

# INCOME SURVEYS

*WHO, WHY, WHEN, HOW*

- ### Session Overview
- ❖ Why do an income survey?  
(Who is doing income surveys?)
  - ❖ Low- and moderate-income(LMI) or Median household income(MHI) or BOTH
  - ❖ Income survey basics  
(including a few recent changes)
  - ❖ Where to find help for an income survey

- ### Definitions
- Low- and Moderate-Income (LMI) Households
- Low-income household : below 50% of the county's median household income **based on household size.**
  - Moderate-income household: below 80% of the county's median household income **based on household size.**

**SAMPLE CDBG INCOME QUESTIONNAIRE**

In the "Household Size" column below, circle the number of persons in your household. Then, in that same row, place a check in the box corresponding to whether your household income is at above or below the dollar amount listed for your household size.

Household Size	Income Above	or	Income Below	80% of MHI
1 person =	income at <input type="checkbox"/> or above <input type="checkbox"/>	or	below annual income <input type="checkbox"/>	\$32,450
2 persons =	income at <input type="checkbox"/> or above <input type="checkbox"/>	or	below annual income <input type="checkbox"/>	\$37,000
3 persons =	income at <input type="checkbox"/> or above <input type="checkbox"/>	or	below annual income <input type="checkbox"/>	\$41,700
4 persons =	income at <input type="checkbox"/> or above <input type="checkbox"/>	or	below annual income <input type="checkbox"/>	\$45,300
5 persons =	income at <input type="checkbox"/> or above <input type="checkbox"/>	or	below annual income <input type="checkbox"/>	\$48,750
6 persons =	income at <input type="checkbox"/> or above <input type="checkbox"/>	or	below annual income <input type="checkbox"/>	\$53,100
7 persons =	income at <input type="checkbox"/> or above <input type="checkbox"/>	or	below annual income <input type="checkbox"/>	\$57,450
8 persons =	income at <input type="checkbox"/> or above <input type="checkbox"/>	or	below annual income <input type="checkbox"/>	\$61,150

from CDBG Income Survey Guide (dated October 2015)

- Some counties share the same income limits:
- |              |              |
|--------------|--------------|
| Adams        | Klickitat    |
| Chelan       | Lewis        |
| Clallam      | Okanogan     |
| Douglas      | Pacific      |
| Ferry        | Pend Oreille |
| Grant        | Stevens      |
| Grays Harbor | Wahkiakum    |
|              | Yakima       |

Median Household Income:

The median household income (MHI) represents the middle value in a list of household incomes – regardless of household size.

\$ 2,000,000	\$54,000
\$ 250,000	\$48,000
<b>\$ 31,000</b>	<b>\$35,000</b>
\$ 22,000	<b>\$33,000</b>
\$ 15,500	\$24,000
	\$18,000
<b>MHI = \$31,000</b>	<b>MHI = \$34,000</b>

**IACC Income Survey Questionnaire**

**1. How many people live in this household?** \_\_\_\_\_  
The number of people in the household should equal the number of people who lived in the residence for at least six months of the year.

**2. What was the household's total income during 2014?** \_\_\_\_\_  
Total Household Income is all taxable and nontaxable income earned by all members of the household for the latest tax year (example: survey in 2015 would be for tax year 2014). Income includes (but is not limited to): wages, business, retirement, supplemental security, public assistance, disability, unemployment and assistance income, VA payments, alimony and so forth. Income received by children under the age of 18 for work such as baby sitting, paper routes, or lawn mowing does not need to be included.

from IACC Income Survey Guide

### Why conduct an income survey?

1. In order to meet a primary national objective of the Community Development Block Grant (CDBG) program - (Low- and moderate-income population > 51%)
2. In order to qualify for grant or enhanced loan terms for the following funding programs:
  - Dept. of Health - Drinking Water State Revolving Fund
  - Dept. of Ecology – Centennial and State Revolving Fund Loan
  - USDA Rural Development
  - Public Works Board Loans

#### Snapshot of Household Income Data for Cities and Towns in Lincoln County

Jurisdiction	2015 OFM Population Estimate	HUD* LMI % (2014)	ACS 2009-2013 ** Median Household Income (MHI)
Alma	200	45.0%	\$38,750 (+/- 10,200)
Creston	230	44.4%	\$31,094 (+/- 9,316)
Davenport	1,685	37.3%	\$44,000 (+/- 10,270)
Harrington	420	42.9%	\$53,400 (+/- 14,337)
Odessa	905	42.7%	\$33,342 (+/- 2,002)
Reardan	570	<b>52.3%</b>	\$39,775 (+/- 8,218)
Springer	445	30.0%	\$40,936 (+/- 12,586)
Wilbur	800	39.3%	\$26,742 (+/- 4,921)

