



## Long Creek FY2021 (July 1, 2020 – June 30, 2021) Budget Narrative

### 5030 – BAD DEBT

This line item of **\$40,245.10** is identified for Participating Landowner assessments that are doubtful for collection to ensure that these funds are not allocated to expenses until they are received. All Participating Landowners are required to pay annual assessments under Participating Landowner Agreements. Maine DEP can enforce this requirement as a permit condition; however, in some circumstances, payments falling into this category may never be received, and, in others, the timing of payment is indeterminate and, therefore, are allocated to Bad Debt until received.

### 5041 – CONSTRUCTION – Reserve Fund Account

A line item of **\$200,000** is budgeted as a reserve fund for long-term maintenance, repair, and replacement of constructed structural Best Management Practices (“BMPs”). This is an annual amount to be set aside that was identified in a long-term BMP cost estimate projection based on long-term projections of routine Inspections, maintenance, and landscaping, non-routine maintenance, and replacement costs based on anticipated life expectancy.

### 5042 – CONSTRUCTION – Engineering

This line item of **\$20,000** includes the portion of the engineering design services agreement contract that will cover the remaining permitting, construction oversight, and project management activities for the South Branch Stormwater BMP Retrofits project.

### 5046 – CONSTRUCTION – Structural

This Account includes:

- A line item of **\$1,070,000** is allocated for construction of the South Branch Stormwater BMP Retrofits project which includes construction of a gravel wetland, a modular wetland system, and a bypass pipe to disconnect future impervious area from the gravel wetland.
- A line item of **\$295,000** is allocated for a *Private BMP Incentive Program* to incentivize private stormwater management efforts. The funds will provide seed grants for structural retrofits with the goal of offering enough incentive for landowners to consider implementation during other capital improvements. Funds will be disbursed in accordance with an application process and guidelines approved by the Board of Directors.
- A line item of **\$12,000** is budgeted to replace the rip-rap sediment forebay at the Maine Mall Gravel Wetland with a concrete forebay and level lip spreader. This work is recommended due to the large amount of sand that is accumulating in the riprap annually, which is very labor intensive to remove. A concrete forebay will be easier to maintain and will result in cost savings in the long run.

### 5047 – CONSTRUCTION – Inspection and Maintenance

This Account is for routine inspection and maintenance of LCWMD-owned-or-operated structural Best Maintenance Practices (“BMPs”).

- *Routine BMP Inspections:* A line item of **\$18,784.50** is estimated for inspections of LCWMD-owned-or-operated structural BMPs. Services agreements for this work are “indefinite delivery, indefinite quantity.” The budgeted amount assumes that some BMPs will be inspected once annually and some BMPs will be inspected twice annually.
- *Routine BMP Maintenance:* A line item of **\$27,846.53** is allocated for anticipated maintenance of LCWMD-owned-or-operated structural BMPs. Services agreements for this work are “indefinite delivery, indefinite quantity.” The budgeted amount assumes that roughly half of the structural BMPs will require maintenance annually.

An overall line item of **\$46,631.03** is budgeted for this Account.

#### **5048 – CONSTRUCTION – Non-Routine Maintenance, Repair, and Replacement**

A line item of **\$50,000** is allocated for unanticipated maintenance, repair, and replacement of structural BMPs and stream restoration projects separate from accounts identified for routine inspection and maintenance work and routine landscape maintenance.

#### **5049 – CONSTRUCTION – Landscaping of Constructed Projects**

This Account is for routine landscaping maintenance services. This line item includes landscaping tasks such as trimming trees, mowing, mulching, weeding, cutting back perennials, and trash removal. A line item of **\$92,400** is budgeted for this Account.

#### **5061 – MONITORING – Water Quality Monitoring**

This line item represents the following:

- *Routine Water Quality Monitoring:* This line item of **\$60,325.65** is for the third-party contract for ongoing water quality monitoring required under the Long Creek Monitoring Plan. The scope of the contract is conducting continuous water quality monitoring and grab sampling, acquiring meteorological data, and measuring stream flow and stream channel cross sections.
- *Targeted Data Collection:* This line item includes **\$10,500** to conduct voluntary biomonitoring at four monitoring locations during the summer of 2020. Mandatory biomonitoring was conducted in 2018 by LCWMD and is required to be performed in 2020 by Maine DEP. Because Maine DEP may not perform biomonitoring at all locations desired by LCWMD, this line item provides funding for biomonitoring to ensure that the post-project effectiveness of the Main Stem Restoration Project will be monitored.
- *Performance Testing BMPs:* This line item of **\$5,250** is for performance testing of individual structural BMPs. Water quality monitoring data shows that structural BMP projects are not resulting in noticeable water quality improvements at the monitoring locations, which are often not in proximity to structural BMP projects. Performance testing of inputs and outputs from individual BMPs may show that the BMPs are effective at removing pollutants, however, by the time the treated stormwater commingles with the other waters in Long Creeks and is measured at monitoring locations the improvements may be masked.

