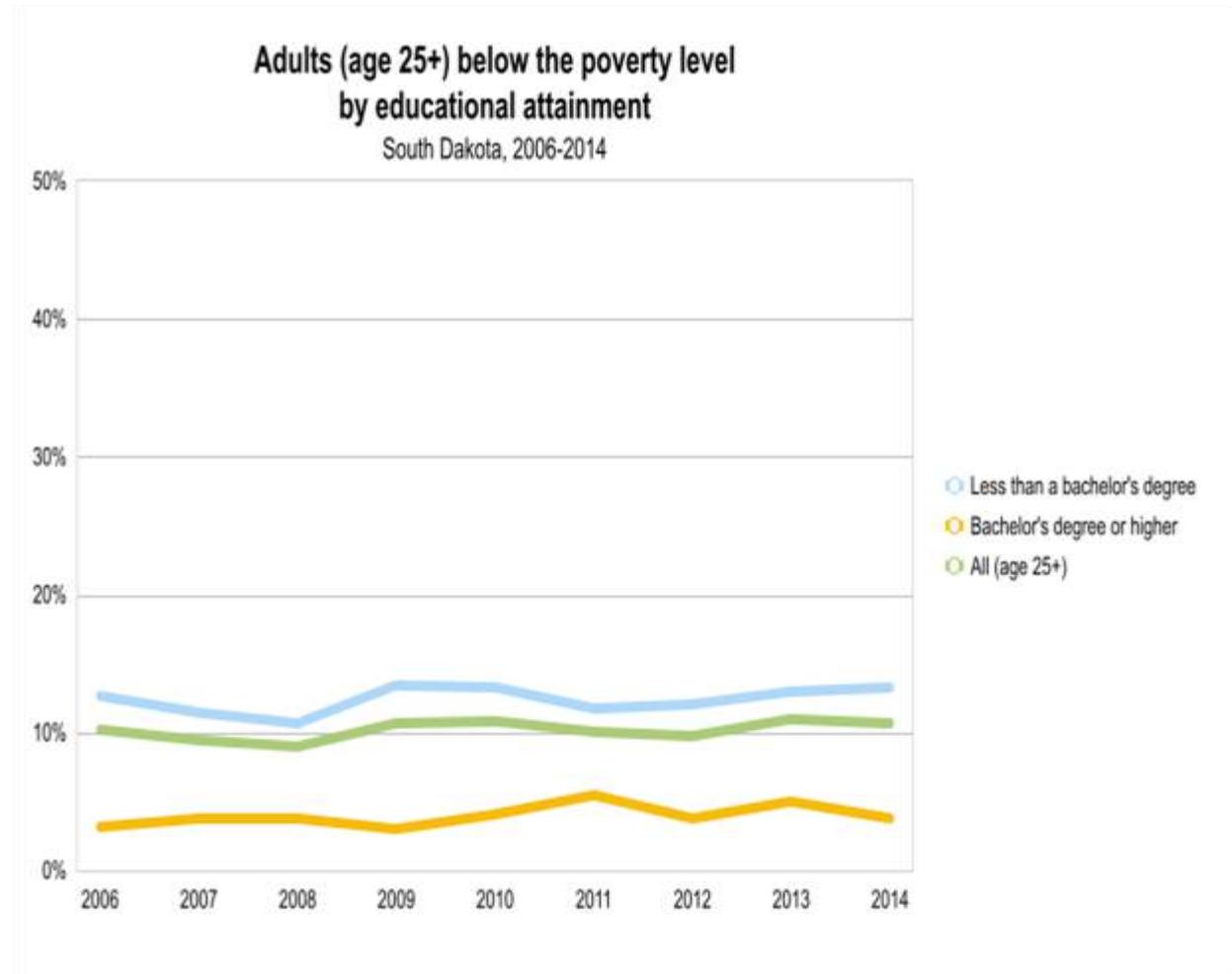


Source: Calculated by ERS using data from the December 2014 Current Population Survey Food Security Supplement.

