

# Annual Report of Operations 2007

"Progress in Motion"

#### MWCD Mission Statement

The Muskingum Watershed Conservancy District is dedicated to conservation and recreation conducted in harmony with flood control in the area of Ohio drained by the Muskingum River and its tributaries. Funded from income generated by the stewardship of its lands and waters, the District strives to enhance the quality of life in the Muskingum Lakes Region and beyond.



Mission Statement
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#### History

Ohio's worst natural disaster without a doubt plays the prominent role in the existence and operation of the system of flood-reduction reservoirs and dams in the Muskingum River Watershed.

The Great Flood of 1913 claimed nearly 500 lives in Ohio and caused more than \$300 million in property damage. In the Muskingum River Basin drainage area alone, 11 people died and millions of dollars of property damage occurred.

But the story can go back even further.

In the 1800s early settlers came to the Muskingum River Valley in eastern Ohio for the abundance of natural resources, dense forests and excellent crop soil. As trees were cleared away, the land's natural protection was destroyed, creating soil erosion and uncontrolled water runoff. These factors contributed to a number of major floods during the 1800s, causing widespread property damage and loss of life.

The single greatest flood disaster followed in 1913, raising the awareness of state residents to the need for reliable flood protection and reduction.

The Muskingum Watershed Conservancy District (MWCD) was born, nurtured and continues today from those identified needs.

MWCD was created in 1933 under Ohio law as a separate political subdivision. The district encompasses 20 percent of the state or all or portions of 18 counties: Ashland, Belmont, Carroll, Coshocton, Guernsey, Harrison, Holmes, Knox, Licking, Morgan, Muskingum, Noble, Richland, Stark, Summit, Tuscarawas, Washington and Wayne.

By its original plan, the MWCD was responsible for raising funds and planning, constructing and administering flood reduction and water conservation projects. The federal government announced availability of funds to construct the necessary reservoirs and the MWCD joined forces with federal and state governments to accomplish the work. By 1938, the construction of 13 earthen dams and one concrete dam was complete.

In 1939, the Federal Flood Control Act transferred flood control operations to the U.S. Army Corps of Engineers (USACE). MWCD remains responsible for conservation and recreation on its lands and lakes.

Each of the 14 MWCD reservoirs connects with the Muskingum River, which was the foundation for the name Muskingum Watershed Conservancy District. The 10 permanent reservoirs are Atwood, Beach City, Charles Mill, Clendening, Leesville, Piedmont, Pleasant Hill, Seneca, Tappan and Wills Creek. Bolivar, Dover, Mohawk and Mohicanville dams impound water only in times of high water and are commonly identified as "dry dams."

MWCD's headquarters is located in New Philadephia and the Conservancy District's staff is guided by a Board of Directors. The members of the Board are appointed by the Conservancy Court, which is made up of one common pleas court judge from each of the 18 counties of jurisdiction.

Over the years, the success of the MWCD has been the subject of study throughout the United States and in some foreign countries. At the core of this success are four basic policies adopted by the first Board of Directors:

 The MWCD would pay real estate taxes to the various counties on land not dedicated to public use. For the first 29 years, taxes were paid on all



"The Joys of Picnicking" — The 10 lakes with 365 miles of shoreline provide ample room for you to bring your picnic basket and enjoy a day's outing, camping, boating, and fishing. (MWCD postcard printed mid-1950s)

Conservancy District lands. Since then, taxes have been paid on lands not used strictly for public purposes. In all, the total has been more than \$2.5 million.

- 2) The MWCD would operate on a minimum of tax income.
- The MWCD would make its lands and waters available to the public for fishing, swimming, boating, camping, picnicking and other outdoor activities.
- 4) The MWCD would not do the same work as any other state or federal government agency. It's a successful policy that encourages the MWCD to combine the resources and efforts of some 13 state and federal agencies into MWCD programs and plans.

The value of the Conservancy District's capital investments during the first six decades approached \$25 million, and the annual recreation benefits exceeded \$65 million. All of this has been firmly established on a self-sustaining basis – paid through visitors' fees, commercial and residential leases, contracts for services provided to other public agencies, self-liquidating bonds and occasional federal and state grants.

