

Item Title: Accept and Appropriate \$151,018 of Federal funds from the North Carolina Department of Health and Human Services for the Low-Income Household Water Assistance Program

Specific Action Requested:

That the Board of Commissioners accepts and appropriates an additional \$151,018 of Federal LIHWAP funds from the North Carolina Department of Health and Human Services (NC DHHS) in revenues and expenditures into the Grants and Donations Fund to help eligible households pay their water bills.

Item Summary:

Purpose: In accordance with the North Carolina Local Government Budget and Fiscal Control Act, the Board of Commissioners must approve all amendments that increase the budget for a fund.

Background: The Low-Income Household Water Assistance Program (LIHWAP) is a Federally funded program that provides emergency assistance to low-income households to prevent disconnection or aid with reconnection of drinking and wastewater services. The temporary program started December 1, 2021, and will run until September 30, 2023, or until funds are exhausted, whichever comes first. Households that meet specified criteria are eligible to participate.

NCDHHS allocated \$2.6 million to Wake County through three prior distributions in January 2022, June 2022, and August 2022 for water assistance services. This is the fourth allocation, and the funding will be used to offset the county personnel costs to administer LIHWAP.

Board Goal: The action supports Community Health and Vitality Goal 3: Support a higher quality of life for vulnerable residents and communities.

Fiscal Impact: This agreement provides an additional \$151,018 in revenues and expenditures in the Grants and Donations Fund - Health and Human Services Department. There is no matching funds requirement.

Additional Information:

Households that meet the following criteria may be eligible for LIHWAP payments:

- Have at least one U.S. citizen or qualified non-citizen
- Have income below 150% of the Federal Poverty Level (FPL)
- Be responsible for its water/wastewater/sewer costs
- Reside in the County where the application is submitted
- Categorically eligible residents:
 - Active recipient of Food & Nutrition Services or Work First or
 - Received Low Income Energy Assistance Plan funds last fiscal year

- Disconnected or in danger of disconnection/past-due

Funding Priorities: Until December 2021 LIHWAP assistance was made available to households based on a priority group system. To lessen the hardship on those households that already lost water services or were in jeopardy of losing water services, groups 1 and 2 were served first. If funds were available, group 3 was served after groups 1 and 2 are completed. The classification of groups are as follows:

- Group 1 consists of households that have had water services disconnected.
- Group 2 consists of households that are in jeopardy of water services being disconnected, unless action is taken to prevent the disconnect.
- Group 3 consists of households that have current water services bills and need assistance to maintain service

NCDHHS changed the funding priorities for the LIHWAP program starting in January 2022. Funds are now available on a first come first served basis. If water is disconnected funds will pay the entire amount to reconnect service. If the water bill is past due funds will pay to get the bill current. If funds are not past due, up to \$600 may be applied to pay the water bill.

Funding Allocation: This is the fourth funding allocation for this program and is limited for the application period December 1, 2021, to September 30, 2023, or until funds are exhausted, whichever is earlier. Additional allocations are anticipated.

The state received the Federal funding and allocated to the 100 Counties based on a set formula. HHS intends to expend the additional allocation as illustrated below:

Budget Category	Base Budget	Adjustments	Revised Budget
Utility Assistance	\$2,436,151		\$2,436,151
Administrative - Personnel	\$184,997	\$151,018	\$336,015
Total	\$2,621,148	\$151,018	\$2,772,166

LIHWAP Applications (12/1/21 – 9/19/22)

Applications Processed	Applications Approved	Applications Denied	Applications Withdrawn	Funds Disbursed	Funds Remaining
5880	3681	1876	323	1,849,143	587,008

Attachments:

1. Funding Allocation
2. Budget Memo – FY 2023 Grants and Donations Fund