

Legislation Text

File #: 2017-380, **Version:** 1

Water Residential Assistance Program - FY 2017 Update

Agenda of: September 13, 2017

Item No.: **2017-380**

Amount: N/A

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Sue F. McCormick
Chief Executive Officer
Great Lakes Water Authority

DATE: September 8, 2017

RE: **Water Residential Assistance Program - FY 2017 Update**

MOTION

Upon recommendation of Sue F. McCormick, Chief Executive Officer, The Board of Directors (Board) of the Great Lakes Water Authority (GLWA), **receives and files the Water Residential Assistance Program - FY 2017 Update;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

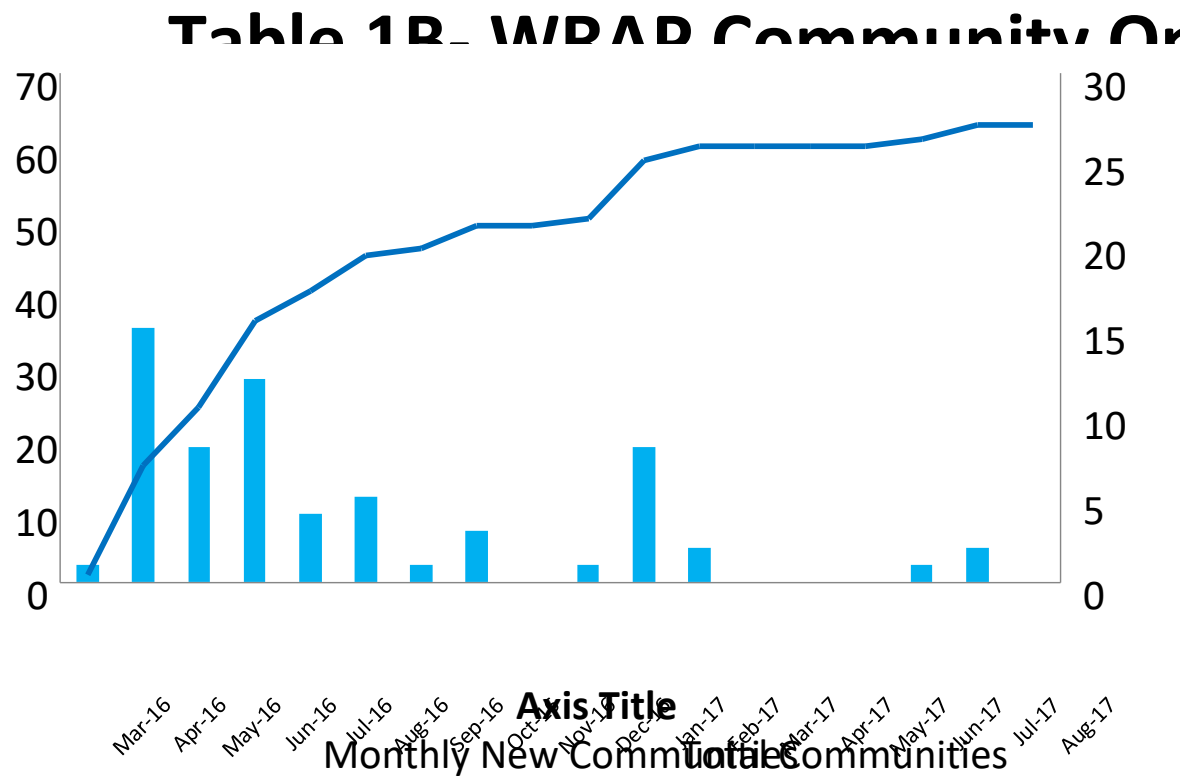
The Water Residential Assistance Program ("WRAP") provides sustainable funding for qualifying low-income residents served by the Great Lakes Water Authority's ("GLWA") customers. The program is funded by GLWA at an amount equal to 0.5 percent of budgeted revenues with the initial FY 2016 funding level of \$4.5 million combined for water and sewer services. Funding for FY 2017 was \$4.7 million

The scope of funding uses includes a) payment assistance and b) water audit and water conservation measures. Eligible residential customers with a past due bill and/or who are in active shut off can receive assistance with paying down arrears and receive \$25 toward monthly bill payment assistance annually up to \$1,000. High volume water users can receive a one-time home audit and home water conservation services up to \$1,000. Maximum annual assistance per household is \$2,000. To participate in WRAP, an applicant must have household gross incomes at or below 150% of the federal poverty income thresholds. Customers with water usage at or above 120% of the average residential usage are eligible to participate in a water audit and install water conservation measures. 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 by Wayne Metro Community Action Agency (Wayne Metro), a nonprofit agency.