The system of dams and reservoirs in the Muskingum River Watershed, operated in cooperation with the USACE, has tamed the watershed and built beautiful lakes that receive millions of visitors each year. MWCD has developed marinas, campgrounds, boat launch ramps, picnic areas and leased residential sites, which provide visitors with a variety of ways to enjoy the outdoors.

The postcards shown below were printed circa mid-1950s. The photo captions are the descriptions of the photos on the address side of the postcard.



"Tappan Lake Park Bathing Beach" — A lovely protected beach within a vacation area where visitors may rent cabins, camp and picnic. This lake is paralleled by U.S. Route 250 east of Cadiz, Ohio.



"Seneca Lake Park Bathing Beach" — On Ohio State Route 574, 14 miles SE of Cambridge, Ohio. This beach is on a beautiful 3,500 acre fresh water lake created as a part of the flood control program of the Muskingum Conservancy District. Seneca is one of Ohio's best fishing lakes.



"Where the Big Fish Bite" — Young and old find fishing enjoyment on the 16,000 acres of water in the 10 lakes of the Muskingum Conservancy District. Here you can catch Bass, Bluegill, Catfish, Crappies, Pike and the fighting Muskie.

#### Introduction

Nothing worthwhile comes without great effort and time.

So it has become for the Muskingum Watershed Conservancy District (MWCD) as it prepares to implement a plan of maintenance and rehabilitation in the Muskingum River Watershed's system of reservoirs and dams that protect people and property, and offer water for public uses.

During 2007, the MWCD continued its efforts that began four years earlier to seek approval of the maintenance and rehabilitation plan, as well as to establish the funding source for the work that is provided for in Ohio law.

During the year, the Conservancy Court confirmed that projected benefits are greater than costs in the MWCD plan for maintenance, and the MWCD Board of Directors voted to levy an assessment of property owners in the watershed beginning in 2008. But by the end of the year, the Ohio General Assembly passed an amendment to House Bill 24 (regarding municipal income tax deductions), that placed a moratorium on collection of the assessment, effectively halting the plan until at least 2009.

In the aftermath of the action by the General Assembly, the Board of Directors moved swiftly to appoint two of its members (David Parham and Richard Pryce) to meet with legislators and discuss their concerns to work toward a resolution.

Despite the altered schedule, the MWCD remained committed to the maintenance needs in the watershed as 2007 faded and 2008 dawned. In reviewing what was accomplished during the year to preserve the system of reservoirs and dams that protect people and property in the region, 2007 was "Progress in Motion."

In August, the Board of Directors met to consider levying an assessment to fund the work identified several years earlier in the Amendment to the Official Plan of the MWCD. The meeting was scheduled after a ruling from the Conservancy Court on August 20 that confirmed that the projected benefits are greater than the anticipated costs in the MWCD's plan.

The MWCD asserted in testimony before the Conservancy Court that billions of dollars of projected benefits will come from its plan as compared to the \$210 million that is expected to be collected through the assessment of property owners over the next 20 years. Witnesses testified that a whole range of benefits are received by the owners of property located within the MWCD region, including flood reduction, access, water quality, water supply, tourism spending impacts, land preservation, environmental quality and construction impact.

The MWCD, a political subdivision of the state, was organized in 1933 to develop and implement a plan for flood reduction and water conservation in the Muskingum River Watershed. By 1938, 14 reservoirs and dams were constructed. According to the MWCD's plan, an estimated \$10.5 million annually would be generated from property owners in the MWCD region for public health and safety projects to safeguard the system of reservoirs and dams.

In a study of the watershed, national, state and local experts and agencies identified more than \$200 million worth of needed projects in the system that are the responsibility of the MWCD.

A large portion of the collected assessment funds would be used to meet federal cost-share obligations for safety repairs at several dams. The U.S. Army Corps of Engineers (USACE), which owns and operates the dams in the Muskingum River Watershed, estimates safety costs for maintenance of four dams (Beach City, Bolivar, Dover and Mohawk) and one levee (Zoar) on a federal priority list is between \$510 million to \$680 million, with a federally mandated cost-share obligation from the MWCD of between \$95 million and \$135 million.