Poverty Realities in America

- Education

Youth living in poverty least likely to become educated



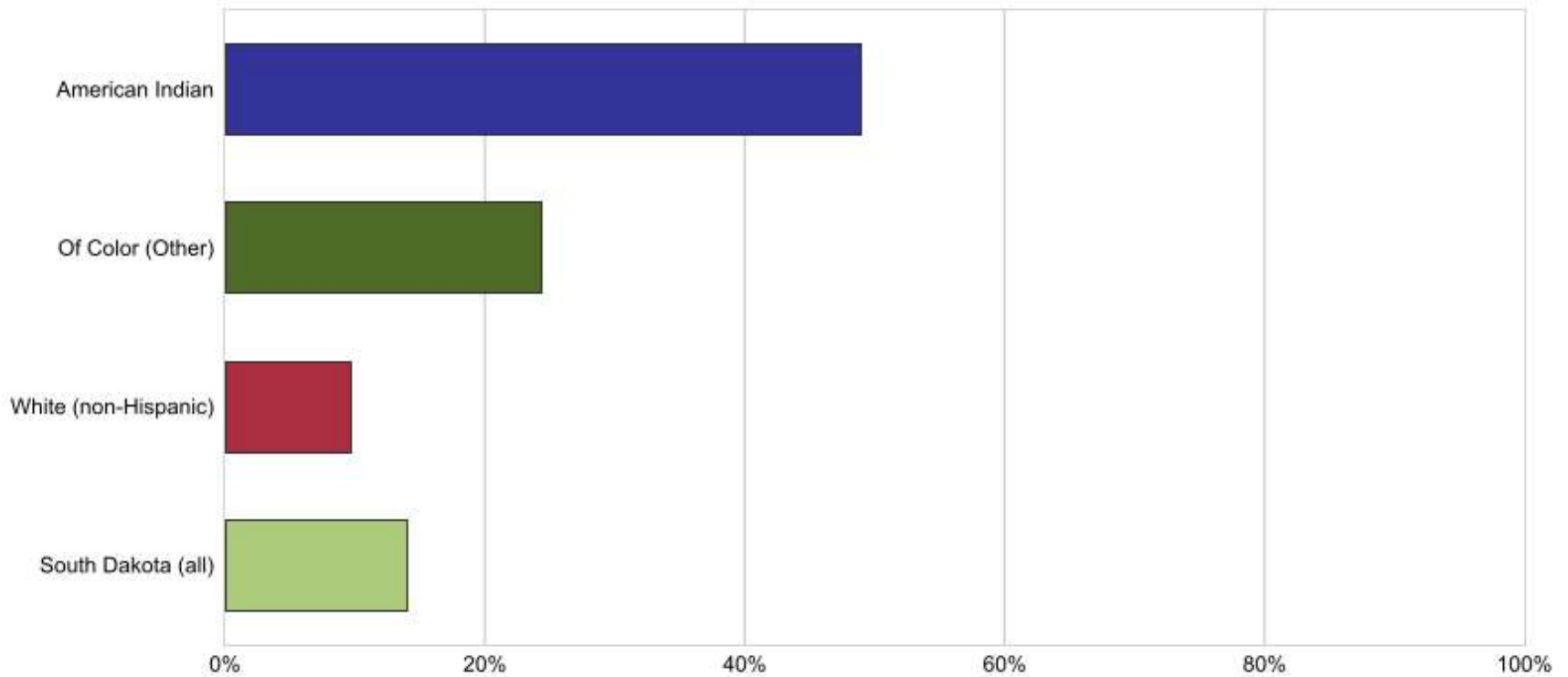
Poverty Realities in America

- Working Hard
 - 2/3 of people in poverty work 1.7 jobs
 - 86% of counties in U.S. - person earning twice the minimum wage can't pay rent & other basic needs
 - Rapid City median hourly wage \$14.25



