



# LAKE MONROE WATER FUND

*Investing in improvements to the Lake Monroe Watershed in  
Brown, Jackson, Monroe, Bartholomew and Lawrence Counties, Indiana*

ANNUAL REPORT  
2022



Dear Supporters,

Water is life. We are fortunate to have abundant, secure drinking water from the Lake Monroe Reservoir, which is also an important regional recreation, mental health, tourism, wildlife and economic resource. It has not always been so.

Prior to the construction of the Lake Monroe Reservoir, Bloomington's existing water source had been depleted, and Indiana University was poised to leave the area unless a secure water supply could be ensured. In 1964 the U.S. Army Corps of Engineers dammed Salt Creek and the reservoir became operational in 1965. The project was intended for flood control and as a 100-year water source. Soon we will celebrate Lake Monroe Reservoir's 60th year. Our reservoir has 'grown up' and is showing some 'gray hair,' including the nearly annual algal bloom at the end of summer causing bad tasting water and periodic recreational warnings. Costs of maintaining safe and delicious water have continued to accelerate. Each year 35,000 tons of sediment fill the reservoir. The over 9,000 septic systems in our 5-county watershed (the 441 square miles of land that drains into the lake) pose an ongoing health and water quality concern. Fertilizer runoff from lawns and farmland tarnishes Indiana with the dubious distinction as the second-largest polluter in the Mississippi River Basin, inciting national headlines and contributing to the worst water quality in the nation. Unfortunately, our watershed is hilly with unstable soils and ongoing activities disturb soil and vegetation. Fortunately, over 82% of our watershed is forested, which is the best scenario for preventing sedimentation and runoff.

Striving to keep the water supply clean and recreational amenities usable, the Lake Monroe Water Fund was formed in collaboration with The Nature Conservancy as part of its global water fund movement. A water fund is an innovative way for downstream water users to invest in conservation activities upstream to protect and restore the water source. We aim to take proactive, preventive steps rather than reactive steps after a crisis erupts. We know what needs to be done and we have been able to make a significant impact in every area of threat through programs to plant trees, remediate septic systems, and reduce fertilizer runoff.

Extending the life of Lake Monroe is daunting. We may remediate 500+ acres over the next 5 years, but there are 282,240 acres in our watershed. Our goal to raise at least \$1 million by 2026 will prioritize the most critical acreage and septic challenges in the watershed. Working with our extensive network of local, regional, and statewide collaborators we have a plan to sustain Bloomington's drinking water source and the regional boon that is Lake Monroe.

Read on to see how we executed our critical mission in 2022. Our significant progress is due to the excellence of our staff and board and the generosity of so many organizations and individuals like you. Together, our efforts have moved our mission toward reality.

Here's to a fantastic water future,



**JANE MARTIN**  
President, Board of Directors



**MICHELLE COHEN**  
Executive Director



# MISSION

*The Lake Monroe Water Fund is  
an active funder for watershed projects that  
conserve, protect and sustain  
Lake Monroe as our shared community water resource.*

## 2022 HIGHLIGHTS



**People pulling in the same direction**

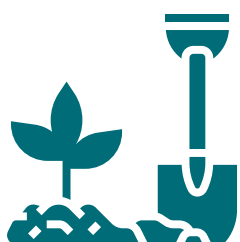
**Staff:** Michelle Cohen hired as first Executive Director, and has quickly launched the water fund's activities while steadily focusing on sustainable funding sources.

**Board of Directors:** Strong, highly engaged Board of Directors representing major stakeholders in the Lake Monroe Watershed.

**Relationships:** Established powerful ongoing relationships with local, regional, and statewide environmental and other stakeholder organizations, resulting in pledges of in-kind program support totaling over \$36,500 from 14 organizations.



**Financial:** Raised \$112,500 and secured additional future commitments of \$103,500, plus \$28,500 in the second stage of approval for federal funding.



**Projects:** Secured shovel-ready projects in all three primary focus areas: planting trees, improving septic systems, and reducing fertilizer runoff.