The MWCD manages reservoir areas behind most of the dams in the Muskingum River Watershed. The reservoirs, some of which have permanent pools of water (lakes) for water conservation and recreation programs, hold floodwaters temporarily for safe release downstream during flooding conditions.

Many major media outlets in the region, along with others, have endorsed the plan of work and assessment program. Details are available by visiting www.mwcd.org on the Internet.

MWCD officials said at the end of 2007 that they recognize that questions need to be answered about the MWCD, its operations, its plan of maintenance and rehabilitation and the legal framework under which it must fund the plan. They also said that the needs in the watershed will not "fix themselves." The MWCD remains committed to fulfill both its mission and the direction from its Official Plan.

It is expected that "Progress in Motion" will continue in 2008 and beyond.

#### Conservancy Court

Chapter 6101 of the Ohio Revised Code provides that the Conservancy Court, comprised of one common pleas court judge from each county in the Conservancy District, shall be vested with the power to exercise jurisdiction over the Conservancy District, including the appointment of the Board of Directors and the Board of Appraisers.

The Court of the Muskingum Watershed Conservancy District, which traditionally meets annually in June, held two sessions during 2007 – on June 2 and August 1. Both sessions were convened in the Tuscarawas County Courthouse at New Philadelphia.

The Honorable Edward E. O'Farrell (Tuscarawas County) presided over the sessions.

At the June 2 session, the Court reviewed the progress the MWCD had made toward implementation of a proposed assessment of property owners to fund the maintenance and improvement work in the Amendment to the Official Plan of the MWCD, which was approved by the Court in 2005. The Court announced that the Conservancy Court would hear evidence August 1 to determine whether to confirm the appraisal of benefits contained in the Conservancy Appraisal Record.

The Court heard evidence regarding the appraisal of benefits on August 1 and announced that it would issue a ruling by August 20. Also during the August 1 hearing, the Court appointed Richard J. Pryce of North Canton in Stark County to the MWCD Board of Directors, replacing David E. Brightbill of Washington

County. Brightbill completed a second consecutive five-year term on the Board of Directors, the maximum permitted by a Court policy.

On August 20, the Conservancy Court ruled that the projected benefits are greater than the anticipated costs in the MWCD plan of maintenance for the reservoirs and dams. Ohio law requires that the Court make this determination prior to confirming the appraisal of benefits. The ruling then permitted the Board of Directors to vote on levying an assessment on property owners to fund the work to maintain and rehabilitate the aging infrastructure.

#### Board of Directors

Ohio law mandates that the Muskingum Watershed Conservancy District Board of Directors consist of five members appointed by the Conservancy Court. The Board is empowered to handle all of the items necessary or incident to the fulfillment of the purposes for which the Conservancy District was established.

Members of the Board of Directors as of December 31, 2007, were:

- 1) Harry C. Horstman of Scio, term expires June 3, 2010
- 2) Steve Kokovich of New Concord, term expires June 3, 2008
- 3) David Parham of the Atwood Lake area, term expires June 8, 2011
- 4) Richard J. Pryce of North Canton, term expires July 18, 2012
- 5) Thomas L. Tribbie of Cambridge, term expires July 18, 2009

Meetings of the Board of Directors are open public sessions and conducted in accordance with the public meetings laws as required by the Ohio Revised Code. A total of 13 meetings were held during 2007 at various locations. Meetings routinely are held on the third Friday of each month and begin at 9:00 a.m.

