



12/10/2020

To: Watershed Center Board of Directors

From: Jessie Olson, Watershed Center Executive Director

RE: 2021 Budget

The purpose of this memo is to provide a brief narrative on the proposed 2021 budget for Left Hand Watershed Center (Watershed Center).

2021 Budget

The rolled up summary page of the budget, attached, summarizes expected carryover, revenue and expenses per funding source. Draft versions of this budget were reviewed by the Watershed Center finance committee and the Watershed Center bookkeeper. Revenue is broken up by (1) unrestricted revenue (2) project (restricted) revenue. Expenses are broken up by (1) personnel (broken up by fundraising, program, and project expenses) (2) operations (broken up by fundraising and other) (3) project expenses that are non-personnel. At the December Board meeting, the board would vote to adopt the first page of the approved budget. The expected revenues and expenses are summarized by category below:

- **Carryover from Prior Year** includes the net difference between revenue and expenses from the previous year.
- **Revenue sources** are broken up by unrestricted revenue (including unrestricted board partner contributions, other donations, and in-kind office space, indirect project/program revenue), and project specific restricted revenue (which includes project specific donations and grants). Donations could be from corporations, businesses, individuals, foundations, or board partner contributions and are generally noted in the notes section of the budget.
- **Personnel service costs** include staff salaries, taxes, unemployment insurance, and benefits. Benefits for full-time staff include an IRA, which is matched by 3% from the Watershed Center and health insurance. Personnel service costs are primarily funded by project/program specific revenue including grants and restricted donations, and about \$18,000 in unrestricted revenue. Total expected revenue available for personnel is approximately 4.0 FTE, but may be more or less depending on project needs and additional grants/funding received.
- **Operations/Program costs** include expenses and contract services related to organizational function. These are funded by the Watershed Center unrestricted revenue and/or the indirect income from grant revenue. Rent was assumed to continue as an in-kind contribution from Left

Hand Water District, at a value of \$32,108 annually based on review of comparable rent and utility costs.

- **Project Revenue & Expenses** utilize project-specific grants or project-specific donations. Costs include any necessary materials, supplies, permit fees, hiring of contractors, consultants and others. Project costs are broken up between staff (personnel) costs related to project delivery and project expenses such as permit fees, hiring of consultants or contractors, and project materials and supplies. Active projects in 2021 include:

5. CWCB Adaptive Management (\$54,092)

This is an awarded CWCB grant for stewardship, monitoring, and adaptive management at our EWP and DOLA Legacy project sites. The total grant is for \$176,000 and expires in January 2022. We expect to spend \$54,092 in 2021 on personnel, consultants, weed contractors, and plant materials.

6. LWOG Adaptive Management (\$0)

This is the Watershed Center generated revenue from our “stewardship/M&M fund campaign” and match for our CWCB adaptive management grant. Over \$58,000 has already been raised to date (and is shown in board reserve funds). We expect to first spend down the CWCB adaptive management grant and then spend this down last. In 2021, we expect to continue to use this funding to pay for items that are ineligible for funding at via CWCB such as food for volunteer stewardship events or irrigation supplies and maintenance.

7. CWCB Community Science (\$10,061)

This is an awarded CWCB Water Plan grant to develop the Watershed Center’s community science strategic plan, and implement the plan. The plan was completed in 2020 and now we are implementing our Community Science Program via Catch the Hatch, Watershed Days, work with CU Boulder students, and community monitoring events. The grant expires in 2021 and is \$35,000 total. We expect to spend \$10,055 in 2021 and close out the grant. This is also match for Gates Family Foundation & CDBG-DR Planning grant.

8. Community Science Program (\$25,000)

Gates Family Foundation provided \$42,500 for this program in 2018 and we’ve spent down all of this funding in 2020. In 2021 we expect to raise \$25,000 from grants, partners and/or community members.

10. LHWD Fee for Service (N/A)

On an as-needed basis, LHWD contracts with the Watershed Center to collect water quality samples in the watershed.

11. CWCB WSRF Fish Passage (\$30,337)

This is an awarded CWCB grant for our fish passage feasibility assessment and education initiative. The funds will be used for Watershed Center staff and contracting team to complete the assessment. The grant is for \$50,000 total and expires in 2023. We expect to use \$30,337 in 2021. Match funding comes from “LWOG fish passage donations” below as well as \$14,000 from CDBG-DR Legacy project which expired in 2020.

12. LWOG Fish Passage Donations (\$0)

This is Watershed Center generated revenue, raised from individual donors and the SVLHWCD for the fish passage assessment and education initiative. We raised \$10,079 in 2019, which we expect to spend in 2021.

14. DRMS Water Quality Monitoring (\$4,999)

DRMS anticipates paying under \$5,000 for Watershed Center staff to complete water quality monitoring in Left Hand Creek. Purchase order is anticipated in spring 2021.

