



# ALICE IN THE CROSSCURRENTS

2024 UPDATE ON FINANCIAL HARDSHIP IN SUMNER COUNTY, TN



# Tennessee • County Reports 2022

## ALICE IN SUMNER COUNTY

**ALICE** is an acronym for **A**sset Limited, **I**ncome **C**onstrained, **E**mloyed – households that earn more than the Federal Poverty Level, but less than the basic cost of living for the county. While conditions have improved for some households, many continue to struggle, especially as wages fail to keep pace with the rising cost of household essentials (housing, child care, food, transportation, health care, and a basic smartphone plan). Households below the ALICE Threshold – ALICE households plus those in poverty – can't afford the essentials.

### 2022 Point-in-Time-Data

**Population:** 203,858    **Number of Households:** 79,326

**Median Household Income:** \$88,764 (state average: \$65,254)

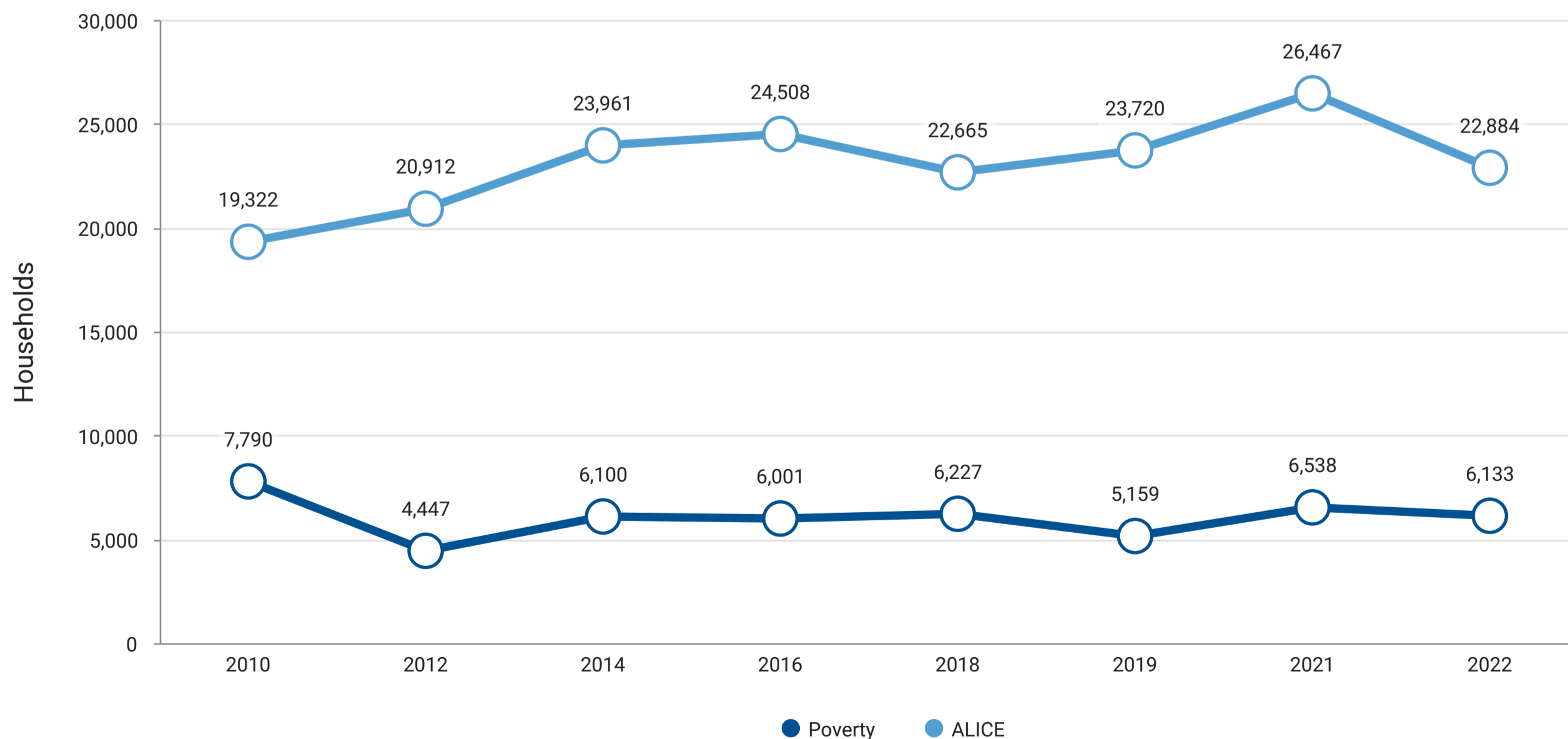
**Labor Force Participation Rate:** 66% (state average: 62%)