Thirteen meetings of the Board were held in 2007 on the following dates and locations: 6

- January 19, New Philadelphia City Council Chambers
- February 16, Sugarcreek Carlisle Inn
- March 16, Dennison Railroad Depot Museum
- April 20, New Philadelphia City Council Chambers
- May 18, New Philadelphia Hampton Inn
- June 25, Marietta College
- July 20, New Philadelphia City Council Chambers
- August 17, New Philadelphia City Council Chambers
- August 28, Muskingum County Welcome Center, Zanesville
- October 19, New Philadelphia City Council Chambers
- November 16, Atwood Lake Resort and Conference Center
- December 14, New Philadelphia City Council Chambers
- December 21, New Philadelphia City Council Chambers

Thomas L. Tribbie served as president of the Board during 2007 while David Parham was vice president. Minutes of all meetings are on file in the MWCD's main office at New Philadelphia.

#### Harry C. Horstman

- Appointed to the MWCD Board of Directors on June 8, 2002, to fill vacancy created by retirement of Joseph J. Sommer of North Canton
- Member and past chairman of MWCD Development Advisory Committee
- Inaugural member of the Muskingum Watershed Conservancy Foundation, Inc., Board of Trustees
- Camp manager for the United Methodist Church's Camp Aldersgate on property



Harry C. Horstman Board Member

leased from the MWCD at Leesville Lake, 1965-99

- Commodore of Atwood Yacht Club, 2002
- Member and former chairman of the Conotton Creek Trail development committee
- Spent 34 years as a teacher and administrator in school districts in Carroll, Harrison and Tuscarawas counties, retiring in 1991
- Has served on the boards and/or held memberships in numerous area and regional civic and community organization
- Graduate of Ohio University with a bachelor's degree in education and Kent State University with vocational director's certification

Harry Horstman has been associated with the Muskingum Watershed Conservancy District for nearly 40 years. As the former manager of Camp Aldersgate on Leesville Lake for 35 years, Horstman spent his summers leading activities for youths and adults.

Upon his retirement as an educator, Horstman has continued his work with the MWCD in various capacities, including as a charter member of the Muskingum Watershed Conservancy Foundation, Inc., Board of Trustees.

#### Steve Kokovich

- Appointed to MWCD Board of Directors on June 14, 2003, to fill vacancy created by fulfillment of two-term service by Frederic J. Grant III of Zanesville
- Administrator and member of the education de-

partment faculty at Muskingum College

- Member of New Concord Village Council for many years
- Former member of the board of directors for the John and Annie Glenn Historical Site at New Concord
- Active in development of system of walking trails and community



Steve Kokovich Board Member

- lake for New Concord area. Also involved in the National Road historical and tourism effort
- Graduate of Muskingum College, Ohio State University and Ohio University

Steve Kokovich may spend most of his days at Muskingum College, but he hardly is a stranger to the facilities of the MWCD. The Harrison County native grew up as a regular visitor to Clendening, Piedmont, Seneca and Tappan lakes in the region.

Kokovich has taught at Muskingum College since 1976.

#### David L. Parham

- Appointed to the MWCD Board of Directors on June 10, 2006, to fill vacancy created by fulfillment of two-term service by Joanne Limbach of New Philadelphia
- Member of the MWCD Development Advisory Committee, 2002-06
- Chairman of MWCD Development Advisory Committee, 2004
- Member of Muskingum Watershed Conservancy Foundation Board of Trustees
- Retired attorney from Thompson Hine firm in Cleveland, OH



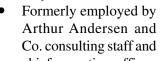
David L. Parham Vice President of the Board

- Former member of Shaker Heights City Council
- President, chairman and/or member of numerous advisory boards and planning committees in community
- Air Force veteran; held the rank of captain
- Graduate of Case Western Reserve University School of Law, Case Institute of Technology and the University of Dayton

David Parham, a cottage site lessee on MWCD-owned property at Atwood Lake, has held numerous positions of leadership in his professional and civic careers. With the MWCD, Parham has served as the chairman of the Conservancy District's Development Advisory Committee and was appointed to the Board of Directors in June 2006.