An overall line item of **\$76,075.65** is budgeted for this Account.

#### **5070 – DEPRECIATION EXPENSE**

This account is not reflected in the budget, however, each year an allocation of depreciation expenses is charged against the LCWMD-owned BMP assets (non-cash transaction). In this fiscal year, the projected depreciation expense is **\$108,677.21**.

**5080 – MEETINGS**

A line item of **\$10,000** is budgeted to host the Annual Participating Landowner Meeting, expert review panel meetings, and stakeholder meetings concerning the next permit cycle.

**5090 – MONITORING EQUIPMENT – Purchase, Rental, Maintenance, and Repair**

A line item of **\$5,000** is budgeted for the purchase or rental of replacement water quality monitoring equipment that may fail during the monitoring season, as well as for maintenance and repair of current monitoring equipment. This line item includes consumable accessories, such as probe caps, associated with the monitoring equipment.

**6002 – PROGRAM EXPENSE – Loan Payment**

Annual payment for Maine Municipal Bond Bank Bond. A line item of **\$75,760** is budgeted in FY2020.

**6160 – DUES AND SUBSCRIPTIONS**

This Account is for licensing and subscription fees for Information Technology-related services, and other dues and subscriptions. Examples of these include Microsoft Azure fees for hosting the water quality monitoring database and annual licensing fees for ESRI's GIS software and Microsoft Office 365. A line item of **\$4,500** is budgeted in FY2021.

**6170 – EQUIPMENT – Purchase, Rental, Maintenance, and Repair**

This line item includes the cost to purchase, rent, maintain, and repair equipment other than water quality monitoring equipment. A line item of **\$1,000** is budgeted in FY2020.

**6180 – INSURANCE – Liability Insurance**

Annual premiums for Directors and Officers Liability Insurance for the Board and General Liability Insurance coverage for LCWMD. A line item of **\$7,200** is budgeted in FY2020.

**6250 – POSTAGE**

A line item of **\$650** is budgeted for postage, including costs related to mailing annual parcel inspection reports, annual assessments, and invoices.

**6271 – PROFESSIONAL FEES – Consultant**

This account is for consultants to provide the following expert services.

- *Stream Corridor Management Plan*: **\$40,000** for development of a long-term stream corridor protection and management strategy plan (for riparian vegetation, large wood, floodplains, trails).
- *Watershed Management Plan Update*: **\$10,000** for support of revisions to Long Creek Watershed Management Plan and Long Creek General Permit.
- *Information Technology*: **\$5,000** under general administration for Information Technology services.

A total line item of **\$55,000** is budgeted in FY2020.

**6272 – PROFESSIONAL FEES – Legal Fees**

This account is for legal services. The estimated allocation for FY2020 is as follows:

- **\$10,000** under general administration to support contract, board, and policy needs.
- **\$10,000** for support of revisions to Long Creek Watershed Management Plan and Long Creek General Permit.

- **\$5,000** for legal support for the South Branch BMP Retrofits project.

A total line item of **\$25,000** is budgeted in FY2020.

#### **6273 – PROFESSIONAL FEES – Accounting**

This is the cost for the annual independent audit of LCWMD’s financial statements. A line item of **\$5,200** is budgeted for FY2020.