**ALICE Households:** 29% (state average 30%)    **Households in Poverty:** 8% (state average 13%)

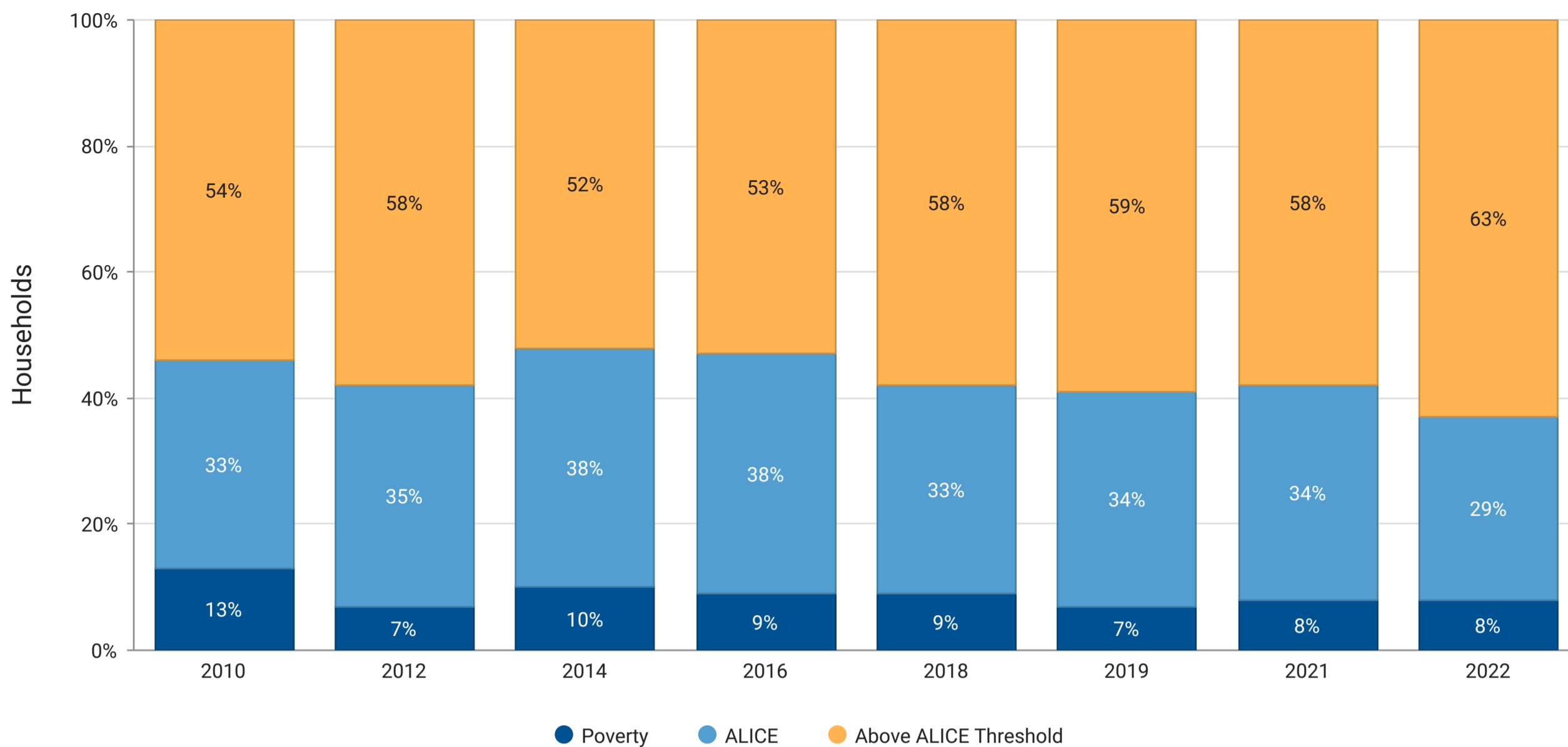
## Financial Hardship Has Changed Over Time in Sumner County

As circumstances change, households may find themselves below or above the ALICE Threshold at different times.