#### Richard J. Pryce

- Appointed to MWCD Board of Directors on August 1, 2007, to fill vacancy created by fulfillment of two-term service by David E. Brightbill of Lower Salem
- Member of MWCD Development Advisory Committee, 2006-07
- Retired president and chief executive officer of Aultman Health Foundation in Stark County with more than 20 years of service





Richard J. Pryce Board Member

- chief operating officer for St. John Hospital in Detroit
- Member of numerous community and environmental improvement programs, including Citizens for a Better Stark County, Stark County Drainage Task Force, Governor's Commission to Improve Teaching in Ohio and chairman of the Ohio General Assembly's Medicaid Administrative Study Council
- Former U.S. Navy officer
- Graduate of the University of Michigan

Richard J. Pryce hardly has taken the time to sit still since his retirement as the leader of the Aultman Health Foundation, which operates Aultman Hospital at Canton and other healthcare facilities in the region.

While taking a role on a state level to assist with improvements in education and healthcare, he also has kept an eye on his neighborhood and county. Pryce has been appointed to serve on committees by both the Ohio governor's office and the Ohio General Assembly, and participated in Stark County improvement programs.

At the end of 2007, he also was elected to serve as vice president of the MWCD Board of Directors for 2008.

#### Thomas L. Tribbie

- Appointed to MWCD Board of Directors on June 12, 2004, to fill vacancy created by fulfillment of two-term service by Thomas A. Depler of Shelby
- Partner in legal firm Tribbie, Scott, Plummer and Padden at Cambridge since 1952
- Former prosecuting attorney for Guernsey County, 1960-68
- Former president of Board of Trustees for Southeastern Ohio Regional Medical Center
- Former chief executive officer for Valley of Cambridge Scottish Rite Masons
- Former member of Board of Directors of National City Bank
- Graduate of Ohio State Pro University with bachelor's and law degrees



Thomas L. Tribbie President of the Board

Thomas L. Tribbie was appointed to the MWCD Board of Directors in June 2004 by the Conservancy Court. The Cambridge resident is very familiar with Seneca Lake and its facilities.

#### Board of Appraisers

The Muskingum Watershed Conservancy District's Board of Appraisers is a three-member panel that approves the methodology for determining assessments of the MWCD, based on the relative benefits/damages to property owners.

The board members, who are appointed by the Conservancy Court and serve staggered terms, also make recommendations to the Board of Directors on property sales and acquisitions based on presentations by MWCD staff.

Meetings of the Board of Appraisers are open public sessions and conducted in accordance with the public meetings laws as required by the Ohio Revised Code. Eight meetings were held during 2007 at various locations.

Meetings of the Board of Appraisers in 2007 were held on the following dates and locations:

- January 12, Oxford Medical Building, Dover
- February 9, Wayne County administration offices, Wooster
- March 9, Wayne County administration offices, Wooster
- April 13, Wayne County administration offices, Wooster
- May 4, Wayne County administration offices, Wooster
- June 8, Wayne County administration offices, Wooster
- October 5, New Philadelphia City Council Chambers
- November 5, New Philadelphia City Council Chambers

Members of the Board of Appraisers as of December 31, 2007, were as follows:



Members of the MWCD Board of Appraisers are (left to right): Thomas Roe, Mark J. Waltz (Chairman), and James Navratil.

- 1) James Navratil of Medina, term expires July 18, 2008
- 2) Thomas A. Roe of Wooster, term expires June 3, 2010
- 3) Mark J. Waltz of Dover, term expires July 14, 2008

Mark J. Waltz served as chairman of the Board of Appraisers in 2007. Minutes of all meetings are on file in the MWCD's main office at New Philadelphia.

After concentrating on the readjustment of the appraisal of benefits for the Chippewa Subdistrict for much of the past few years, the MWCD Board of Appraisers turned its focus beginning in 2005 to the readjustment of the appraisal of benefits for the Conservancy District. Much of its work during 2007 was related to this.

### Four lead general course for MWCD

According to Ohio law, the Court of the Muskingum Watershed Conservancy District exercises jurisdiction over the district, including the appointment of the Board of Directors.

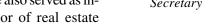
The day-to-day operations and business of the Conservancy District primarily are handled by the full-time and part-time MWCD staff, under the leader-ship of four administrators.

John M. Hoopingarner is the executive director/secretary; Boris E. Slogar, P.E., is the chief engineer; James B. Cugliari is the chief financial officer/treasurer; and Mark A. Jukich is the manager of operations.

