



**FY 2025**

**Water Residential Assistance Program (WRAP)**

**Funding Report**

**Issued August 23, 2024**

## Background

The Water Residential Assistance Program, or WRAP, provides assistance to eligible, low-income households who receive water and/or sewer service from Great Lakes Water Authority (GLWA) member partner communities. Households can receive help paying down past due balances and water and sewer bill payment assistance for up to two years. Eligible seniors and permanently disabled persons can obtain bill credit assistance without an expiration date. Participants may also receive conservation assistance and minor plumbing repairs. WRAP, a first-of-its-kind program in Michigan, was created by representatives from throughout the region. GLWA partners with agencies like Macomb Community Action (MCA), United Way for Southeastern Michigan (United Way), and Wayne Metropolitan Community Action Agency (Wayne Metro) to be service delivery partners that deliver WRAP services to residents.

The annual WRAP budget is calculated at one-half of one percent (0.5%) of the regional system operating revenue as authorized in GLWA's founding documents. In addition, the City of Detroit is authorized to include an additional 1% in the local Detroit Water & Sewerage Department (DWSD) budget based on its operating revenue budget. This amount is included in the rates for the local DWSD system only. In addition, DWSD contracts directly with Wayne Metro for the DWSD local system-generated funding.

The WRAP program funding is allocated among three uses for areas outside the City of Detroit: income-based plan (IBP) payment assistance (including arrearages), conservation (including healthy home initiatives and home repairs), and program administration. The percentage of funds allocated to program administration by the service delivery partners is based on contractual agreements and can vary from 15% - 18%. After the administration costs are deducted from the budget, the remaining funds are allocated at 80% to IBP assistance and 20% to conservation. Within the City of Detroit, the allocated WRAP funding supports DWSD's Lifeline program.

The Great Lakes Water Authority WRAP Policy and more information about the program can be found at the following links:

[Water Residential Assistance Program Policy - GLWA \(glwater.org\)](https://www.glwater.org/wrap-policy)

[Assistance - GLWA \(glwater.org\)](https://www.glwater.org/wrap-assistance)

## Purpose of this Report

The purpose of this report is to present the upcoming FY2025 WRAP budget for internal and external stakeholders as well as to confirm the funding by service area for each service delivery partner.

- ✓ **Wayne Metro** provides services for Area 1 – City of Detroit, Area 2 – City of Flint, and Area 3 – Wayne (Not Including Detroit), Washtenaw, and Monroe Counties.
- ✓ **United Way** provides services for Area 4 – Oakland County.
- ✓ **MCA** provides services for Area 5 – Macomb, St. Clair, and Lapeer Counties.

The tables on the subsequent pages are provided for reference and to document the calculations that support the WRAP budget.

## Questions?

Please contact us at [wrap@glwater.org](mailto:wrap@glwater.org)

**Table 1 - FY 2025 Water Residential Assistance Program Regional Funding by Service Area and Use**

| Service Area  | Direct Assistance   | Conservation      | Administration    | Lifeline            | Total WRAP Allocation |
|---|---------------------|-------------------|-------------------|---------------------|-----------------------|
| <b>Area 1 - City of Detroit</b>   | \$ -                | \$ -              | \$ -              | \$ 1,323,900        | \$ 1,323,900          |
| Detroit   | -                   | -                 | -                 | 1,323,900           | 1,323,900             |
| <b>Area 2 - City of Flint</b>   | <b>37,264</b>       | <b>9,316</b>      | <b>8,220</b>      |                     | <b>54,800</b>         |
| Genesee   | 37,264              | 9,316             | 8,220             |                     | 54,800                |
| <b>Area 3 - Wayne (Not Including Detroit), Washtenaw, Monroe Counties</b> | <b>827,016</b>      | <b>206,754</b>    | <b>182,430</b>    |                     | <b>1,216,200</b>      |
| Monroe  | 92,208              | 23,052            | 20,340            |                     | 135,600               |
| Washtenaw   | 38,148              | 9,537             | 8,415             |                     | 56,100                |
| Wayne   | 696,660             | 174,165           | 153,675           |                     | 1,024,500             |
| <b>Area 4 - Oakland County</b>  | <b>684,148</b>      | <b>171,037</b>    | <b>150,915</b>    |                     | <b>1,006,100</b>      |
| Oakland   | 684,148             | 171,037           | 150,915           |                     | 1,006,100             |
| <b>Area 5 - Macomb, St. Clair, Lapeer Counties</b>                        | <b>539,220</b>      | <b>130,720</b>    | <b>147,060</b>    |                     | <b>817,000</b>        |
| Lapeer  | 20,130              | 4,880             | 5,490             |                     | 30,500                |
| Macomb  | 510,312             | 123,712           | 139,176           |                     | 773,200               |
| St. Clair   | 8,778               | 2,128             | 2,394             |                     | 13,300                |
| <b>Grand Total</b>  | <b>\$ 2,087,648</b> | <b>\$ 517,827</b> | <b>\$ 488,625</b> | <b>\$ 1,323,900</b> | <b>\$ 4,418,000</b>   |