### Number of Households



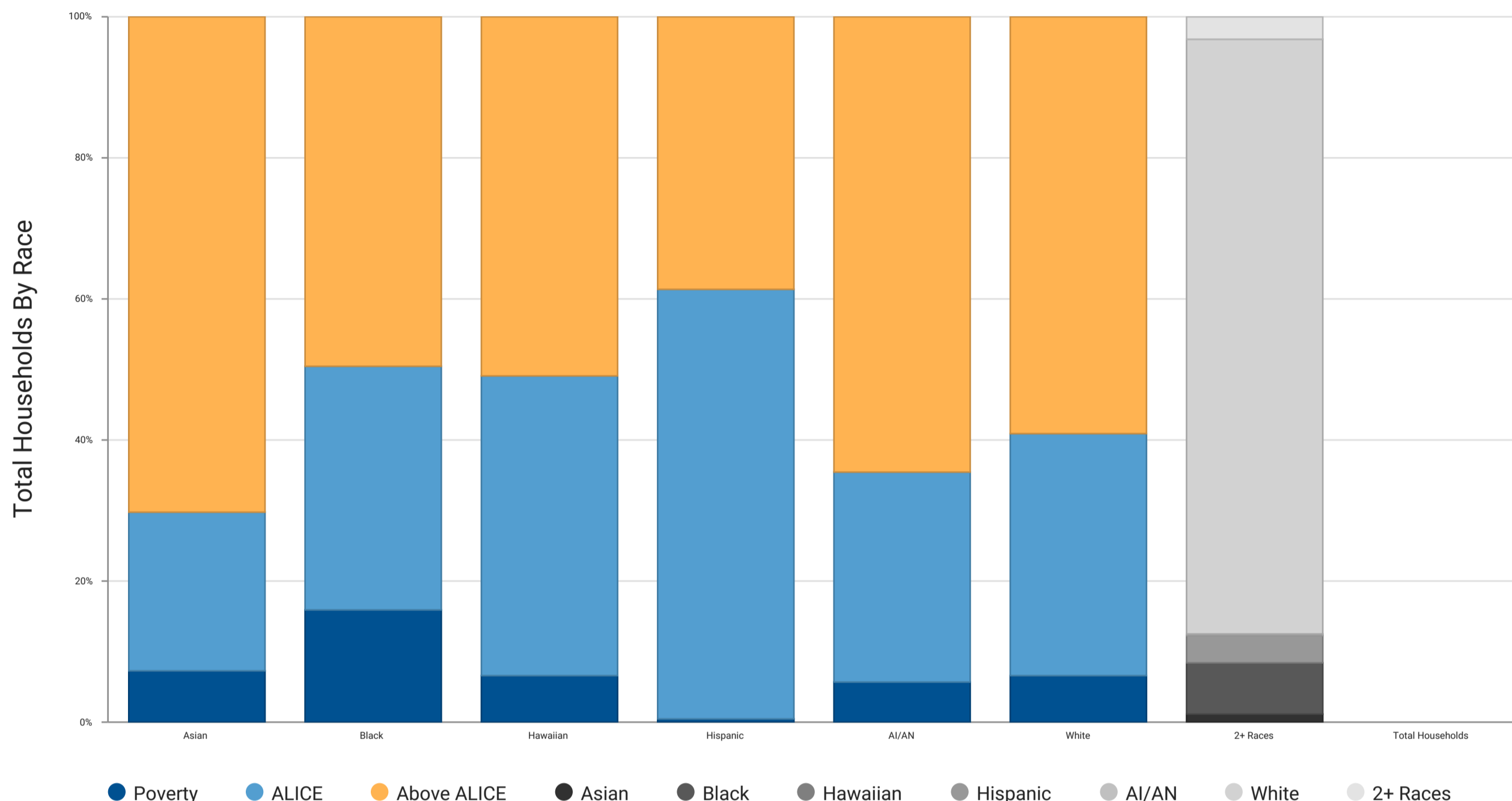
## Percentage of Households



## Financial Hardship is Not Equally Distributed

By total number, groups with the largest population of households below the ALICE Threshold tend to also be in the largest demographic groups. However, when looking at the proportion of each group that is below the ALICE Threshold, it is clear that some groups are more likely to be ALICE than others.

