

The Quarterly WRAP Report includes the following:

1. Key Takeaways
2. Background
3. Approved Program Changes
4. Current Year Budget and Allocations
5. Reallocation Activity
6. FY 2022 Program Year Objectives
7. Looking Ahead

Key Takeaways

- Program performance overall has increased compared to FY 2021. Table 1 below provides a snapshot of key performance indicators.
- The Affordability & Assistance team has drafted a proposed approach called the “WRAP Income Based Plan” or “WRAP IBP” following the GLWA Board of Director’s approval of a scale of assistance approach. Details of this approach were shared with the Board via email, as well as with our Member Partners and stakeholders. They are now posted at <http://www.glwater.org/assistance> and can be found in Appendix A.
- Program administration for the City of Flint moved to Wayne Metropolitan Community Action Agency (Wayne Metro) in June 2022 to allow for more consistent support and assistance to Flint residents. Wayne Metro is working closely with the City of Flint to provide onsite assistance. In June 2022, 72 residents were enrolled. Due to this transition, comparative data is not readily available.
- Program administration for Oakland County transitioned to Wayne Metro in June 2022 temporarily as efforts to on-board a new service delivery partner for Oakland County are made.
- Reallocations approved by the Board of Directors in June 2022 address the need for funds in the cities of Detroit and Flint.

Table 1 - FY 2022 WRAP Performance as Compared to FY 2021

	Households Enrolled	Funds Committed	Average Assistance Per Household	Funds Spent on Minor Plumbing Repairs
Overall	29% increase 1,816 Households	45% increase \$1.89m	12% increase \$82	155% increase \$696.5k
Macomb, Lapeer & St. Clair	56% increase 226 Households	351% increase \$355.8k	190% increase \$473	10,000% increase \$69.6k
Wayne, Washtenaw & Monroe	25% increase 1,335 Households	32% increase \$1.22m	6% increase \$41	127% increase \$555.1k
Oakland	71% increase 251 households	67% increase \$164.6k	2% decrease (\$17)	34% increase \$4.3k

Background

The Water Residential Assistance Program (“WRAP”) is a sustainable funding source that provides assistance to qualifying low-income residents served by the Great Lakes Water Authority’s (“GLWA”) member partners. The program is funded by GLWA at an amount equal to 0.5 percent of budgeted revenues for the Regional System and not less than 0.5 percent, but not greater than 1.0 percent of budgeted revenues for the DWSD Local System. The budgeted WRAP funding for FY 2022 is \$6.2 million combined for water and sewer services.

The approved guidelines include funding for a) payment assistance and b) arrearage assistance and, c) conservation measures and minor plumbing repairs. To participate in WRAP, an applicant must have household gross incomes at or below 200% of the federal poverty income thresholds. WRAP participants are also encouraged to participate in both financial coaching and water conservation workshops as well as other support services. The program is administered through local service delivery partners such as Wayne Metropolitan Community Action Agency (Wayne Metro) and Macomb Community Action (MCA).

The WRAP began assisting residents in the GLWA service area on March 1, 2016. Since inception through June 30, 2022, WRAP has committed over \$29.5 million in assistance to qualified participants.

The detailed performance metrics of WRAP in FY 2022 as prepared by Public Sector Consultants, follows in Appendix B.

Approved Program Changes

As a first-of-its-kind assistance program in the state of Michigan, changes to WRAP may be required as the program matures. Following is a summary of program changes made to WRAP since 2016, as approved by the GLWA Board of Directors.

November 30, 2016:

Allow member communities to opt into program features that best meet the needs of their community. This is captured in the three options below:

Option 1

- Assistance up to \$300 per year in the form of \$25 monthly bill credits. (Applicable if client continues to pay all current monthly/quarterly charges).
- Up to \$700 in arrearage assistance to be paid 50% (up to \$350) after six months in the program, and 50% (up to \$350) after one year. Enrollees are eligible for a second-year arrearage assistance totaling \$700.
- One-time home water audit for households above 120% of average usage.
- Home repairs up to \$1,000 per household to fix minor plumbing issues leading to high usage (finding and fixing leaks, upgrading water using fixtures) and/or minor lead replacement assistance.

Option 2

- Assistance up to \$300 per year in the form of \$25 monthly bill credits. (Applicable if client continues to pay all current monthly/quarterly charges).
- One-time home water audit for households above 120% of average usage.
- Home repairs up to \$1,000 per household to fix minor plumbing issues leading to high usage (finding and fixing leaks, upgrading water using fixtures) and/or minor lead replacement assistance.