# ACCOMPLISHMENTS

In our first full year of operation we built a solid foundation to make lasting improvements to water quality by focusing on challenges in three key areas. We crafted on-the-ground programs to address the problems and secured funding to tackle all of them in 2023.

## PLANT TREES

### Forests | Woodlands | Wetlands | Streams

Reduce erosion by planting 900 native trees/shrubs and 600 willow stakes along Clay Lick Creek at CYO Camp Rancho Framasa in Brown County.



## IMPROVE SEPTIC SYSTEMS

### Over 9,000 septic systems in the watershed

Improve septic system awareness and function for 50 households in Brown County by providing \$200 each toward their tank pumping or inspection costs.



## REDUCE FERTILIZER RUNOFF

### Agriculture | Pastures | Lawns | Gardens

Reduce runoff of nutrients that feed algal blooms by providing 500+ landowners in Monroe County with a free soil test so they can minimize their use of fertilizer.





# FINANCIAL OVERVIEW

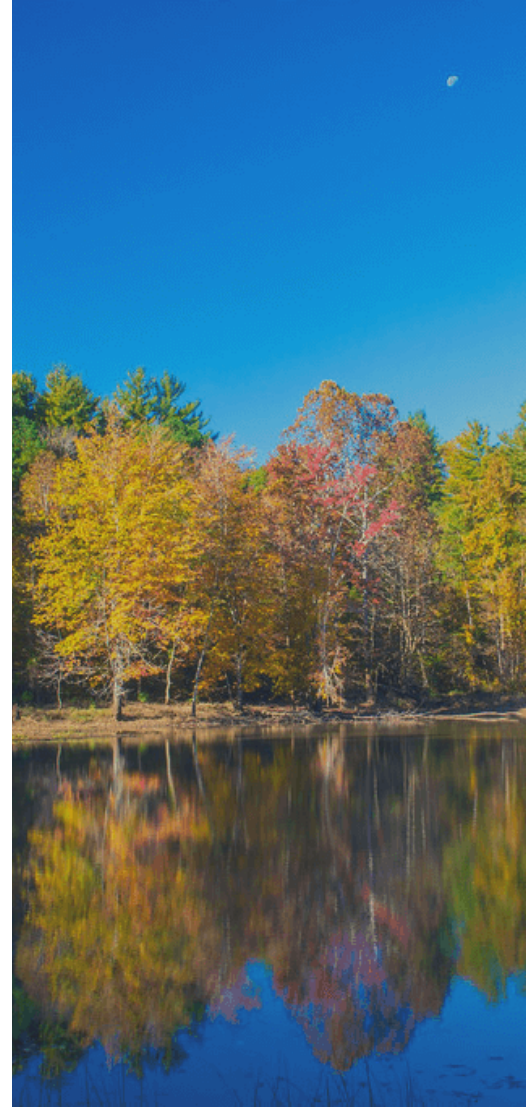
## STATEMENT OF ACTIVITY JANUARY - DECEMBER 2022