**Table 2 - FY 2025 Water Residential Assistance Program Funding - Regional & Local Funding**

| Service Area  | Direct Assistance   | Conservation      | Administration    | Lifeline            | Total WRAP Allocation |
|---|---------------------|-------------------|-------------------|---------------------|-----------------------|
| <b>Area 1 - City of Detroit</b>   | \$ -                | \$ -              | \$ -              | \$ 3,573,400        | \$ 3,573,400          |
| Local   | -                   | -                 | -                 | 2,249,500           | 2,249,500             |
| Regional  | -                   | -                 | -                 | 1,323,900           | 1,323,900             |
| <b>Area 2 - City of Flint</b>   | <b>37,264</b>       | <b>9,316</b>      | <b>8,220</b>      |                     | <b>54,800</b>         |
| Regional  | 37,264              | 9,316             | 8,220             |                     | 54,800                |
| <b>Area 3 - Wayne (Not Including Detroit), Washtenaw, Monroe Counties</b> | <b>827,016</b>      | <b>206,754</b>    | <b>182,430</b>    |                     | <b>1,216,200</b>      |
| Regional  | 827,016             | 206,754           | 182,430           |                     | 1,216,200             |
| <b>Area 4 - Oakland County</b>  | <b>684,148</b>      | <b>171,037</b>    | <b>150,915</b>    |                     | <b>1,006,100</b>      |
| Regional  | 684,148             | 171,037           | 150,915           |                     | 1,006,100             |
| <b>Area 5 - Macomb, St. Clair, Lapeer Counties</b>                        | <b>539,220</b>      | <b>130,720</b>    | <b>147,060</b>    |                     | <b>817,000</b>        |
| Regional  | 539,220             | 130,720           | 147,060           |                     | 817,000               |
| <b>Grand Total</b>  | <b>\$ 2,087,648</b> | <b>\$ 517,827</b> | <b>\$ 488,625</b> | <b>\$ 3,573,400</b> | <b>\$ 6,667,500</b>   |

Related to Table 3, the GLWA Board of Directors approved the budget on February 28, 2024. The WRAP calculation was an estimate at the time. An FY 2025 first-quarter budget amendment will be proposed to align the WRAP budget with the above calculation.

| Revenue Budget Approved                                  | Water                 | Sewer                 | Total                 |
|--|-----------------------|-----------------------|-----------------------|
| Charges Revenue (All Sources)                            | \$ 374,852,800        | \$ 507,596,100        | \$ 882,448,900        |
| Other  | 400,000               | 700,000               | 1,100,000             |
| <b>Total Regional Operating Revenue</b>                  | <b>\$ 375,252,800</b> | <b>\$ 508,296,100</b> | <b>\$ 883,548,900</b> |
| <b>Regional WRAP Contribution at 0.5%</b>                | <b>\$ 1,876,500</b>   | <b>\$ 2,541,500</b>   | <b>\$ 4,418,000</b>   |
| <b>Note: Budget Calculation Recap vs Approved Budget</b> |                       |                       |                       |
| Per Approved Budget Document                             | 1,947,800             | 2,651,700             | 4,599,500             |
| FY 2025 Quarter 1 Budget Amendment                       | \$ (71,300)           | \$ (110,200)          | \$ (181,500)          |

Related to Table 4, the “Revenue Requirement” is the estimated annual charge to each Member Partner community. The relative weight of the pro-rata water and sewer charges form the basis for the allocation of WRAP funding among the service delivery areas.

| Service Area  | Water Revenue Requirement | Sewer Revenue Requirement | Water System WRAP   | Sewer System WRAP   | Total Regional WRAP | Total Regional WRAP Percentage Allocation |
|---|---------------------------|---------------------------|---------------------|---------------------|---------------------|---|
| <b>Area 1 - City of Detroit</b>   | <b>\$ 46,937,100</b>      | <b>\$ 211,440,200</b>     | <b>\$ 234,900</b>   | <b>\$ 1,089,000</b> | <b>\$ 1,323,900</b> | <b>30.0%</b>                              |
| Detroit   | 46,937,100                | 211,440,200               | 234,900             | 1,089,000           | 1,323,900           | 30.0%                                     |
| <b>Area 2 - City of Flint</b>   | <b>10,954,400</b>         |                           | <b>54,800</b>       | <b>-</b>            | <b>54,800</b>       | <b>1.2%</b>                               |
| Genesee   | 10,954,400                |                           | 54,800              | -                   | 54,800              | 1.2%                                      |
| <b>Area 3 - Wayne (Not Including Detroit),<br/>Washtenaw, Monroe Counties</b> | <b>144,080,800</b>        | <b>96,042,900</b>         | <b>721,300</b>      | <b>494,900</b>      | <b>1,216,200</b>    | <b>27.5%</b>                              |
| Monroe  | 27,094,700                |                           | 135,600             | -                   | 135,600             | 3.1%                                      |
| Washtenaw   | 11,214,900                |                           | 56,100              | -                   | 56,100              | 1.3%                                      |
| Wayne   | 105,771,200               | 96,042,900                | 529,600             | 494,900             | 1,024,500           | 23.2%                                     |
| <b>Area 4 - Oakland County</b>  | <b>82,464,600</b>         | <b>115,185,720</b>        | <b>412,900</b>      | <b>593,200</b>      | <b>1,006,100</b>    | <b>22.8%</b>                              |
| Oakland   | 82,464,600                | 115,185,720               | 412,900             | 593,200             | 1,006,100           | 22.8%                                     |
| <b>Area 5 - Macomb, St. Clair, Lapeer<br/>Counties</b>                        | <b>90,413,400</b>         | <b>70,773,080</b>         | <b>452,600</b>      | <b>364,400</b>      | <b>817,000</b>      | <b>18.5%</b>                              |
| Lapeer  | 6,077,300                 |                           | 30,500              | -                   | 30,500              | 0.7%                                      |
| Macomb  | 81,689,100                | 70,773,080                | 408,800             | 364,400             | 773,200             | 17.5%                                     |
| St. Clair   | 2,647,000                 |                           | 13,300              | -                   | 13,300              | 0.3%                                      |
| <b>Grand Total</b>  | <b>\$ 374,850,300</b>     | <b>\$ 493,441,900</b>     | <b>\$ 1,876,500</b> | <b>\$ 2,541,500</b> | <b>\$ 4,418,000</b> | <b>100.0%</b>                             |