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#### American Community Survey (ACS) 2008-2012 5-yr estimate

	ACS Estimated MHI	% of MHI	% of MHI ± 12
Mason Island City	\$127,360	\$2,547	\$212
Mesa City	\$25,520	\$710	\$69
Metaline Falls Town	\$33,125	\$663	\$50
Metaline Town	\$23,333	\$1,067	\$89
Metzow CDP	\$91,250	\$1,825	\$152
Midland CDP	\$43,822	\$876	\$73
Mill Creek City	\$69,124	\$1,792	\$148
Mill Creek East CDP	\$96,488	\$1,930	\$161
Millwood City	\$49,383	\$968	\$81
Millar City	\$62,730	\$1,255	\$106
Mineral CDP	\$31,408	\$629	\$52
Minnehaha CDP	\$53,203	\$1,064	\$89
Minersburg CDP	\$102,708	\$2,054	\$171

  

#### ACS 2009-2013 5-yr estimate

Mason Island City	\$119,189	\$2,427.18	\$210.66
Mesa City	249,260	699.26	69.22
Metaline Falls Town	\$27,853	\$441.66	\$45.14
Metaline Town	\$65,000	\$1,100.00	\$89.87
Metzow CDP	#	#	#

- ### Income Survey Overview
1. Coordinator
  2. Universe
  3. Identify households
  4. Interview Method
  5. Survey form
  6. Outreach/media
  7. Train staff/volunteers
  8. Conduct interviews
  9. Evaluate responses
  10. Tabulate responses
  11. Analyze results
  12. Submit and archive documents

**Step One: Identify Survey Coordinator and Contact Funding Agencies**

- A. Survey coordinator should lead the process beginning to end.
- B. Contact each funding agency to verify your **survey work plan** and communication materials are acceptable.
- C. Third-party surveyor may be required.

**Step Two: Define Survey Area**

- A. Identify geographic boundaries of the survey area.
- B. Identify households within the survey area.  
*(Confidential but not anonymous)*

**Step Three: Survey Sample size**

- A. Determine minimum number of responses for a valid survey.
- B. Establish a process to replace unreachable or non-responsive households within the sample – where possible.

Required Sample Sizes For Areas of Various Sizes		
Column A	Column B	Column C
Number of Households In the Area	Required Sample Size as Percentage to Validate the Survey	Equivalent Sample Size Range to Validate the Survey
1-49	93%	1-45
50-55	90%	45-49
56-63	87%	49-55
64-70	85%	54-59
71-77	84%	60-65
78-99	80%	62-79
100-115	78%	78-90
116-153	72%	83-110
154-180	69%	106-124
181-238	67%	121-159
239-308	57%	136-176
309-398	50%	154-199
399-650	38%	152-247
651-1,200	25%	163-300
1,201-2,700	13%	156-351
2,701 or more	10%	270 or more

Sprague example  
280 households

$280 \times 0.57 = 160$

Required sample size is 160 valid surveys.

CDBG Income Survey Guide uses a calculator

[www.surveysystem.com/sscalc.htm](http://www.surveysystem.com/sscalc.htm)

**Determine Sample Size**

Confidence Level:  95%  99%

Confidence Interval:

Population:

Sample size needed:

**Step Four: Survey Method**

- A. Mail
- B. Door-to-door
- C. Telephone
- D. Combination

**Step Five: Survey Questionnaire**

IACC Income Survey Guide

1. How many people live in this household? \_\_\_\_\_

2. What was the household's total income during 2014? \_\_\_\_\_

Total Household Income is all taxable and nontaxable income earned by all members of the household (ages 15 and above) for the latest tax year. Income includes but is not limited to:

- wages
- business
- retirement
- supplemental security
- public assistance
- disability
- unemployment
- and investment income, VA payments, alimony and so forth.

**Step Five: Survey Questionnaire**

**SAMPLE CDBG INCOME QUESTIONNAIRE**

Please check a check in the box corresponding to whether your household income is above or below the dollar amount listed for your household size.

Household Size	Income Above	Income Below	% of County Pop
1 person	income is above \$1	below annual income \$11,380	12.1%
2 persons	income is above \$1	below annual income \$25,150	12.9%
3 persons	income is above \$1	below annual income \$34,300	14.2%
4 persons	income is above \$1	below annual income \$44,350	15.1%
5 persons	income is above \$1	below annual income \$54,400	16.0%
6 persons	income is above \$1	below annual income \$64,450	16.9%
7 persons	income is above \$1	below annual income \$74,500	17.8%
8 persons	income is above \$1	below annual income \$84,550	18.7%

**Step Six: Publicize Survey**

- Newsletter
- Local newspaper
- Bill insert
- Public meeting
- Radio
- Facebook/social media

**Step Seven: Recruit and Train Survey Staff**

**Step Eight: Conduct Interviews**

Most common method combines a mailing (sometimes two mailings) followed by door-to-door interviews.