#### **6275 – PROFESSIONAL FEES – Plan Implementation**

This represents staff costs related to the Services Agreement with the Cumberland County Soil & Water Conservation District (“CCSWCD”), as follows:

- **Administration: \$85,592.70**
  - Administer invoicing and collection of semi-annual payments for Participating Landowner Assessments; annual budget announcement to Participating Landowners; and annual fees announcement to Participating Landowners, per the Participating Landowner Agreements.
  - Revising assessments for Participating Landowner parcels to account for new (or expanded) impervious cover since a prior assessment was calculated.
  - Provide support to Participating Landowners during property transactions.
  - Respond to Participating Landowner questions on assessments, invoices, and/or billing;
  - Management of outstanding assessment invoices.
  - Monthly processing of invoices and payments.
  - Reconciliation of bank statements and development of monthly financial reports for review by Treasurer and Executive Director.
  - Coordinate payroll and expense reimbursements for the Executive Director.
  - Work in association with Executive Director to develop the LCWMD FY2022 budget.
  - Annual preparation of financial audit documentation and review of the financial audit.
  - Project costs for long-term maintenance or replacement needs and estimated costs for LCWMD-owned-or-operated BMPs and infrastructure.
  - Provide support to Executive Director in preparation of LCWMD Board agendas and supporting materials.
  - Provide staff support at LCWMD Board meetings.
  - Provide support to the Executive Director to prepare the calendar year 2020 Long Creek Watershed Management Plan implementation report to Maine DEP.
  - Monthly Contract Check-in meetings between CCSWCD’s Contract Coordinator and LCWMD’s Executive Director.
- **Construction & Maintenance: \$35,515.36**
  - Provide support for the South Branch BMP Retrofits project, including design support, technical support, and construction oversight.
  - Manage Stormwater BMP inspection, maintenance, and landscaping contracts for all LCWMD-owned-or-operated BMPs, including reviewing requested change orders, processing change orders when appropriate, complying with processes and documentation as outlined in the most current version of the Standard Operating Procedure for contracts and the “Contract Checklist,” and ensuring timely and effective delivery of goods and services.
  - Provide technical support upon request on construction opportunities in partnership with Participating Landowners.
  - Provide technical support upon request for new development and redevelopment projects in the watershed.
- **Monitoring: \$5,479.95**

- Manage water quality monitoring contract and provide oversight and field support for surface water quality and biological monitoring.
- Conduct annual audit and monthly QA/QC of monitoring data.
- Compile monitoring data for annual DEP permit reporting.
- **Non-Structural: \$81,090.93**
  - Coordination of non-structural good housekeeping and pollution prevention activities (*e.g.* pavement sweeping, catch basin cleaning, pipe jetting), assigning work to one or more service providers, reviewing reports received from service providers, and other field-based and office-based services associated with this work.
  - Develop attributes in GIS system to track maintenance and inspection costs by unique BMP number.
  - Perform annual inspection of Participating Landowner parcels to ensure compliance with the Long Creek General Permit, Participating Landowner Agreements, Operation and Maintenance Plan, and site-specific Operation and Maintenance Plans and work with Executive Director to resolve issues identified during parcel inspections.
  - Maintenance and update of Participating Landowner database and GIS layers denoting stormwater infrastructure.
  - Education and Outreach activities, including securing permission for catch basin stenciling and coordinating stenciling on Participating Landowner properties.
  - Developing targeted education and outreach for winter salt management for property owners, municipal staff, and contractors.
  - GIS investigations upon request.
  - Annual tracking and documentation of activities for Long Creek General Permit reporting to Maine DEP.

An overall line item of **\$207,678.94** is budgeted for this Account.

#### **6276 – PROFESSIONAL FEES – Sweeping**

The current pavement sweeping services agreement was entered into in May of 2017, with the annual pavement sweeping costs set at \$97,189 through the end of the current permit cycle in June 2020. In FY2019 and FY2020 the Board authorized the conversion of Hot Spot Sweep #3, conducted in November, from a Hot Spot sweep to a full sweep of all 260 acres swept by LCWMD. The resulting budget for FY2019 and FY2020 was an increase from \$97,189 to \$125,274. It is recommended that Hot Spot Sweep #3 again be converted to a full sweep of all 260 acres swept by LCWMD for FY2021. A line item of **\$131,537.70** is budgeted for this Account.

#### **6277 – PROFESSIONAL FEES – Pipe Inspection and Cleaning**

This Account includes the inspection and/or cleaning of stormwater drainpipe when needed. A line item of **\$10,000** is allocated for inspection and cleaning and to troubleshoot or respond to identified problems.

#### **6278 – PROFESSIONAL FEES – Catch Basin Cleaning**

For FY2021, catch basin cleaning work will begin in early summer with the goal of cleaning 800 catch basins. This line item of **\$80,000** in FY2021 reflects an estimated per catch basing cleaning contract price of \$100.00 per catch basin.