The WRAP began providing assistance to customers of GLWA on March 1, 2016 and has the potential to serve over 120 communities within the GLWA service area. In order to assist qualified households each community must opt into the program and sign a Memorandum of Agreement (MOA) with Wayne Metro. To date, 62 communities have opted into WRAP. A list of participating communities is presented in **Table 1A**. **Table 1B** shows the monthly progress on customer communities opting in WRAP since March 1, 2016.

Table 1A- WRAP Participating Communities

Wayne County	Oakland County	Macomb County
Allen Park	Beverly Hills	Centerline
Brownstown Township	Bingham Farms	Chesterfield To
Canton Township	Birmingham	Clinton Townsh
Dearborn	Clawson	Eastpointe
Dearborn Heights	Commerce Township	Fraser
Detroit	Farmington	Macomb Towns
Ecorse	Farmington Hills	New Haven
Flat Rock	Ferndale	Shelby Townshi
Garden City	Hazel Park	St. Clair Shores
Gibraltar	Huntington Woods	Sterling Heights
Grosse Pointe Shores	Keego Harbor	Utica
Harper Woods	Lathrup Village	Warren
Inkster	Madison Heights	Washington To
Livonia	Orchard Lake	
Melvindale	Orion Township	Lapeer County
Northville	Oxford	Almont
Plymouth	Pontiac	Lapeer
Redford Township	Royal Oak	
River Rouge	Royal Oak Township	Washtenaw Cou
Romulus	Southfield	Pittsfield Towns
Southgate		Ypsilanti
Taylor	Monroe County	
Wayne	Ash Township	
Westland		



FY 2016 Activity: The launch of the WRAP did not begin until March 1, 2016 and initially only the City of Detroit opted into the program. Other communities slowly began opting into WRAP after several customer outreach events. Due to the lag in suburban customer communities opting into WRAP, a majority of the FY 2016 allocated funds to each of the participating counties had remained uncommitted. Attached is **Table 2**, which shows the committed dollars for each of the participating counties as of June 30, 2016. Excluding the funds uncommitted to Detroit, the suburban customers had uncommitted assistance and conservation/repair funds of over \$2.2 million through June 30, 2016.

Table 2

WRAP Fund Sources and Uses

(Unaudited)

Activity March 1, 2016 to June 30, 2016

Row		Out- Col	Oal Col	Ma Col	Wa Col	St. Col	Lap Col	Mo Col	Ge Col	Total
Sources (Net Revenues)										
FY 2016 Assistance Budget Allocation										
1	Bill and Arrearage	\$2,237,485	\$5,329,379	\$35,735	\$43,905	\$10,080	\$0	\$3,812		
2	Home Audit and Repairs	\$288,007	\$4,074,066	\$88,308	\$235,092	\$344,184	\$506,000			
3	Total FY 2016 Assistance Budget Allocation	\$2,525,492	\$9,403,445	\$124,043	\$178,999	\$104,162	\$506,000	\$3,812		
Uses Through 6/30/2016										
5	Investment Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Home Repairs	45,007	1,660,335	-	-	-	-	-	-	48
7	Home Audits	85,025	4,273,325	-	-	-	-	-	-	93
8	Bill Assistance	12,400	753,475	1,075	-	-	-	-	-	17
9	Arrearage Assistance	-	-	-	-	-	-	-	-	-
10	Total Uses Through 6/30/2016	\$142,432	\$5,933,135	\$1,075	\$ -	\$ -	\$ -	\$ -	\$ -	\$150,404
11	Net Revenues	\$2,383,060	\$3,470,310	\$122,968	\$178,999	\$104,162	\$506,000	\$3,812		
Less: Committed Funds										
13	Bill Assistance	\$723,213	\$23,025	\$25	\$ -	\$ -	\$ -	\$ -	\$80,000	
14	Arrearage Assistance	\$691,895	\$1,826,495	\$148	-	-	-	-	\$81,000	
15	Breakage	(32,835)	(50)	-	-	-	-	-	-	(32,885)
16	Total Committed Funds	\$1,382,273	\$4,851,560	\$173	\$ -	\$ -	\$ -	\$ -	\$161,000	\$1,544,056
17	Total Expenses	\$1,382,273	\$4,851,560	\$173	\$ -	\$ -	\$ -	\$ -	\$161,000	\$1,544,056
18	Uncommitted Funds	\$891,947	\$4,238,955	\$956	\$178,999	\$104,162	\$506,000	\$3,812		
* Breakdown of Uncommitted FY 2016 Funds										
20	Bill and Arrearage	\$718,558	\$3,353,356	\$390	\$10,080	\$3,812				
21	Home Audit and Repairs	\$173,389	\$636,400	\$235,092	\$344,184	\$506,000				

22Total Uncommitted \$820,937,328,956,347\$02,452,978,242:

Table 3

WRAP Fund Sources and Uses (Unaudited)

TOTAL Activity March 1, 2016 INCLUDES FY 2016 AND 2017 INCLUDES REALLOCATION OF FY