**Step Nine: Evaluate Questionnaires**

Follow-up interviews may be necessary for incomplete or illegible surveys.

**Step Ten: Record Survey Results**

Area	Person/Fam Age 15+				
1	↑				
2		↑			
3			↑		
4				↑	
5					↑
6					
7					
8					
9					
10					
11					

**Step Eleven: Analyze Survey Results**

CDBG INCOME SURVEY WORKSHEET	
1. Enter the current estimated total number of households in the service area.	200
2. Enter the correct required sample size for the number of households in the service area. Use the online sample size calculator (SSCI), as instructed on page 6 to get the minimum sample size required.	134
3. Enter the number of households in your "replacement" or "oversample" list. (This number must be no more than 20% of the required sample size in number 2 above.	20
4. Number of households included in your survey. (Include all households that received a survey form or any household that was interviewed by phone or door-to-door. This number cannot be more than the total of line 2 plus line 3.)	160
5. Enter the total number of valid surveys received. Refer to last line in TABLE D: "Total Number of Households Interviewed."	128
6. Enter the total number of persons in the households interviewed. Refer to last line in TABLE D: "Total Number of Persons Interviewed."	296
7. Average household size from valid surveys. (Divide Line 6 by Line 5).	2.3
8. How many from the Replacement List (in 3 above) did you have to use in order to meet the required sample size? (Check check "Subtract Line 4 from Line 2).	6
9. Assumed population for make-up surveys using average household size from valid surveys. (Multiply Line 7 by Line 8, and do not round up).	15
10. Enter the total number of persons living in the low- and moderate-income households interviewed. Refer to TABLE D, total of Column C.	182
11. Total population from survey sample including both valid and replacement surveys. (Add together Line 6 and Line 9).	309
12. LMI percentage. (Divide Line 10 by Line 11. This is the weighted percentage of low- and moderate-income persons living in the service area). Use this percentage on your CDBG Applications, Project Summary Form.	60%



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**EXAMPLE**

\$55.00	(Average monthly utility rate per ERU/connection)
+ 5.00	(Additional operations, Maintenance, & Replacement – if applicable)
+ 10.00	(Debt service and reserve requirements)
= \$65.00	(New Average Utility Rate)
x 12 months	
= \$780	(Annual Average Utility Rate)
= \$42,000	(Vol. of the service area)(rate/dollar)
= 0.0173	(Used to create a percentage)
x 100	
	= Affordability Index of 1.73%

**Ecology Water Quality Funding Guidelines**

Table 3: SFY16 Funding Interest Rate and Grant Continuum

Senior Fee divided by 50%	Below 2%	2% and above but below 3%	3% and above but below 5%	5% and above
Handicap Designation	New handicap	Midstate handicap	Eventual handicap	Severe handicap
20-Year Loan Rates	2.6%	1.8%	2.8%	3%
Grant Eligibility	Not eligible	50% (up to \$2 million)	75% (up to \$2 million)	100%

**Drinking Water State Revolving Fund Guidelines**

**Loan Terms for 2014**

Income Level of Beneficiaries	Interest Rate	Loan Fee	Loan & Fee Repayment Period
Water service to an economically disadvantaged	1.5% fixed	0% of loan amount	20 years or 50% of the project, whichever is less
Project with long-term cost of 1.5% but not eligible within 24 months of project completion	Adjusted to 1.0% fixed or project interest	0% of loan amount	20 years or 50% of the project, whichever is less
Water service with an affordability index between 1.5% and 2.0%	0% interest rate	0% of loan amount	20 years or 50% of the project, whichever is less
Water service with an affordability index between 2.0% to 2.5%	0% Principal Repayment & 0% interest rate	---	20 years or 50% of the project, whichever is less
Water service with an affordability index of 2.5% or higher	0% Principal Repayment & 0% interest rate	---	20 years or 50% of the project, whichever is less
Capital investment for wastewater project, project's principal is not repaid during 10-year period. Project approved by a local government prior to issuing the funding contract	0% Principal Repayment & 0% interest rate	---	20 years or 50% of the project, whichever is less

**Definitions**

**Affordability "index"**

Affordability Index (AI) is a measure of the consumers' financial ability to pay for utility services.

Rates are deemed to be affordable if less than two (2) percent of the monthly household income.

**Income Survey Guidelines**

- [infrafunding.wa.gov](http://infrafunding.wa.gov)
- [commerce.wa.gov/CDBG](http://commerce.wa.gov/CDBG) (under Resources click on **Guidance Materials** link)

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