

Oklahoma's CWSRF Affordability Criteria Strategy

EPA requires Affordability Criteria to include:

1. Income data
2. Employment data
3. Population trends
4. Any other data determined relevant by the State

Source of data:

Entity

Population <https://data.census.gov/cedsci/advanced>

Income <https://data.census.gov/cedsci/advanced>

Unemployment <https://data.census.gov/cedsci/advanced>

Employment Rate Employment rate = 1-unemployment rate

United States

Population [https://data.census.gov/cedsci/all?q=population_\(Decennial_Census\)](https://data.census.gov/cedsci/all?q=population_(Decennial_Census))

Income [https://data.census.gov/cedsci/all?q=per%20capita%20income_\(American_Community_Survey\)](https://data.census.gov/cedsci/all?q=per%20capita%20income_(American_Community_Survey))

Unemployment [https://data.census.gov/cedsci/table?q=unemployment&tid=ACST5Y2020.S2301_\(American_Community_Survey\)](https://data.census.gov/cedsci/table?q=unemployment&tid=ACST5Y2020.S2301_(American_Community_Survey))

Employment Rate Employment rate = 1-unemployment rate

The CWA requires that states develop affordability criteria that assist with the identification of applicants that would have difficulty financing projects. The affordability criteria must include information regarding employment, income, population trends and may include other information as dictated by the State. For the CWSRF, OWRB calculates an entity's adjusted per capita income utilizing the above criteria comparing it to the nation's adjusted per capita income using the same data and has developed a tier system approach to determine severity of need regarding affordability. This information is identified using the American Community Survey (ACS) Data from the 2020 Census at <https://data.census.gov/cedsci/advanced>. If other data is presented to OWRB that more accurately reflects the entity's current or proposed service area, that will be evaluated on a case-by-case basis. Data submitted must include, but not limited to, PCI, employment rate, and population change trends for the proposed service area of the project.

The formulas below are how OWRB determines affordability criteria for each town/city/district in Oklahoma.

a) Formula to determine an entity's 'adjusted per capita income (APCI)' for CWSRF

- $APCI = PCI * \text{employment rate} * \text{population change trend (as compared to 2010 census data)}$

b) To determine an entity's percentage of adjusted per capita income, OWRB used the formula below for percentage ranking and tier determination.

- $\% \text{ of APCI} = APCI / U.S. \text{ APCI}$

c) Formula to determine Rural Water & Sewer District's 'adjusted per capita income' for CWSRF and 'percentage of adjusted per capita income' used for percentage ranking and tier determination

- Rural Water and Sewer systems are requested to contact OWRB for additional information needed to determine percentage ranking. Required data of the two largest communities served by the RW&S system will be averaged to determine RW&S percentage ranking and tier determination or data presented to OWRB that more accurately reflects the entity's current or proposed service area, that will be evaluated on a case-by-case basis. If a system serves only one community, the sole community's data will be used to determine RW&S percentage ranking and tier determination.

- d) **If a community's name and percentage ranking is not represented with the Affordability Criteria for the 2023 IUP**, please email fad@owrb.ok.gov with your contact information and request.

There are 4 tiers to determine affordability criteria as outlined below:

CWSRF Tier System

Tier Community APCI as % of U.S. APCI

- | | |
|---|--|
| 4 | APCI 81% or more of U.S. APCI |
| 3 | APCI more than or equal to 71%, but less than 81% of U.S. APCI |
| 2 | APCI more than or equal to 56%, but less than 71% of U.S. APCI |
| 1 | APCI 55% or less of U.S. APCI |

The lower the Tier number the greater financial need of the community based on the affordability criteria percentage where Tier 4 does not meet the state's affordability criteria. Most entities in Oklahoma have an affordability criteria tier determination which is available on OWRB's website at

<https://oklahoma.gov/content/dam/ok/en/owrb/documents/financing/clean-water-state-revolving-fund/affordability-criteria-tier-calculations.pdf>.

Appeals Process

Should a community disagree with its percentage ranking or tier determination, an Appeals Process could be requested.

CWSRF Appeals Process would only address those communities who can verify that their percentage ranking is incorrect.

To inquire about the Appeals Process, please email fad@owrb.ok.gov with your contact information and request.

Affordability Criteria Outreach and Community Accessibility

The proposed Tiering System supports full disclosure for communities across the State to view the formula used in their community percentage ranking and tier determination by easily accessing the document linked on the CWSRF webpage at <https://oklahoma.gov/content/dam/ok/en/owrb/documents/financing/clean-water-state-revolving-fund/affordability-criteria-tier-calculations.pdf>.

This complete list of Oklahoma communities will be updated on a five-year rotation.