

Population Estimate FAQ

Why does COMPASS publish population estimates?

COMPASS publishes population estimates as a service to its members. The estimates are useful in understanding current socioeconomic conditions and in planning for municipal services. COMPASS membership dues are based on municipal populations.

What are the estimates based on?

These population estimates are based, in large part, on the community's housing stock. Information on new construction, including residential building permits, is collected directly from each community and used to update its housing base. Demographic factors and trends, such as occupancy rates and changes in household size, are then applied to the data to produce the population estimates.

What method of population estimating does COMPASS use?

Housing Unit. The estimate process is broken into three distinct processes: housing unit estimation, geographic boundary modification, and household population estimation. The estimates are rounded so the estimate is not assumed to be a hard count. The process is run yearly, with each new estimate building off the prior year's estimate.

Why does COMPASS use this technique?

- Housing data is widely available
- This method works well for small area estimates
- The area has experienced a high level of population growth from in-migration
- This method is most widely accepted

What community revenues are based on population?

Many federal, state, and local programs use population estimates produced by other agencies as part of their funding mechanisms. For example, federal programs such as HUD's Community Development Block Grant Program, the Home Investment Partnership Program, and U.S. Department of Education Title I funding (commonly referred to as the Improving America's Schools Act) use population estimates to help allocate funds to communities. The State of Michigan revenue sharing uses population as a basis for distributing revenue. State-imposed minimum population counts are required for cities to charge utility and income taxes and joint police or fire districts use population as a means for cost sharing.

What are the differences between how COMPASS and the Census Bureau estimate populations?

COMPASS uses a Housing Unit method. The basic premise is that changes in the number of occupied housing units reflect changes in the population. This method is strong in capturing high migratory and rapidly changing populations. Population estimates are based on calculated housing units, geographic boundary changes, household sizes, and occupancy rates.

For cities and towns the Census Bureau uses a Distributive Housing Unit method which uses housing unit estimates to distribute the county population to sub-county areas within the county. The Census Bureau uses building permits, estimates of construction where building permit data are unavailable, mobile home shipments, and estimates of housing unit loss to update housing unit change since the last census.

Other differences:

- COMPASS produces and releases estimates for cities and counties in the current year dated April 1, 2008, the enumerated Census date. The Census Bureau's estimates are always for the previous year and are dated July 1.
- The COMPASS method relies on building permit data provided by the local governments, where as the Census Bureau's county estimates use estimates of housing units (estimating new construction, manufactured housing, and demolition). COMPASS methodology allows for sub-county estimates down to the census block level. Census Bureau methodology does not allow for the development of census tract or block level estimates.
- The Census Bureau makes assumptions regarding demolition of housing units based on the relationship between the age of housing and housing loss. These assumptions may not be appropriate for many older cities because of the availability of land to build and an increase in the density of new construction. Research on housing depreciation and loss has shown that age alone is not a good predictor, and that tenure, type of structure and housing market conditions, must be included.
- COMPASS assumes a 90-day lag time between the issuance of a building permit and the creation of units ready for occupancy. The Census Bureau employs a six-month lag time between the issuance of permits and completion of construction. Determining an appropriate lag-time is difficult because lag times can vary from jurisdiction to jurisdiction or depending on the market.

- The Census Bureau updates estimates of average household size and occupancy rates, which allow for the translation of housing unit changes into population changes. With the one-year samples, the Census Bureau produces estimates of household size and occupancy rates for geographic areas with populations of 65,000 and more.
- The Census Bureau assumes 98% of permitted buildings are completed and available for occupancy. COMPASS assumes all permitted buildings are completed and available for occupancy.

When will there be a new census?

Every 10 years the United States Census Bureau conducts its decennial survey. For the 2010 Census, the Census Bureau has invited local governments to participate in developing its address file. For more information about how COMPASS and local governments are participating in the decennial census please review <http://www.compassidaho.org/prodserv/luca.htm>.