



Financial Services Audit Committee Communication

Date: March 24, 2023

To: Great Lakes Water Authority Audit Committee

From: Madison Merzlyakov, Affordability & Assistance Manager

Re: Affordability & Assistance Update

Background: In 2021, an Affordability & Assistance Team was created within GLWA's Financial Services Area. The team serves as the internal and external resource for strategic policies and programs related to water affordability and assistance.

Analysis: This month we present an update on the initiatives the Affordability & Assistance Team have been focused on, including WRAP outreach, Member Partner engagement and, efforts related to sustainable water assistance funding.

Recap of Recent WRAP Improvements

In October 2022, the WRAP improvements approved by the GLWA Board of Directors in June 2022 took effect. These improvements included the following.

- Providing WRAP as a core service, thereby removing the need for communities to opt-in or out
- Determining bill credits that are based on household income and amount of the water and sewer bill, referred to as the WRAP Income Based Plan (IBP)
- Emphasizing case management and direct client assistance

WRAP Outreach

Earlier this month, GLWA hosted a press conference and shared a subsequent press release formally announcing WRAP improvements that launched last year. GLWA Chief Financial Officer and Treasurer Nicolette Bateson provided a history of WRAP and discussed the impetus for the WRAP Income Based Plan. Affordability & Assistance Manager Madison Merzlyakov described WRAP as it stands today, walking the audience through the bill credits, arrearage payments, and conservation measures households may be eligible for. Jeff Miles, United Way's Interim Vice President of Community Impact, rounded out the press conference by sharing United Way's pleasure joining GLWA's team of WRAP Service Delivery Partners. The event was well attended by the media. Representatives from Macomb Community Action and Wayne Metropolitan Community Action Agency were also in

attendance. Since the press conference, multiple news outlets have reported on the WRAP Income Based Plan. Feedback from the service delivery partners indicates that the press event three weeks ago has resulted in a noticeable increase in activity. Future monthly reports will quantify that impact.

Member Partner Engagement

The Affordability & Assistance team, alongside WRAP Service Delivery Partners, continue to work with Member Partners to notify them of improvements, walk through the details of the program, and discuss ways to best engage their residents to expand outreach. Below is a snapshot of the most recent discussions with Member Partners regarding WRAP.

- Grosse Pointe Park (March 8)
- Troy (March 10)

On February 28, 2023, GLWA participated in a virtual Townhall event hosted by United Way for Southeastern Michigan for municipality leaders in Oakland County. The event was attended by over 40 participants. Topics discussed included recent program improvements to the Water Residential Assistance Program (WRAP), the change to United Way as the new WRAP Service Delivery Partner for Oakland County communities, and details on how to best engage with United Way and WRAP. United Way also highlighted other assistance and programming services they offer.

GLWA held a Member Partner WRAP Advisory Panel on March 6, 2023, via Zoom facilitated by Bridgeport Consulting. GLWA Chief Financial Officer and Treasurer Nicolette Bateson kicked off the meeting by connecting the role the WRAP Income Based Plan could serve as part of a statewide affordability plan. Affordability & Assistance Manager Madison Merzlyakov provided a recap of the program improvements and recent program materials created. After a brief Q&A session, the group was broken out by Service Delivery Partner (Macomb Community Action, United Way for Southeastern Michigan & Wayne Metropolitan Community Action Agency) to give Member Partners a chance to discuss specific items unique to their service area.

Sustainable Water Assistance Funding

GLWA continues to engage with its legal partner, Dykema, and their consulting expert, Public Sector Consultants, to facilitate and support efforts to secure sustainable funding for water assistance at the state and federal levels. GLWA has participated in various stakeholder meetings across the state, including a meeting on March 3, 2023, hosted by Senator Chang. The Affordability & Assistance team will update the Audit Committee as this important work progresses.

WRAP Quarterly Report

The FY 2023 Q2 report is attached. This report captures the impact the rollout of the WRAP Income Based Plan had. Highlights include:

- The second quarter of FY 2023 saw the launch of the WRAP Income Based Plan, resulting in a 72 percent increase in funds spent, as well as an uptick in overall Direct Assistance enrollments (206 in Q1 to 242 in Q2).
- Out-Wayne and Macomb County are on track to fully utilize their allocated funding for FY 2023.
- While all of the funding may not be utilized within Oakland County and City of Flint by the end of FY 2023, there is a significant increase in program activity.
- Note: data for Detroit is not included this quarterly report analysis because the Detroit Water and Sewerage Department (DWSD) water affordability program for Detroit households, known as the Lifeline Plan, is reported on separately by DWSD.

Proposed Action: Receive and file this report.