### Households by Race/Ethnicity, Sumner County, Tennessee, 2022



There were also differences in financial hardship by household type and age of householder.

| Group                                | % Below ALICE Threshold |
|--------------------------------------|-------------------------|
| Single or Cohabiting (no children)   | 30%                     |
| Married (with children)              | 18%                     |
| Single-Female-Headed (with children) | 75%                     |
| Single-Male-Headed (with children)   | 63%                     |

| Group             | % Below ALICE Threshold |
|-------------------|-------------------------|
| Under 25          | 69%                     |
| 25 to 44 Years    | 31%                     |
| 45 to 64 Years    | 27%                     |
| 65 Years and Over | 53%                     |



## The Cost of Basics Outpaces Wages

The Household Survival Budget reflects the minimum cost to live and work in the current economy and includes housing, child care, food, transportation, health care, technology, and taxes. It does not include savings for emergencies or future goals like college or retirement. In 2022, household costs in every County in Tennessee were well above the Federal Poverty Level of \$13,590 for a single adult and \$27,750 for a family of four.

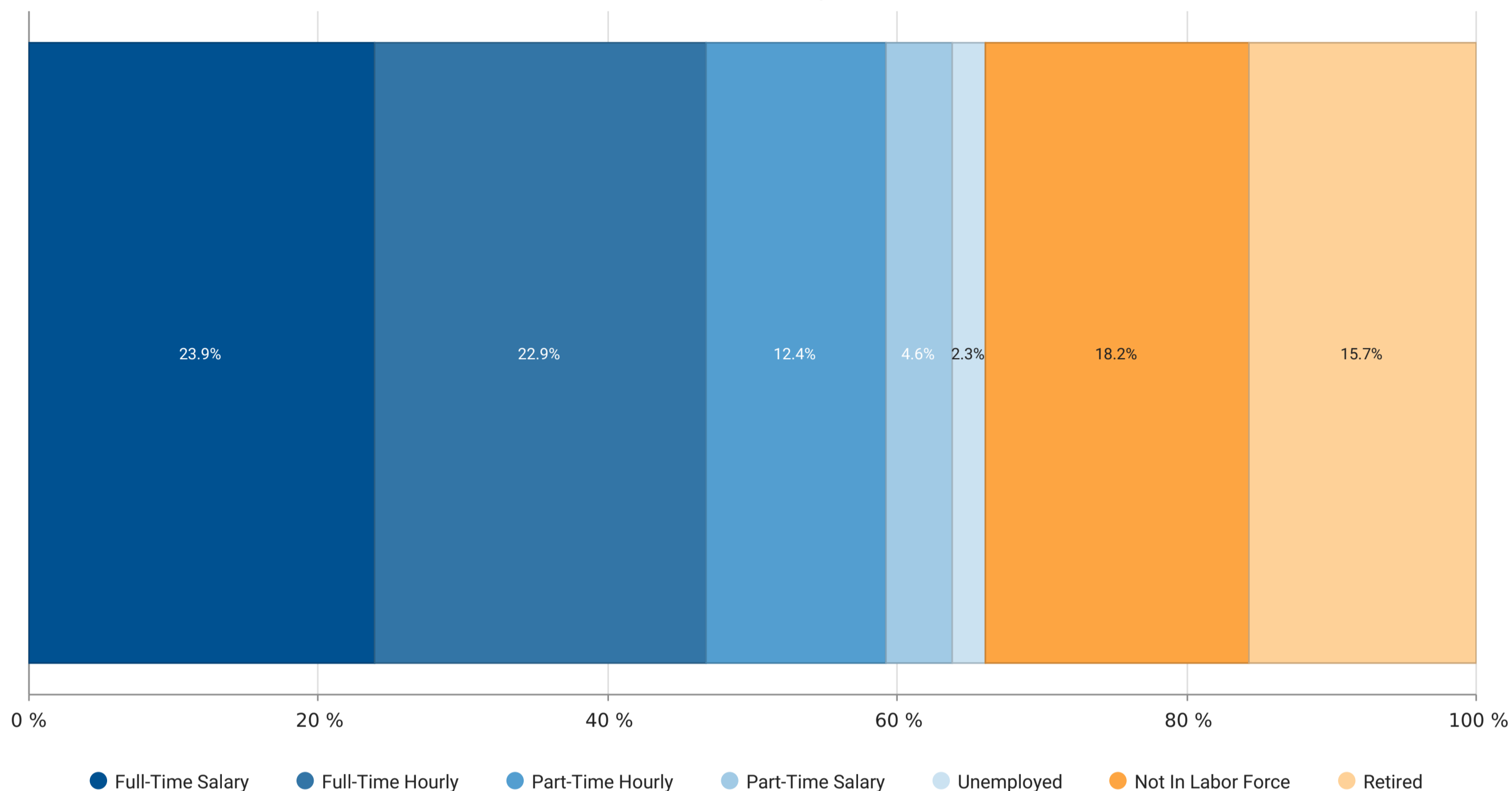
| Monthly Costs and Credits | Single Adult | One Adult, One Child | One Adult, One In Child Care | Two Adults | Two Adults Two Children | Two Adults, Two In Child Care | Single Adult 65+ | Two Adults 65+ |
|---------------------------|--------------|----------------------|------------------------------|------------|-------------------------|-------------------------------|------------------|----------------|
| Housing - Rent            | \$1,463      | \$1,400              | \$1,400                      | \$1,400    | \$1,579                 | \$1,579                       | \$1,463          | \$1,400        |
| Housing - Utilities       | \$163        | \$258                | \$258                        | \$258      | \$310                   | \$310                         | \$163            | \$258          |
| Child Care                | \$0          | \$234                | \$625                        | \$0        | \$469                   | \$1,365                       | \$0              | \$0            |
| Food                      | \$479        | \$812                | \$728                        | \$878      | \$1,476                 | \$1,304                       | \$442            | \$810          |
| Transportation            | \$394        | \$528                | \$528                        | \$635      | \$1,045                 | \$1,045                       | \$330            | \$507          |
| Health Care               | \$192        | \$444                | \$444                        | \$444      | \$726                   | \$726                         | \$536            | \$1,071        |
| Technology                | \$86         | \$86                 | \$86                         | \$116      | \$116                   | \$116                         | \$86             | \$116          |
| Miscellaneous             | \$278        | \$376                | \$407                        | \$373      | \$572                   | \$645                         | \$302            | \$416          |
| Tax Payments              | \$458        | \$771                | \$837                        | \$522      | \$952                   | \$1,109                       | \$511            | \$773          |
| Tax Credits               | \$0          | (\$214)              | (\$217)                      | \$0        | (\$427)                 | (\$433)                       | \$0              | \$0            |
| Monthly Total             | \$3,513      | \$4,695              | \$5,096                      | \$4,626    | \$6,818                 | \$7,766                       | \$3,833          | \$5,351        |
| ANNUAL TOTAL              | \$42,156     | \$56,340             | \$61,152                     | \$55,512   | \$81,816                | \$93,192                      | \$45,996         | \$64,212       |
| Hourly Wage               | \$21.08      | \$28.17              | \$30.58                      | \$27.76    | \$40.91                 | \$46.60                       | \$23.00          | \$32.11        |