15A. CWCB ARUS (\$33,561)

This is an awarded CWCB grant that allows us to continue our adaptive restoration experiments in the canyon, and forest health projects in the St. Vrain Basin. The total grant amount is \$146,934 total and expires in May of 2024.

15B. CWCB WPM (\$14,570)

This is an awarded CWCB grant that will be used to start a pilot stewardship project with Boulder County. The grant also includes funding for project oversight, strategic planning, and fundraising. The total grant amount is for \$69,478 total and expires in May of 2024.

16. SVCC Fee for Service (\$5,000)

This is a fee for service project with the St. Vrain Creek Coalition to complete project oversight of warranty work and monitoring at EWP project sites. Currently our contract is for \$12,346 total and expires in 2021. We expect to spend this on direct project expenses related to stewardship activities, and staff time related to assisting with board meetings.

18A. Watershed Days Sponsorship (\$8,000)

This is Watershed Center generated revenue, raised from corporate and municipal sponsors of the Watershed Days event. In 2019, we raised \$8,000 in sponsorships for our Watershed Days event; in 2020 we raised \$3000. We anticipate raising \$8,000 in 2021.

18B. CWCB Watershed Days (\$21,609)

This is an awarded CWCB Water Plan grant for \$42,500 to host the Watershed Days event. We anticipate spending \$21,609 in 2021, assuming we are able to host a larger in-person event.

20A. CWCB St. Vrain Science, Stewardship, and Education (\$122,453)

This is an awarded CWCB grant for science, stewardship and education in St. Vrain Creek watershed. Includes \$125,000 for a design-build structure repair project in Apple Valley North. Total grant amount is \$377,241 for work through 2023.

20B. Partner Contributions- St. Vrain Science, Stewardship, and Education (\$10,000)

These are pending landowner donations, which will be used as match for the CWCB application for science, stewardship and education in St. Vrain Creek watershed. We also anticipate that this will be an on-going annual program and funding campaign. We've already raised \$15,000 in 2020 via a donation from CEMEX.

21A. CWCB Adaptive Management at Scale (\$115,985)

This is an awarded CWCB grant to develop a regional tool to collaborate on adaptive management in the St. Vrain Creek basin. Total includes consultant fees and Watershed Center staff time. Total grant amount is \$382,320 for work through 2023.

21B. Partner Contributions- Adaptive Management at Scale (\$55,000)

This is Watershed Center generated revenue, raised from partner contributions, which would be used as match for the CWCB application for adaptive management at scale. Annual partner contributions are expected from Boulder County (20K), Mile High Flood Control District (20K), City of Boulder (10K), Keep it Clean Partnership (5K), St. Vrain Left Hand Water Conservancy District (5K). Currently this project is set for the next three years, but we anticipate that this will be an on-going annual program and funding campaign.

21C. USBOR Adaptive Management at Scale (\$46,330)

This is an awarded USBOR grant to develop a regional tool (Watershed Restoration Plan) to collaborate on adaptive management in the St. Vrain Creek basin. Includes consultant fees and Watershed Center staff time. Total grant request amount is \$100,000 and expires in 2022.

22. CPRW Fireshed (\$22,128)

This is a contract that we received as a pass through from the USFS to complete forest health planning and outreach in the St. Vrain Basin.

23. EPA TAG Grant (\$24,546)

This is an awarded grant that we received from the EPA to hire technical experts to help us understand remediation efforts at the Captain Jack Mine, and recommended next steps. The grant total is \$50,000 and expires in 2022.

24A. WC-SV Forest Health Partnership (\$80,000)

These are pending partner contributions to the St. Vrain Forest Health Partnership, which would be used to implement the partnership plan (develop desired future conditions statements, prioritize and plan projects, plan and implement community outreach in preparation for implementation of pre-wildfire mitigation projects). This funding would be used as match for a CWCB application that was submitted in 2020 (24B below).

24B. CWCB-SV Forest Health Partnership (\$45,000)

This is a pending CWCB Water Plan grant that was submitted in December 2020 to fund the St. Vrain Forest Health Partnership. If awarded, the grant totals \$131,542 and would expire in 2024.

- **Balance Carryforward** is the net difference between the Carryover and revenue minus expenses.
- **Board Designated Reserve Funds** include Watershed Center generated revenue that is used as match for grants. Revenue sources are from corporate donors, individuals, and municipal partners. Current reserve funds include (1) Stewardship campaign (2) the fish passage feasibility study & education initiative, (3) the community science plan & implementation, (4) Adaptive Management at Scale, (5) St. Vrain Science Stewardship and Education, (6) Watershed Days, and (7) St. Vrain Forest Health Partnership.
- **Available Unrestricted Carryover Funds** is the net difference between the Carryforward funds and Board Designated Reserve Funds.