#### **6283 – PROFESSIONAL FEES – Waste Management**

A line item of **\$15,000** is budgeted for waste disposal costs. This Account is for the disposal costs of catch basin grit, pavement sweepings, landscaping debris, and other solid wastes generated as the result of LCWMD's maintenance activities.

**6340 – TELEPHONE**

This line item, **\$1,200**, represents the annual cost for cell phone service of the Executive Director.

**6351 – TRAVEL – Lodging**

This line item of **\$600** is for the cost of the Executive Director's lodging for attendance of conferences and meetings.

**6353 – TRAVEL – Meals**

This line item of **\$500** is for the cost of the Executive Director's meals during attendance of conferences and meetings.

**6354 – TRAVEL – Mileage**

This line item is for travel by the Executive Director and for travel expenses for CCSWCD staff conducting work under the Services Agreement with CCSWCD. A line item of **\$1,100** is budgeted under this account.

**6355 – TRAVEL – Conferences**

This line item of **\$2,000** reflect the cost of the Executive Director's travel and fees pertaining to attendance of conferences and meetings.

**6550 – SUPPLIES**

A line item of **\$4,000** is budgeted under this Account. This Account is used for office supplies for the Executive Director, supplies for field work, and education and outreach materials.

**7200 – SALARIES AND RELATED EXPENSES**

Salary, benefits, workers' compensation insurance, and payroll taxes for Executive Director. A line item of **\$101,131.86** is budgeted under this Account.

## LCWMD Proposed FY2021 Budget

Accounts	FY 2021	FY 2022 Projected	FY 2023 Projected
<b>Income</b>			
4100 ADMINISTRATION	103,212.14	206,424.28	206,424.28
4200 CONSTRUCTION AND MAINTENANCE	422,528.58	845,057.16	845,057.16
4500 GOOD HOUSEKEEPING	168,968.26	337,936.51	337,936.51
4600 MONITORING	70,750.26	141,500.51	141,500.51
4700 STREAM RESTORATION	3,196.51	3,196.51	3,196.51
4820 INTEREST	10,000.00	10,000.00	10,000.00
<b>Total Income</b>	<b>\$ 778,655.74</b>	<b>\$ 1,557,311.48</b>	<b>\$ 1,557,311.48</b>
<b>Gross Profit</b>	<b>\$ 778,655.74</b>	<b>\$ 1,557,311.48</b>	<b>\$ 1,557,311.48</b>
<b>Expenses</b>			
5030 BAD DEBT	40,245.10	40,245.10	40,245.10
5040 CONSTRUCTION	0.00	0.00	0.00
5041 BMP Repair & Replacment Reserve	200,000.00	200,000.00	200,000.00
5042 Engineering	20,000.00	0.00	0.00
5045 Streams	0.00	0.00	0.00
5046 Structural	1,377,000.00	295,000.00	295,000.00
5047 Inspection and Maintenance	46,631.03	46,631.03	46,631.03
5048 Non-Routine Repair & Maint.	50,000.00	50,000.00	50,000.00
5049 Landscaping of Const. Proj.	92,400.00	92,400.00	92,400.00
<b>Total 5040 CONSTRUCTION</b>	<b>\$ 1,766,031.03</b>	<b>\$ 684,031.03</b>	<b>\$ 684,031.03</b>
5060 MONITORING EXPENSE	0.00	0.00	0.00
5061 Watershed Monitoring	76,075.65	76,075.65	76,075.65
<b>Total 5060 MONITORING EXPENSE</b>	<b>\$ 76,075.65</b>	<b>\$ 76,075.65</b>	<b>\$ 76,075.65</b>
5080 MEETINGS	10,000.00	2,000.00	2,060.00
5090 EQUIPMENT	5,000.00	5,150.00	5,304.50
<b>Total 6000 PROGRAM EXPENSE</b>	<b>\$ 75,760.00</b>	<b>\$ 75,760.00</b>	<b>\$ 75,760.00</b>
6160 DUES AND SUBSCRIPTIONS	4,500.00	4,635.00	4,774.05
6170 EQUIPMENT RENTAL	1,000.00	1,000.00	1,000.00
<b>Total 6180 INSURANCE</b>	<b>\$ 7,200.00</b>	<b>\$ 7,560.00</b>	<b>\$ 7,938.00</b>
6250 POSTAGE AND DELIVERY	650.00	669.50	689.59
6270 PROFESSIONAL FEES	0.00	0.00	0.00
6271 Consultant-Engineer	55,000.00	20,000.00	20,600.00
6272 Legal Fees	25,000.00	25,750.00	26,522.50
6273 Accounting	5,200.00	10,000.00	10,300.00
6275 Plan Implementation	207,678.94	213,909.31	220,326.59
6276 Sweeping	131,537.70	135,483.83	139,548.35
6277 Pipe Inspection and Cleaning	10,000.00	10,000.00	10,000.00
6278 Catch Basin Cleaning	80,000.00	80,000.00	80,000.00
6283 Waste Management	15,000.00	15,450.00	15,913.50
<b>Total 6270 PROFESSIONAL FEES</b>	<b>\$ 525,787.22</b>	<b>\$ 510,593.14</b>	<b>\$ 523,210.93</b>
6340 TELEPHONE	1,200.00	1,200.00	1,200.00
6350 TRAVEL	0.00	0.00	0.00
6351 Lodging	600.00	600.00	600.00
6353 Meals	500.00	500.00	500.00
6354 Mileage	1,100.00	1,133.00	1,166.99