Revenue	\$112,511
Expenditures	\$33,161
Net Revenue	\$79,350

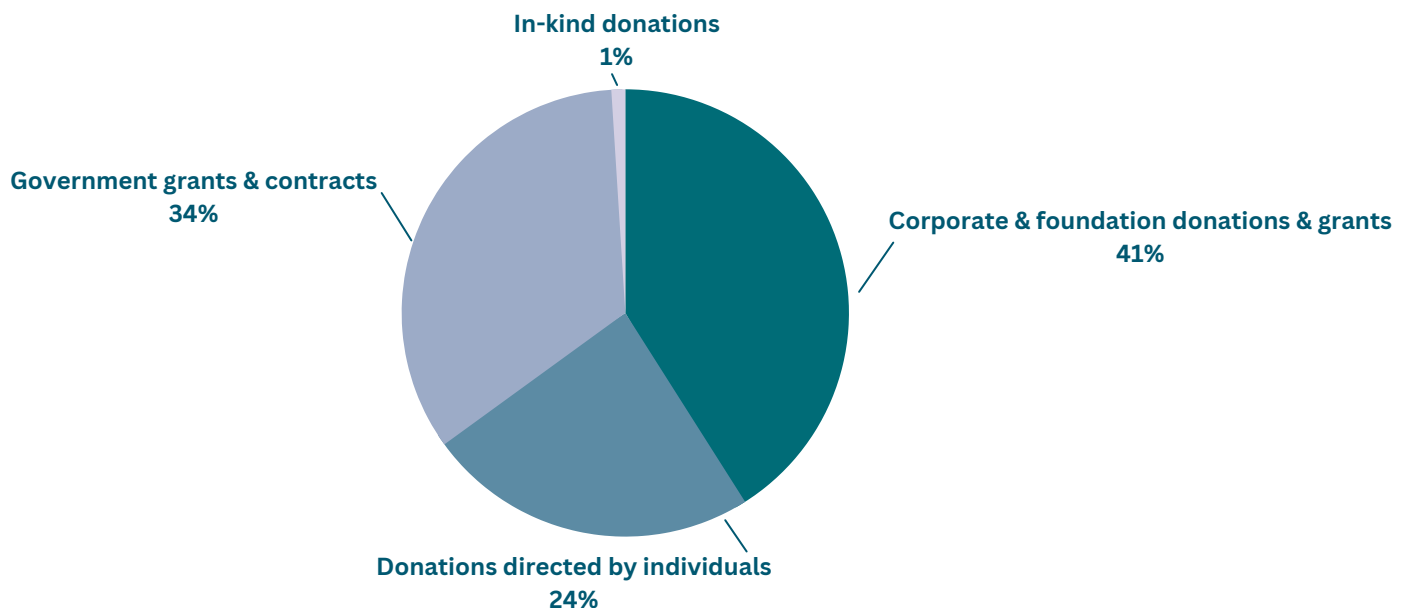
Modified cash basis. CPA review in process.  
\$50,800 of net is designated for future program expenses.

### Future Outlook:

- Commitments totaling \$103,500 have been secured.
  - \$46,500 designated for program expenses
  - \$57,000 designated for capacity building
- An additional \$28,500 designated for program expenses is in the second stage of approval for federal funding.



## REVENUE STREAMS



# SUPPORTERS



Anonymous  
Donors  
\$5000+

50+  
Individual  
Donors

*A great big "Thank You" to all of our  
wonderful supporters.  
Your generosity ensures a brighter future.*

# 2022 BOARD OF DIRECTORS

The progress of the Lake Monroe Water Fund and its impactful work done in tandem with our community partners is made possible through the dedication, service, and generosity of our fabulous board members. Thank you, one and all!



Jane Martin  
Individual  
*President*



Bill Weeks  
Conservation  
Law Center  
*Vice-Chair and  
Treasurer*



Cassie  
Hauswald  
Sam Shine  
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The Nature  
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Spoonmore  
Greater  
Bloomington  
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Commerce



## Lake Monroe Water Fund



*Photo courtesy of Visit Bloomington*

### Our Story

**The Nature Conservancy** has catalyzed the formation of 43 water funds across the globe, with the **Lake Monroe Water Fund** as one of only 9 independently operating water funds in the United States, and **the first in Indiana**.

A water fund is an **innovative way for downstream water users to invest in conservation activities upstream** to protect and restore the area of land that drains into their water source (the "watershed").

We seek to conserve, protect, and sustain **Lake Monroe Reservoir** as a source of community **drinking water** by developing and leveraging resources from diverse stakeholders to invest in **shovel-ready projects** throughout the watershed.

Our position as a **proactively formed** water fund is unique. We did not form in response to a water crisis. Instead, we believe that **preventing water quality problems is a better strategy and is less costly than responding to a water crisis**.

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[www.lakemonroewaterfund.org](http://www.lakemonroewaterfund.org)

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