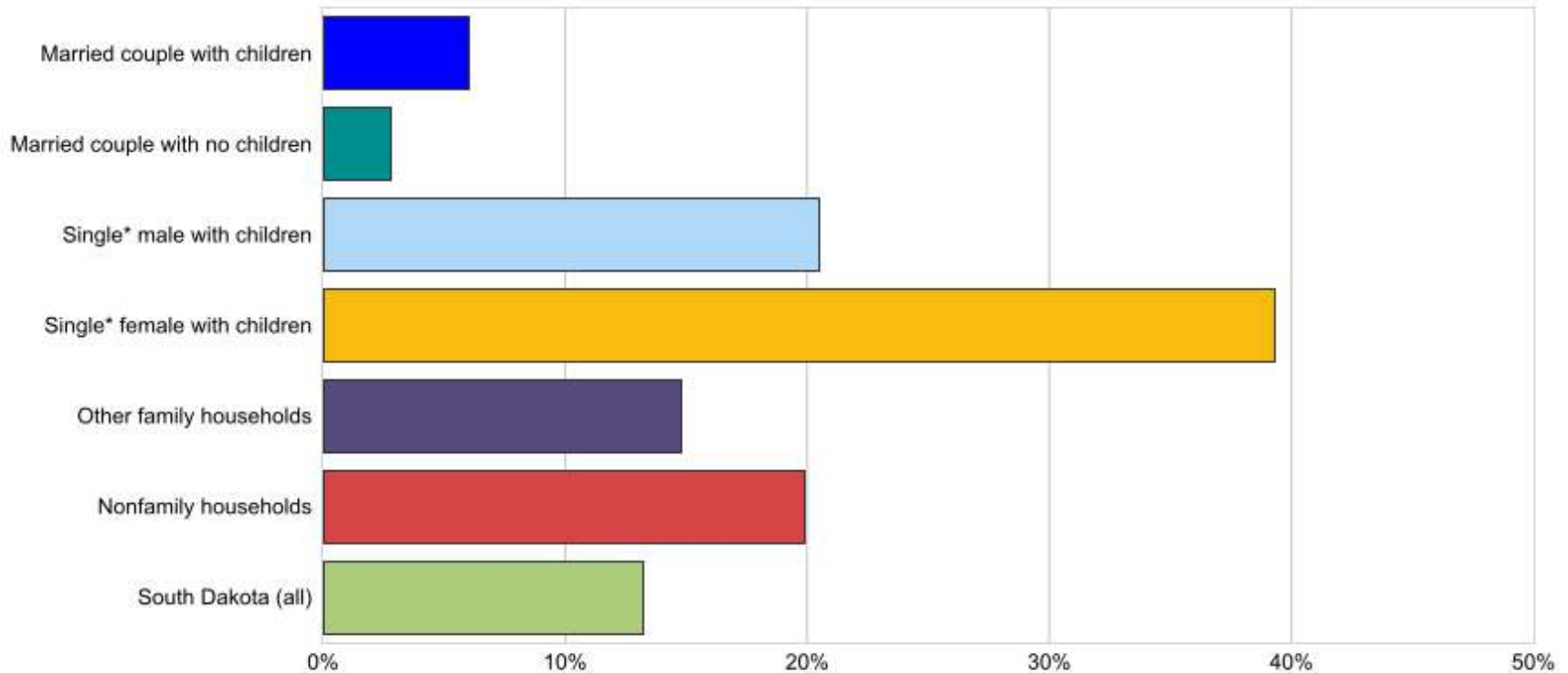
The Big Income Gap is Between Natives and Non-Natives

Individuals below the poverty level by race
South Dakota, 2009-2013



Age and Gender of Head of Household Also Important

Households below the poverty level by type
South Dakota, 2014



Wage Calculation - Rapid City, SD

Hourly Wage	1 Adult	1 Adult 1 Child	1 Adult 2 Children	1 Adult 3 Children	2 Adults	2 Adults 1 Child	2 Adults 2 Children	2 Adults 3 Children
Living Wage*	\$ 9.57	\$ 20.22	\$ 24.13	\$ 30.36	\$ 8.08	\$ 11.16	\$ 13.35	\$ 15.48
Poverty Wage	\$ 5.66	\$ 7.66	\$ 9.66	\$ 11.66	\$ 7.66	\$ 9.66	\$ 11.66	\$ 13.66
Minimum Wage	\$ 8.50	\$ 8.50	\$ 8.50	\$ 8.50	\$ 8.50	\$ 8.50	\$ 8.50	\$ 8.50
Annual Wage	1 Adult	1 Adult 1 Child	1 Adult 2 Children	1 Adult 3 Children	2 Adults	2 Adults 1 Child	2 Adults 2 Children	2 Adults 3 Children
Living Wage	\$19,906	\$42,058	\$50,190	\$63,149	\$16,806	\$23,213	\$27,768	\$32,198
Poverty Wage	\$11,770	\$15,930	\$20,090	\$24,250	\$15,930	\$20,090	\$24,250	\$28,410
Minimum Wage	\$17,680	\$17,680	\$17,680	\$17,680	\$17,680	\$17,680	\$17,680	\$17,680
*Living wage based on 2014.								