During 2007, Slogar was hired to replace Richard A. Bible, who left the MWCD earlier in the year to take a position as the deputy director for District 11 of the Ohio Department of Transportation. James Rozelle, the former general manager and chief engineer of the Miami Conservancy District and the chief consultant to the MWCD on the methodology of a proposed assessment, served as interim chief engineer for the MWCD during the time period following Bible's resignation and the appointment of Slogar by the MWCD Board of Directors.

#### John M. Hoopingarner

- Appointed to position September 1, 1989, by the Board of Directors.
- Prior to appointment was in private law practice for 10 years in New Philadelphia.
- Served as chief counsel to MWCD from 1986-89 and associate legal counsel from 1979-86.
- Tuscarawas County native also served as instructor of real estate





lege of Law (juris doctor, 1979).

- Member of numerous professional and social boards, associations and organizations.
- Resides in Dover with wife and two children.

As the executive director/secretary, John M. Hoopingarner holds what generally can be considered the most visible position in the MWCD organization. He routinely serves as the source of official news and information from the Conservancy District, actively participating in public relations and civic affairs as the representative of the MWCD.

Only the agency's third chief executive, following Bryce C. Browning and Raymond Eichel, Hoopingarner performs a mix of mandated and generally expected duties on a daily, weekly and yearly basis. He is expected to perform the responsibilities of secretary of the conservancy district as detailed by law in the Ohio Revised code Chapter 6101 and executive director in accordance with the bylaws of the MWCD. He also advises the Board of Directors and Conservancy Court on such matters.

Hoopingarner also directly supervises the performance of several MWCD staff members, including the manager of operations, chief engineer and chief financial officer/treasurer. His role also is to administer and coordinate the development of Conservancy District policies, rules and regulations.

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#### Boris E. Slogar, P.E.

- Appointed to position Oct. 19, 2007, replacing Richard A. Bible, who left the MWCD for a position with the Ohio Department of Transportation.
- Prior to MWCD appointment, served as executive director of the Ohio Partnership for Excellence
- Appointed in 2001 as Deputy Tax Commissioner and Chief of Staff for the Ohio Department of Taxation, directing operations for the 1,420-employee state agency



Boris E. Slogar Chief Engineer

- Began career with Ohio Department of Natural Resources' Division of Water-Dam Safety Engineering Program, managing dam safety projects across the state and implementing Ohio's dam safety repair program
- Previously served on the executive board of the Water Management Association of Ohio and as a member of the Association of State Dam Safety Officials
- Graduate of Ohio State University with a bachelor's degree in civil engineering, majoring in hydraulic/hydrologic engineering and fluid mechanics. Received master's degree in project management from DeVry University
- Resides with wife and two children

Boris E. Slogar's responsibilities as chief engineer for the MWCD also are rooted in Ohio law, but have expanded well beyond those legal stipulations to serve the many facets of the Conservancy District's reach.

Slogar performs the work of chief engineer as prescribed by law in Chapter 6101 of the Ohio Revised Code and advises the executive director/secretary and Board of Directors on these items. Slogar provides general supervision of operations as superintendent of all the works and improvements of the Conservancy District and its subdistricts.

Slogar also is responsible for MWCD communication with agencies of government such as the U.S. Army Corps of Engineers, the Ohio Department of Transportation, Ohio Department of Natural Resources, Ohio Environmental Protection Agency and others.

#### James B. Cugliari

- Appointed to office of treasurer April 17, 1995.
- Began career with MWCD in December 1985 as assistant auditor/systems manager
- Prior to employment with Conservancy District, served as an auditor for the Auditor of State's Office for three years
- Graduate of Marietta College in 1982 with a bachelor's degree in accounting
- Tuscarawas County native graduated from Tuscarawas Central Catholic High School



James B. Cugliari Chief Financial Officer/Treasurer

- Member of numerous professional, community and social organizations and activities
- Resides in Dover with wife and four children

Along with the executive director/secretary and manager of operations/chief engineer, the position of chief financial officer/treasurer of a conservancy district in Ohio is provided for and has some mandated responsibilities as detailed in state law.