## The Labor Landscape is Challenging for ALICE Workers

A small portion of adults (16 years and older) in Sumner County were unemployed and a large number were working in 2022. However, a substantial portion of both full and part-time workers are paid by the hour; these workers are more likely to have fluctuations in income and less likely to receive benefits.

### Labor Status, Population 16 and Over, Sumner County, Tennessee, 2022



## SUMNER COUNTY 2024 UPDATE

### ALICE by Zip Code

When we consider the data by zip code, we see that most Sumner County zip codes saw an increase in the number of households living below the ALICE threshold in 2022. Bethpage and Castalian Springs both increased the number of households living under the ALICE threshold by 7% from 2021 to 2022.

Goodlettsville and Hendersonville both increased by 4%. Cottontown and Gallatin both increased by 2%.

Only three zip codes did not have an increase. Westmoreland and White House each saw a 1% decrease in the number of households living below the ALICE threshold and in Portland, there was no change in the percent of those living below the ALICE threshold in 2021 vs. 2022.

| City              | Zip Code | Total Households | 2022 % Below ALICE Threshold | 2021 % Below ALICE Threshold |
|-------------------|----------|------------------|------------------------------|------------------------------|
| Bethpage          | 37022    | 2,206            | 53%                          | 46%                          |
| Castalian Springs | 37031    | 1,677            | 41%                          | 34%                          |
| Cottontown        | 37048    | 2,404            | 35%                          | 33%                          |
| Gallatin          | 37066    | 23,351           | 47%                          | 45%                          |
| Goodlettsville*   | 37072    | 13,159           | 47%                          | 43%                          |
| Hendersonville    | 37075    | 27,531           | 35%                          | 31%                          |
| Portland          | 37148    | 9,191            | 47%                          | 47%                          |
| Westmoreland      | 37186    | 3,801            | 59%                          | 60%                          |
| White House**     | 37188    | 6,429            | 37%                          | 38%                          |

\*includes Goodlettsville residents living in Davidson County

\*\*includes White House residents living in Robertson County

## SUMNER COUNTY 2024 UPDATE

### ALICE by Legislative District

Data by legislative district can help policymakers and community stakeholders better understand how many households are actually struggling in their districts. From 2021 to 2022, most districts saw a 2% increase in the number of households living below the ALICE Threshold. The exceptions were, State House District 45 - Garrett which saw a 4% increase and Congressional District 6 - Rose which stayed the same in 2022.