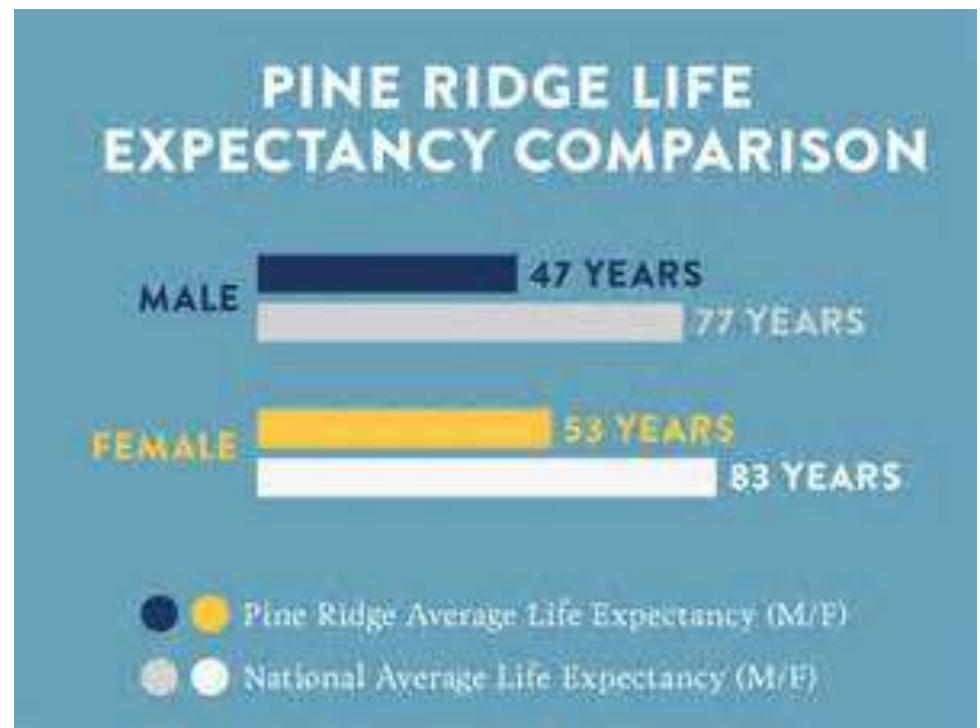
Annual Expense	1 Adult	1 Adult 1 Child	1 Adult 2 Children	1 Adult 3 Children	2 Adults	2 Adults 1 Child	2 Adults 2 Children	2 Adults 3 Children
Housing								
2014	\$491	\$776	\$776	\$1,048	\$581	\$776	\$776	\$1,048
2015	\$503	\$594	\$794	\$1,072	\$594	\$794	\$794	\$1,072
**2012 costs except where noted								
Food	\$242	\$357	\$536	\$749	\$444	\$553	\$713	\$904
Child Care *2015	\$0	\$480	\$960	\$1,440	\$0	\$0	\$0	\$0
Medical	\$120	\$404	\$425	\$406	\$309	\$400	\$377	\$387
Housing *2015	\$503	\$594	\$794	\$1,072	\$594	\$794	\$794	\$1,072
Transportation	\$306	\$595	\$686	\$736	\$595	\$686	\$736	\$748
Other	\$65	\$155	\$200	\$262	\$120	\$155	\$176	\$204
Required monthly income after taxes	\$1,236	\$2,585	\$3,601	\$4,665	\$2,062	\$2,588	\$2,796	\$3,315
Required Annual Income after taxes	\$14,832	\$33,420	\$43,212	\$55,980	\$24,744	\$31,056	\$33,552	\$39,780
Annual taxes	\$1,779	\$3,841	\$4,705	\$5,891	\$2,969	\$3,657	\$3,946	\$4,641
Required Annual income before taxes	\$16,611	\$37,061	\$47,917	\$61,871	\$27,713	\$34,713	\$37,498	\$44,421

Living Wages by Employment

[Wage by Employees.pptx](#)

The Effects Of Poverty in America

- Feelings of personal deficiency
- Shorter life span
- Lack of education
- Low, non-livable wage
- Incarceration
- Domestic Violence
- Mental burden equivalent to losing 13 IQ points



Moving from Poverty to Prosperity

What is Prosperity?