Option 3

- One-time home water audit for households above 120% of average usage.
- Home repairs up to \$1,000 per household to fix minor plumbing issues leading to high usage (finding and fixing leaks, upgrading water using fixtures) and/or minor lead replacement assistance.

August 22, 2018:

- Removal of the 120% usage requirement for the lead fixture replacement for in-home faucets that pre-date the lead-free plumbing code change.

January 23, 2019:

- Extend the 2-year time limitation to provide monthly bill assistance to senior citizens and disabled citizens.

March 11, 2020:

- Increase eligibility for residential customers from 150% to 200% or less of federal poverty level;
- Increase conservation and plumbing repairs spending per household from \$1,000 to an average of \$1,500 and a cap of \$2,000 per customer for eligible residential customers; and
- Allow eligible residential customers that are renters to take advantage of conservation and plumbing repairs to reduce their water consumption, upon landlord executing an agreement not to raise rents for one year.

October 28, 2020:

- Temporary change to 1) allow program participants who are unable to make monthly payments on time to remain in WRAP if they demonstrate a significant loss of income or inability to make a timely payment due to COVID-19; and 2) participants will still be eligible to receive monthly bill credits and arrears payments if applicable, until December 31, 2020.

April 28, 2021:

- Enabled the use of categorical eligibility to determine if a household can receive WRAP funds.
- Increased the WRAP arrearages payment cap to \$1,200 per household, per year, for a total of \$2,400 per household if they complete two years of the program.
- Updated the program reporting to include additional data on number of applicants

deemed not eligible for WRAP, timeframe from application submission to program enrollment, number of participants making on-time bill payments, amount of arrearages paid per household, number of water audits completed, average cost of repairs per household, water consumption per household, number of program referrals, and additional forms of assistance provided via supplemental funding.

September 22, 2021:

- Created the ability for community action agencies to use special allowances for an additional \$1,000 in certain plumbing repair circumstances.
- Expanded eligibility to conservation and minor plumbing repair services to any household within a GLWA member partner community, regardless of whether the community participates in WRAP
- Removed the high-water user eligibility requirement for conservation and minor plumbing repair service.

June 22, 2022:

- Removed the opt-in/opt-out and service level options for GLWA Member Communities, thereby allowing all eligible households in the GLWA service region to take advantage of the program.
- Authorized a WRAP “Sliding Scale Assistance Approach” that is based on relative average residential bill by community and household income to determine the level of payment assistance. The scale is established administratively with reporting to the Audit Committee to adapt to changing bill amounts by community.

July 27, 2022:

- Approved the use of WRAP Funds for the Detroit Water & Sewerage Department Lifeline Plan with quarterly reporting of the plan’s progress to the GLWA Audit Committee.

Current Year Budget and Allocations

Consistent with the previous fiscal years funding allocation for WRAP, the FY 2022 budgeted allocation is based on the proportionality of the revenues derived from each county and the city of Detroit, based on the approved FY 2022 water and sewer service charges and budget.

Table 2 - FY 2022 WRAP Budget and Allocations - This table shows the allocation of the budgeted WRAP funds, which is reflective of the approved FY 2022 budget of \$6.2 million. The city of Detroit is shown separately from the remaining Wayne County allocation. The city of Detroit is currently allocated 26% of total wholesale WRAP funding and contributes additional, local WRAP funding which increases the overall program impact.

Table 2 - FY 2022 WRAP Budget and Allocations

Community	Budgeted Direct Assistance	Budgeted Conservation Assistance	Budgeted Administration Cost Cap - 12%	Total Budgeted Revenue	Revenue Allocation
WAYNE METRO					
CITY OF DETROIT					
Wholesale Funding	\$756,264	\$189,066	\$116,839	\$1,062,169	26.14%
Local Funding	1,553,228	388,307	239,965	2,181,500	
TOTAL DETROIT	\$2,309,492	\$577,373	\$356,804	\$3,243,669	26.14%
WAYNE COUNTY	731,249	182,812	112,974	1,027,034	25.27%
GENESSE COUNTY	16,660	4,165	2,574	23,399	0.58%
WASHTENAW COUNTY	39,392	9,848	6,086	55,326	1.36%
MONROE COUNTY	6,350	1,587	981	8,918	0.22%
TOTAL WAYNE METRO	3,103,142	775,786	479,418	4,358,346	53.57%
OAKLAND LIVINSTON HUMAN SERVICE AGENCY					
OAKLAND COUNTY	806,739	201,685	124,637	1,133,060	27.88%
MACOMB COMMUNITY ACTION AGENCY					
MACOMB COUNTY	519,461	129,865	80,254	729,580	17.95%
LAPEER COUNTY	12,487	3,122	1,929	17,538	0.43%
ST. CLAIR COUNTY	4,825	1,206	745	6,777	0.17%
TOTAL MACOMB COMMUNITY ACTION AGENCY	536,773	134,193	82,928	753,895	18.55%
GRAND TOTAL	\$4,446,654	\$1,111,663	\$686,983	\$6,245,300	100.00%

(1) Based on allocation of assistance funds of 80% Direct Bill Asst. and 20% Conservation Asst.