With the financial stability of households in these districts slowly getting worse, the reality is that those small increases still mean that thousands of households are struggling to get by! State House District 35 - Slater, the district with the highest percent of financially struggling households at 48%, has 12,306 households who cannot afford the basics.

| Legislative District               | # Households |         |                       | Total Households | # Below ALICE Threshold | 2022 % Below ALICE Threshold | 2021 % Below ALICE Threshold |
|------------------------------------|--------------|---------|-----------------------|------------------|-------------------------|------------------------------|------------------------------|
|                                    | in Poverty   | ALICE   | Above ALICE Threshold |                  |                         |                              |                              |
| State House District 35 - Slater   | 3,097        | 9,209   | 13,592                | 25,898           | 12,306                  | 48%                          | 46%                          |
| State House District 44 - Lamberth | 2,532        | 8,210   | 15,250                | 25,992           | 10,742                  | 41%                          | 39%                          |
| State House District 45 - Garrett  | 1,575        | 8,130   | 16,696                | 26,401           | 9,705                   | 37%                          | 33%                          |
| State Senate District 18 - Haile   | 7,204        | 25,553  | 45,534                | 78,291           | 32,757                  | 42%                          | 40%                          |
| Congressional District 6 - Rose    | 47,133       | 102,546 | 176,676               | 326,355          | 149,679                 | 46%                          | 46%                          |



## SUMNER COUNTY 2024 UPDATE

## Further Discussion:

### How Demographic Shifts Can Mask Economic Struggles

While the 2024 ALICE in the Crosscurrents data indicates that the percentage of Sumner County households struggling to make ends meet decreased from 42% in 2021 to 37% in 2022, a deeper analysis suggests that this decline may not be solely due to economic improvement for existing residents. **Instead, shifting demographics—particularly an influx of higher-income households—may be playing a significant role in changing the county’s overall financial profile.**

### Key Economic Trends in Sumner County (2021-2022)

1. Significant Increase in Median Household Income
  - 2021: \$70,092
  - 2022: \$88,764
  - This sharp increase (26.7%) is far greater than typical annual wage growth. For reference:
    - Tennessee’s annual wage growth was 0.7% from 2021 to 2022.
2. Rapid Home Price Increases
  - 2021: \$276,600
  - 2022: \$332,700 (a 20.3% increase)
  - Rising home values suggest that more affluent buyers are entering the market, driving up costs and potentially displacing lower-income residents.

### Why the Percentage of Struggling Households Declined

The data strongly suggests that the drop from 42% to 37% struggling households is likely driven by higher-income households moving into Sumner County rather than significant financial improvement for longtime residents. The large income jump and soaring home prices indicate that affluent newcomers have shifted the county’s economic profile rather than wages rising broadly for existing residents. Although fewer households were counted as struggling in 2022 (29,351 compared to 33,005 in 2021), this decrease may not represent a true improvement in financial stability for longtime residents. Instead, several factors could be contributing:

- **Affluent Migration:** The influx of higher-income households increases the total number of households, effectively lowering the percentage of struggling families, even though the total number of struggling households may not have decreased significantly.
- **Gentrification and Cost Pressures:** Rising home prices may be pushing ALICE families and those living in poverty out of Sumner County, artificially reducing the struggling percentage even if the actual number of struggling households has not seen a substantial decline.

## What This Means for Policy and Community Action

Understanding the impact of demographic shifts is critical for shaping effective policies and programs that address the needs of ALICE households. Community leaders should consider:

- Expanding affordable housing initiatives to ensure that rising home prices do not displace middle and lower-income families.
- Ensuring that workforce development programs focus on sustainable, higher-wage employment opportunities.
- Examining migration patterns to better understand how demographic changes impact economic equity.

While Sumner County has seen economic shifts in recent years, the true picture of financial stability for ALICE households and those living in poverty requires a closer look. Ensuring that the needs of struggling families remain a priority will be essential in building a more inclusive and resilient community.

## Sources:

- <https://www.unitedforalice.org/state-overview/tennessee>
- <https://www.unitedforalice.org/demographics/Tennessee>
- <https://unitedforalice.org/county-reports/tennessee>
- <https://www.unitedforalice.org/legislative-district-tool>
- Tennessee Department of Labor & Workforce Development
- Data USA (Sumner County, TN Profile)