Row		Out	Oa	Ma	Wa	St.	La	Mc	Ger	
		Detroit	Co.	Co.	Co.	Co.	Co.	Co.	Co.	City of
Sources (Net Revenues)										
FY 2016 Assistance Budget Allocation										
1	Bill and Arrearage	\$1,237,486	\$1,029,375	\$754,190	\$510,980	\$963,842	\$3,221			
2	Home Audit and Rep.	\$28,072	\$1,065,886	\$302,350	\$92,344	\$1,184,500	74			
3	Total FY 2016 Assistance	\$1,265,558	\$2,095,261	\$1,056,340	\$603,324	\$2,148,342	\$3,295			
Re-Allocation of Uncommitted Funds from FY 2016 (1)										
5	Bill and Arrearage	\$64,783	\$35,915	\$346	\$0	\$0	\$0	\$0	\$0	\$0
6	Bill and Arrearage Assistance Reallocation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	Total Re-Allocation	\$64,783	\$35,915	\$346	\$0	\$0	\$0	\$0	\$0	\$0
FY 2017 Assistance Budget Allocation										
9	Bill and Arrearage	\$1,258,063	\$824,805	\$874,924	\$310,595	\$61	\$	\$	\$	\$
10	Home Audit and Rep.	\$27,188	\$129,934	\$106,855	\$782,344	\$296				
11	Total FY 2017 Assistance	\$1,285,251	\$954,739	\$981,779	\$1,082,939	\$296	\$	\$	\$	\$
12	NET FY 2016 and FY 2017 Assistance	\$2,550,809	\$3,050,000	\$2,038,119	\$1,686,273	\$591	\$	\$	\$	\$
Uses 3/01/2016 to 6/30/2017										
14	Investment Income	\$	\$	\$	\$	\$	\$	\$	\$	\$
15	Home Repairs	274,961	107,449	982						35
16	Home Audits	345,075	137,728	007						44
17	Bill Assistance	126,228	629,713	832						17
18	Arrearage Assistance	199,751	888,496	834						58
19	Total Uses 3/01/2016 to 6/30/2017	\$925,055	\$1,133,675	\$1,823	\$	\$	\$	\$	\$	\$
20	Net Funds Available	\$1,625,754	\$1,916,325	\$215,296	\$603,273	\$296	\$	\$	\$	\$
Less: Committed Funds 3/01/2016 to 6/30/2017										
22	Bill Assistance	\$704,210	\$224,031	\$46,825	\$	\$	\$	\$	\$	\$
23	Arrearage Assistance	\$51,093	\$74,347	\$38,970	\$	\$	\$	\$	\$	\$
24	Breakage	(209,186)	(9,077)	\$	\$	\$	\$	\$	\$	\$
25	Total Committed	\$246,117	\$198,361	\$85,795	\$	\$	\$	\$	\$	\$
26	Total Expenditures	\$678,938	\$1,332,036	\$271,580	\$	\$	\$	\$	\$	\$

budgeted allocation is based on the proportionality of the revenues derived from each county and the City of Detroit, based on the approved FY 2018 water and sewer service charges. **Table 4** shows the allocation of the FY 2018 budgeted WRAP funds, which is reflective of the approved FY 2018 Budget of \$4.9 million.

Table 4
BUDGETED WRAP REVENUE ALLOCATION
WHOLESALE AND CITY OF DETROIT
FY 2018

Community	Budgeted Direct Assistance	Budgeted Conservation Assistance	Budgeted Administrative Costs	Total Budgeted Revenue	Allocation
WAYNE COUNTY					
CITY OF DETROIT	\$1,303,229	\$303,712	\$227,787	\$1,834,728	37.2
SUBURBAN	848,677	197,780	148,337	1,194,794	24.2
TOTAL WAYNE COUNTY	2,151,906	501,492	376,124	3,029,522	61.4
OAKLAND COUNTY	827,662	192,883	144,664	1,165,210	23.6
MACOMB COUNTY	429,388	100,067	75,051	604,506	12.2
GENESEE COUNTY	28,679	6,684	5,013	40,375	0.8
WASHTENAW COUNTY	961	9,546	7,159	57,667	1.1
Lapeer County	9,970	2,323	1,743	14,036	0.2
MONROE COUNTY	5,908	1,377	1,033	8,318	0.1
ST. CLAIR COUNTY	2,604	607	455	3,666	0.0
TOTAL	\$3,497,078	\$814,979	\$611,243	\$4,923,300	100.0

(1) Based on allocation of assistance funds of 81.1% Direct E
(2) Based on FY 2018 Budgeted WRAP Revenue of \$4.9 million.

BUDGET IMPACT

None

COMMITTEE REVIEW

This matter was reviewed by the Audit Committee at its meeting on September 1, 2017. The Audit Committee unanimously received and filed as presented.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.