(2) Based on FY 2022 Budgeted WRAP Funding of:

Wholesale Funding	\$4,063,800
Detroit Local Funding	<u>2,181,500</u>
Total WRAP Funding	\$6,245,300

Reallocation Activity

After the completion of each fiscal year, a GLWA staff makes a recommendation to the GLWA Board of Directors for the reallocation of uncommitted or unspent assistance and conservation funds to those member communities that have fully committed their annual budgeted funds due to the increased need within their community.

The Board authorized reallocation of uncommitted FY 2016 to FY 2021 WRAP funds to the City of Detroit and the City of Flint is captured in Table 3 below. To date, \$7.2 million has been reallocated to Detroit and \$2.9 million to the City of Flint from the other counties within GLWA.

Table 3 – Total WRAP Reallocation of Uncommitted and Unspent Funds

Reallocated Funds	Detroit	Flint	Total
FY 2016	\$ 1,664,833	\$ 117,485	\$ 1,782,318
FY 2017	\$ 786,981	\$ 425,635	\$ 1,212,616
FY 2018	\$ 794,400	\$ 427,755	\$ 1,222,155
FY 2019	\$ 1,182,593	\$ 471,562	\$ 1,654,155
FY 2020 & FY 2021	\$ 2,815,194	\$ 1,515,874	\$ 4,331,068
Total Reallocation	\$ 7,244,001	\$ 2,958,311	\$ 10,202,312

FY 2022 Program Year Objectives

GLWA, PSC, the CAAs and participating communities have been working together to improve WRAP program effectiveness. The table below details the objectives that were identified for the FY 2022 program year, as well as their status update.

1. Provide flexibility for the community action agencies to administer the program
 - Clarifications has been provided to CAAs to allow for instances of non-traditional income, or no documented income.
 - GLWA has a plan in place for improvements taking effect in FY2023, to allow for additional flexibility.
2. Codify decentralized program delivery model
 - Separate contracts for WRAP administration have been executed with Wayne Metro and Macomb Community Action.
 - Additional service delivery partners are actively being explored.
3. Recruit nonparticipating member communities
 - GLWA has a plan in place taking effect in FY2023 that will allow for all eligible households in the GLWA service area to participate in WRAP.
4. Make WRAP more accessible for residents
 - GLWA has a plan in place taking effect in FY2023 that will improve program accessibility.
5. Improve performance reporting, financial monitoring, cost of service, and program effectiveness
 - GLWA has a plan in place taking effect in FY2023 that will address these needed improvements.
6. Simplify monthly bill payment process
 - GLWA has a plan in place taking effect in FY2023 that will address the bill payment process.
7. Enhance conservation and water repair services
 - Program changes made in September 2021 enabled a higher cap on funds available for conservation and minor plumbing repairs, as well as who was eligible for the services.
 - An emphasis on creating a healthy home, rather than just reducing water consumption has been made.

8. Leverage other forms of assistance:

- Other forms of assistance are being leveraged alongside WRAP. The current program that is being significantly leveraged is LIHWAP. Service delivery partners are enrolling clients in LIHWAP, paying down arrears, and then enrolling them in WRAP through categorical eligibility.
- GLWA continues to explore ways to align WRAP with other assistance programs and relies on our service delivery partners to provide wraparound service to clients upon intake.

Looking Ahead

On June 22, 2022, the Board of Directors approved improvements WRAP. These improvements will make it easier for households to enroll in the program, provide assistance in line with an individual household's income, and reduce administrative burden on communities. The Affordability & Assistance Team is working with service delivery partners and member partners to solicit feedback on the proposed approach and anticipate the changes taking effect this Fall. August 23, 2022 marks the launch of a Member Partner WRAP Advisory Panel with the first meeting taking place on that date. The group will tackle topics such as billing practices, building awareness of WRAP, program support and administration, as well as the effectiveness of WRAP.

GLWA has engaged Plante Moran to help streamline specific WRAP processes that may create a burden at the member partner level.

The Affordability & Assistance Team, alongside Public Sector Consultants will be updating the format and performance metrics of the WRAP Quarterly Report in FY 2023. This change will create key performance indicators to better measure success of the program throughout the year.