

## **Annual Report on the Face of Poverty in the Coulee Region**

In a moral society, the existence of poverty **must not** be accepted as something normal or routine. Every human being is vulnerable to poverty – the majority of Americans will experience poverty for at least one year in their adult lives. As part of the War on Poverty, community action agencies were created across the nation to help people get out of poverty and on the road to self-sufficiency. Couleecap, Inc. is a local community action agency making a difference in the lives of people experiencing poverty in the Coulee Region.

### **Here are some startling economic factors that are impacting low-income families in our area:**

- **Fact: Fair market rent for a two bedroom apartment in Vernon County is \$466.**  
A general recommendation is that no more than 30% of a household's income should go for housing, however almost 1/3 of renters in Vernon County pay more than 30% of their income for rent. To be able to afford this apartment and not pay more than 30% of income for rent, a single parent with one child must earn \$8.97 per hour, working 40 hours per week. The average wage for entry level, unskilled workers in Vernon County is \$6.50 per hour. At this rate, a single parent would have to work 56 hours per week to be able to afford a two-bedroom apartment and not pay more than 30% of income for rent.
- **Fact: The median value of a house in the City of La Crosse is \$85,100.**  
Families today can purchase a home with no down-payment from a multitude of mortgage companies, however these companies charge interest rates that are 2-3% higher than the prime interest rate and they also charge higher closing fees. Many of these families come to Couleecap two to three years down the road seeking assistance because they cannot afford their mortgage payments and are facing foreclosure.
- **Fact: The average annual cost of family health insurance is \$9,950.**  
The average annual cost of an employee's portion of their health insurance premium for a family is \$2,132. According to the 2004 Needs Assessment conducted by Couleecap, 31% of the low-income households surveyed indicated that it is hard to find a job with health benefits. In Couleecap's four-county area, approximately 11% of people are uninsured at any given time. The average charge for an emergency room visit is \$675; the average charge for a primary care visit at a clinic or physician office ranges from \$100 - \$150. Whether someone has health insurance or not can make the difference between getting medical care or going without. Affording dental care is very difficult for low-income families as well.
- **Fact: The current minimum wage in Wisconsin is \$5.70.**  
The federal poverty level for a family of two is \$13,200. A person working 40 hours per week at minimum wage earns \$11,856 a year. If wages had kept pace with rising productivity since 1968, the minimum wage would be \$13.80 – not \$5.70. On June 1, 2006, the Wisconsin minimum wage will increase to \$6.50. While this is a step in the right direction, it still does not allow people to pay the rent and afford to live.
- **Fact: The average annual cost to operate and maintain a vehicle is \$4,920.**  
Transportation is a critical element for most people to get to work and reach needed services. In La Crosse County, there is a bus service but it does not cover all areas and does not run all hours of the day. Cab service is the only public transportation in rural counties, and only a few communities offer this service. Low-income people who do have a car, often have older, unreliable cars and struggle to properly maintain their vehicle. One of our program participants recently stated "Our transportation is starting to get unreliable. We don't have the money for repairs. If anything out of the ordinary happens, our budget falls apart."

- Fact: Annual tuition at WWTC is \$3,675; annual tuition and room/board at the University of Wisconsin-La Crosse is \$10,045 and at Viterbo University it is \$22,030.  
Education is a key component to achieving self-sufficiency, however someone living in poverty struggles to meet their basic needs let alone have the ability to pay for further education.

In Couleecap’s four-county service area, more than 21,000 people live in poverty according to the poverty line set by the federal government. What is the poverty line? In 2006, the federal government classifies a family of four as “poor” if its gross cash income is less than \$20,000; for a family of three, \$16,600; for a family of two, \$13,200; and for an individual, \$9,800.

The following table lists Census 2000 poverty data for Couleecap’s four-county service area. All of the percentages are based on the total population of each county.

	<b>Crawford</b>	<b>La Crosse</b>	<b>Monroe</b>	<b>Vernon</b>	<b>Total Area</b>
Number of Persons in Poverty	1,681 (10.2%)	10,841 (10.7%)	4,774 (12.0%)	3,918 (14.2%)	21,214
Number of Children under 18 in Poverty	555 (12.8%)	2,287 (9.3%)	1,908 (17.0%)	1,722 (22.8%)	6,472
Number of Adults 65 years and over in Poverty	241 (9.6%)	936 (7.5%)	448 (8.6%)	517 (11.8%)	2,142
Number of Families in Poverty	334 (7.2%)	1,382 (5.3%)	908 (8.4%)	678 (9.0%)	3,302
Number of Families with Children under 18 in Poverty	245 (11.3%)	1,104 (8.4%)	691 (12.4%)	510 (14.4%)	2,550

Poverty has many faces and people living in poverty face a wide range of barriers. Too often, people in poverty are invisible to us. We may live in the same neighborhoods, attend the same schools and parishes, but be unaware of each other’s struggles.

**Making a Difference**

The following story is an example of one of the many people Couleecap is helping achieve self-sufficiency:

Richelle Williams is a single, African-American woman who lives in the City of La Crosse. She moved to the area 14 years ago and has worked for various local salons and other businesses, often having 2-3 jobs at a time to make ends meet. Richelle always knew that she wanted to own her own business, but her funds were tight. With limited savings, she managed to start her own business. She also began to explore community resources in the La Crosse area and came across the Job & Business Development Program at Couleecap.

When she entered the program, she set goals she wanted to accomplish while in the program. Our Job & Business Developer, Luanne Neumann, supported Richelle in developing a business plan. Richelle has attended small business classes in record keeping, customer service, and advertisement. After attending these classes, Richelle received a small grant to help with some business expenses. Luanne also connected her with other participants which have been an additional source of support.

Richelle started her business two years ago and is the owner of Richelle Williams’ Head to Toe Salon & Spa, located at 168 Rose Street in La Crosse. Her salon provides a friendly, comfortable atmosphere for men, women, and children of all ages and hair types. Her advice to someone who has an entrepreneurial spirit and wants to start a business, but does not have much money: “If you don’t try, you won’t know if you can succeed. Be sure to keep good records and know and use your community resources to meet your needs.” Richelle is very thankful for the assistance she is receiving from the Job & Business Development Program and for all of the support and encouragement she has received from Luanne.

**Each of us has the power to help people find a way out of poverty. Here are some ways you can get involved in your community:**

- Make a donation to Couleecap.
- Donate your time, money, or other resources to local organizations that help people living in poverty attain economic self-sufficiency.
- Support housing programs that assist low-income families.
- Support elected officials who care about poverty issues and who demonstrate this by their voting record.
- Educate yourself about poverty issues. Visit your local library or research websites on the Internet. Some good websites are Wisconsin Community Action Program (WISCAP) – [www.wiscap.org/POVERTY](http://www.wiscap.org/POVERTY); Catholic Campaign for Human Development (CCHD) – [www.usccb.org/cchd/povertyusa/povfact2.htm](http://www.usccb.org/cchd/povertyusa/povfact2.htm); Bread for the World – [www.bread.org](http://www.bread.org); and Institute for Research on Poverty – [www.ssc.wisc.edu/irp](http://www.ssc.wisc.edu/irp).
- Advocate for a higher minimum wage, more assistance for child care, and more assistance with healthcare costs, so working families can get out of poverty.
- Support your local food pantries all year round.

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