

# INCOME

**OUR GOAL:** Promoting financial stability and independence among working individuals and families.

## **TARGET ISSUE 1:** Achieving greater financial stability.

**INTENDED RESULT:** Help working individuals and families\* move toward financial independence.

**INDICATOR:** Evaluate the percentage of working individuals and families\* spending more than 35% of their income on housing.\*\* In 2005, approximately 22% of Knox County residents paid more than 35% of their income in housing costs.<sup>5</sup> The goal is 12% for homeowners. Also in 2005, 41% of Knox County residents renting their home paid more than 35% of their total income on housing.<sup>5</sup> The goal is 30%.

## **TARGET ISSUE 2:** Increasing income.

**INTENDED RESULT:** Help working individuals and families\* earn enough income to support a living wage.\*\*\*

**INDICATOR:** Evaluate the percentage of working individuals and families\* who earn enough income to support themselves. In Knox County in 2006, 12.3% of the general population lived in poverty.<sup>5</sup> The goal is to decrease that to 7.3%

## **TARGET ISSUE 3:** Building savings.

**INTENDED RESULT:** Encourage working individuals and families\* to have safe mechanisms for saving and have money set aside for emergency funds.

**INDICATOR:** Evaluate the percentage of working individuals and families\* who have at least 3 months in living expenses set aside for emergencies. According to a VITA (Volunteer Income Tax Assistance) survey from the 2008 tax season, only 31% of the almost 900 people completing the survey had a savings account.<sup>6</sup> The goal is to increase this number to 50%.

\* Working families have one or two parents working 50 or more combined weeks during the previous year. Lower-income means that the family income was less than 250% of the federal poverty level.

\*\* Rent, home mortgage or home maintenance costs.

\*\*\* Living wage for a family of four (two adults, two children) is approximately 200% of the federal poverty level (\$18.75 per hour; According to the Livign Wage Calculator, a poverty wage is \$9.30 per hour).

<sup>5</sup>Knox County Demographic Snapshot, University of Tennessee College of Social Work Office of Research and Public Service. January 2008.

<sup>6</sup>VITA Survey. United Way of Greater Knoxville in partnership with the Knoxville/Knox County Community Action Committee. 2008.