Attachments

1. 2021 Budget

Budget 2021
Summary

	2018 Budget	2018 Actual	2019 Budget	2019 Actual	2020 Budget	2020 Actual Thru 11/30/20	2020 Proj.	2021 Budget
<u>Carryover from Prior Year</u>								
Total Carryover	\$70,089	\$70,089	\$161,480	\$161,480	\$164,006	\$164,006	\$164,006	\$310,976
<u>Revenue Sources</u>								
CDBG-DR Cap Grant (06/2018)	\$129,758	\$111,263	\$0	\$0	\$0	\$0	\$0	\$0
CDBG-DR Cap Grant (06/2019)	\$15,000	\$27,495	\$45,000	\$42,493	\$0	\$0	\$0	\$0
CWCB Fundraising Grant	\$18,867	\$17,023	\$0	\$0	\$0	\$0	\$0	\$0
Board Partners (Unrestricted)	\$38,500	\$30,500	\$42,500	\$37,500	\$47,500	\$47,500	\$47,500	\$47,500
Donations (Unrestricted)	\$30,000	\$3,990	\$50,000	\$11,983	\$25,000	\$4,852	\$15,000	\$10,000
Rent (LHWD- In Kind)	\$32,108	\$32,108	\$32,108	\$32,108	\$32,108	\$29,432	\$32,108	\$32,108
Program Revenue (Indirect)				\$5,879		\$47,316	\$53,316	\$30,000
Program Revenue (Restricted)	\$1,493,300	\$951,919	\$1,808,202	\$1,383,026	\$998,195	\$831,344	\$927,167	\$728,571
Total Revenue	\$1,757,533	\$1,174,298	\$1,977,810	\$1,512,988	\$1,102,803	\$960,444	\$1,075,091	\$848,179
<u>Expenses</u>								
Personnel- Fundraising	\$24,127	\$16,281	\$20,902	\$9,070	\$8,803	\$1,447	\$2,000	\$4,832
Personnel- (Unrestricted)	\$151,969	\$99,843	\$52,312	\$47,889	\$11,284	\$11,489	\$18,000	\$26,483
Personnel- (Restricted)	\$68,000	\$101,915	\$188,297	\$170,196	\$356,030	\$226,734	\$289,206	\$364,863
Personnel Subtotal	\$244,096	\$218,039	\$261,511	\$227,155	\$376,117	\$239,670	\$309,206	\$396,178
Operations-Fundraising	\$2,500	\$1,534	\$1,000	\$894	\$1,000	\$25	\$25	\$1,000
Operations-Other	\$85,597	\$85,549	\$87,741	\$58,992	\$94,641	\$55,565	\$60,708	\$78,558
Operations Subtotal	\$88,097	\$87,082	\$88,741	\$59,886	\$95,641	\$55,590	\$60,733	\$79,558
Contractors/Consultants/Supplie	\$1,395,300	\$777,786	\$1,611,650	\$1,223,421	\$625,447	\$524,258	\$558,183	\$288,707
Total Expenses	\$1,727,493	\$1,082,907	\$1,961,902	\$1,510,462	\$1,097,205	\$819,519	\$928,121	\$764,443
Balance Carryforward	\$100,129	\$161,480	\$177,388	\$164,006	\$169,605	\$304,932	\$310,976	\$394,711
Board Designated Reserve Funds								
Stewardship Campaign (M&M/Adaptive Management)	\$35,000	\$58,659	\$58,475	\$58,833	\$58,833	\$56,190	\$55,789	\$45,789
Fish Passage Feasibility Study & Education Initiative	\$0	\$6,579	\$0	\$11,579	\$1,500	\$11,430	\$11,430	\$6,430
Community Science	\$0	\$42,500	\$22,753	\$16,795	\$13,386	\$0	\$0	\$0
Adaptive Management at Scale	\$0	\$0	\$0	\$0	\$0	\$70,000	\$70,000	\$125,000
St Vrain Science, Stewardship and Education	\$0	\$0	\$0	\$0	\$0	\$15,000	\$15,000	\$25,000
Watershed Days	\$0	\$0	\$0	\$2,120	\$2,120	\$2,934	\$3,747	\$3,747
SV Forest Health Partnership	\$0	\$0	\$0	\$0	\$0	\$0	\$12,500	\$37,500
Reserve Funds Subtotal	\$35,000	\$107,738	\$81,228	\$89,326	\$75,838	\$155,554	\$168,466	\$243,466
AVAILABLE UNRESTRICTED CARRYOVER FUNDS	\$65,129	\$53,743	\$96,160	\$74,681	\$93,767	\$149,378	\$142,510	\$151,245