## LCWMD Proposed FY2021 Budget

6355 Conferences		2,000.00		2,000.00		2,000.00
<b>Total 6350 TRAVEL</b>	<b>\$</b>	<b>4,200.00</b>	<b>\$</b>	<b>4,233.00</b>	<b>\$</b>	<b>4,266.99</b>
6550 SUPPLIES		4,000.00		4,000.00		4,000.00
7200 Salaries & Related Expenses		0.00		0.00		0.00
7220 Salaries & Wages		89,900.12		93,271.38		96,769.05
7245 Employee Benefits - Simple IRA		2,696.96		2,798.10		2,903.03
7250 Payroll Taxes, etc.		7,416.78		7,694.91		7,983.46
7260 Payroll Processing & Fees		468.00		485.55		503.76
7270 Workers Comp Insurance		650.00		669.50		689.59
<b>Total 7200 Salaries &amp; Related Expenses</b>	<b>\$</b>	<b>101,131.86</b>	<b>\$</b>	<b>104,919.43</b>	<b>\$</b>	<b>108,848.89</b>
<b>Total Expenses</b>		<b>\$2,626,410.27</b>		<b>\$1,522,071.84</b>		<b>\$1,539,404.72</b>
<b>Net Operating Income</b>		<b>(\$1,847,754.53)</b>		<b>\$35,239.64</b>		<b>\$17,906.76</b>
<b>Net Income</b>		<b>(\$1,847,754.53)</b>		<b>\$35,239.64</b>		<b>\$17,906.76</b>

**Long Creek Watershed Management District**  
**Projected Statement of Cash Flows**  
 July 2020 through June 2023

	<b>Total</b>
<b>OPERATING ACTIVITIES</b>	
Net Income	43,026.42
Adjustments to reconcile Net Income to Net Cash provided by operations:	
1200 ACCOUNTS RECEIVABLE	-40,077.41
2000 ACCOUNTS PAYABLE	-60,441.48
1114 Credit Card	-1,802.73
2320 Performance Bonds	0.00
Direct Deposit Payable	0.00
Payroll Liabilities:Federal Taxes (941/944)	822.17
Payroll Liabilities:Federal Unemployment (940)	0.00
Payroll Liabilities:ME Employment Taxes	0.00
Payroll Liabilities:ME Income Tax	197.00
Payroll Liabilities:TD Ameritrade	0.00
	0.00
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	<b>-\$ 101,302.45</b>
Net cash provided by operating activities	<b>-\$ 58,276.03</b>
Net cash increase for period	<b>-\$ 58,276.03</b>
Cash at beginning of period	3,411,624.77
Cash at end of period	<b>\$ 3,353,348.74</b>
Projected Income from 1/1/2020 - 6/30/2020	
Projected Expenses from 1/1/2020 - 6/30/2020	20,000.00
Cash at end of period	<b>3,373,348.74</b>
Projected Cash Income FY 2021	778,655.74
Projected Cash Expenses FY 2021	2,626,410.27
Projected Net Cash FY 2021	<b>1,525,594.21</b>
Projected Cash Income FY 2022	1,557,311.48
Projected Cash Expenses FY 2022	1,522,071.84
Projected Net Cash FY 2022	<b>1,560,833.84</b>
Projected Cash Income FY 2023	1,557,311.48
Projected Cash Expenses FY 2023	1,539,404.72
Projected Net Cash FY 2023	<b>1,578,740.61</b>