- Webster – *The condition of being successful or thriving; especially economic well-being; advance or gain in anything good or desirable.*

Business dictionary – *Condition where people's basic needs for food, clothing, and shelter are met*

Prosperity Indicators

“Quality of Life”

- Education
- Income/Job Security
- Wealth
- Health
- Family Life
- Community Life



Prosperity Initiative

INSPIRING SUCCESS FROM CRADLE TO CAREER

Prosperity Initiative:

The John T. Vucurevich Foundation seeks to invest in community programs and partners that align collaborative approaches to move people through a continuum of success from cradle to career in an effort to promote independence and prosperity to break the cycle of poverty.



**JOHN T. VUCUREVICH
FOUNDATION**

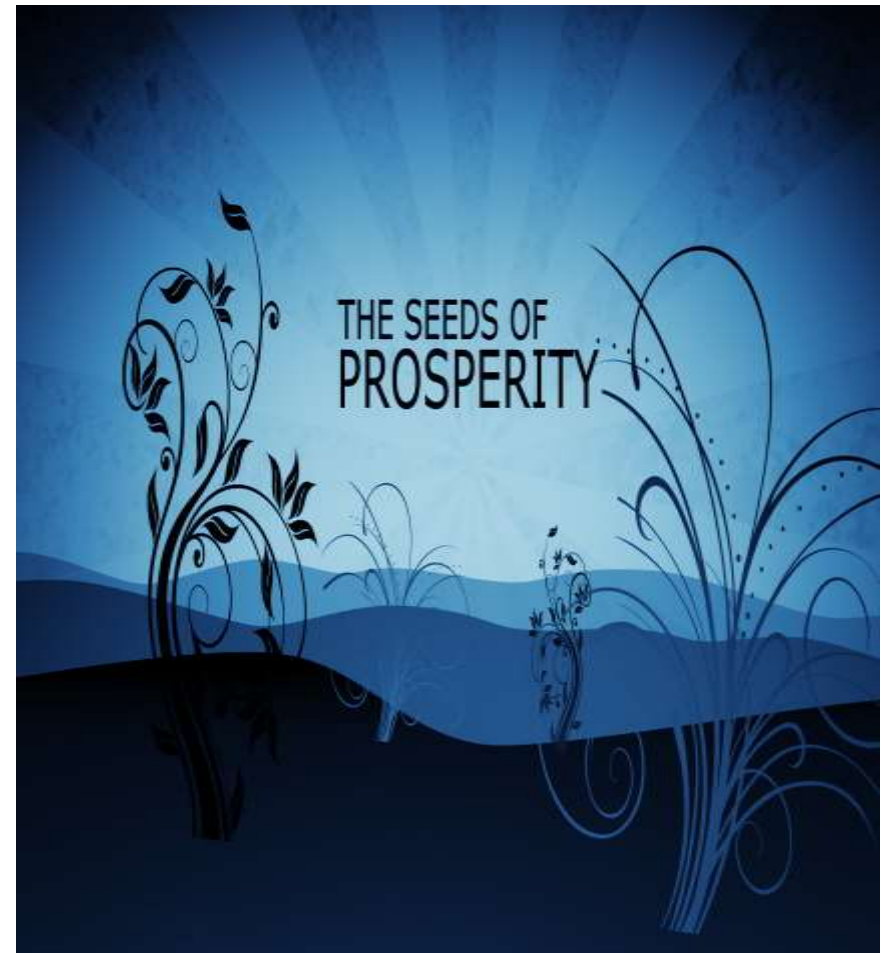
...to make a piece of the world a brighter place.

Rapid City's 7 "Core Values"

- Balanced Pattern of Growth
- Vibrant Livable Community
- Safe, Healthy, Inclusive, Skilled Community
- Efficient transportation & Infrastructure
- Economic Stability and Growth
- Outstanding Recreational & Cultural Opportunities
- Responsive, Accessible & Effective Governance

PROSPERITY SOLUTIONS

- Education
 - Early education for youth
 - Reduce drop-out rates
 - Promote college savings plans
- Job Training
 - Vocational education
 - Advanced job skills training
- Micro-enterprise loans for business start-up



PROSPERITY SOLUTIONS

- Community Education about supportive services for referrals
- Asset Building
 - Individual Deposit Accounts (matching funds)
 - Micro-loans for credit building and debt reduction
 - Homebuyers education for purchasing a home
 - Financial management education
 - Mentors to help build social capital and support networks

Thank You for Attending

Barbara Garcia

Manager

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