In his position as chief financial officer/treasurer of the MWCD, James B. Cugliari must perform those functions as well as other duties as prescribed by the Conservancy District. Cugliari manages and directs the finances of the MWCD, including planning, procurement and investment of funds; preparation of the annual budget; conducting audit functions; maintenance of all personnel records; long-range forecasting; and the insurance activities for the organization. He also advises the executive director/secretary and Board of Directors on these matters.

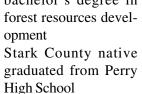
Cugliari prepares monthly and annual financial statements and analyzes financial data to determine the fiscal position of the MWCD and subdistricts, along with preparing forecasts of the future financial position and budget requirements of the Conservancy District. He oversees internal audit functions, coor-

dinates the work of outside auditors and authorizes the procedures for the protection and custody of all funds.

His role also involves managing and supervising the work to be performed by Conservancy District employees, contractors, subcontractors and others relative to the finances of the MWCD. He oversees a staff consisting of an accountant, computer systems coordinator and two accounting clerks.

#### Mark A. Jukich, C.F.

- Appointed as Manager of Operations on April 23, 2004
- Began career with MWCD in May 1975 as land assistant in the former Land and Forestry Department
- Prior to employment with Conservancy District, held positions with the Weyerhaeuser Co. in Arkansas and the Timken Company at Canton
- Graduate of University of Minnesota with a bachelor's degree in forest resources development





Mark A. Jukich Manager of Operations

- Member of the Society of American Foresters as a certified forester (C.F.) and Fellow
- Resides in Stark County with wife and has an adult daughter

As the manager of operations, Mark A. Jukich oversees all day-to-day activities of the various operations and programs of the Conservancy District.

In his position, Jukich is responsible for many of the revenue-generating operations in the MWCD, including the natural resources programs and the business operations of the MWCD's recreation programs. Jukich manages and directs the short-term and long-range development of these programs, including planning, budget development and forecasting, personnel and related functions.

Employed for most of his career with the MWCD in the land, conservation and natural resources management areas, Jukich spent many years overseeing the stewardship of the Conservancy District's resources.

#### Personnel

Staff from the Muskingum Watershed Conservancy District work at several locations and in numerous positions in fulfilling the mission and operations of the Conservancy District.

The MWCD employs nearly 400 people during the summer months when its recreational facilities are in peak demand. This includes part-time and seasonal status employees. The MWCD has about 80 full-time employees.

The following employees received special recognition for their years of service through 2007.

#### 10 years

 Mary C. Burley, Gina L. Ferri, Troy R. Hannahs, Darrell G. Larkin, Lynn E. Lyons, William J. Martin Jr. and Phillip L. Wolfe

#### 15 years

• James R. Bishop Jr.

#### 25 years

Bruce Horsfall and John A. Traxler

A complete listing of employees of the Conservancy District as of December 31, 2007, is located on Pages 74 and 75 of this report.

#### Development Advisory Committee

Created by the MWCD Board of Directors in 1992, the 18-member Development Advisory Committee (DAC) provides an organized public support system for responsive and effective economic development, conservation and recreation programs.

DAC members are appointed by the Board of Directors and serve staggered three-year terms.

William J. Taus served as chairman of the DAC during 2007, and Richard Bassetti was vice chair. The DAC held three meetings during 2007:

- February 23, JIM's Place, New Philadelphia
- May 25, Atwood Lake Resort and Conference Center
- July 27, New Philadelphia City Council Chambers

Through their regular, subcommittee and work group meetings, DAC members are updated about MWCD projects and operations. DAC members also present items as assigned for discussion and possible action by the MWCD Board of Directors.

Members of the DAC as of December 31, 2007, including their county of residence, term and ties to the Conservancy District, were the following:

- Richard L. Armstrong Carroll County 2007

   Armstrong, a cottage site lessee who resides at Leesville Lake, is the retired former commissioner of the Ohio High School Athletic Association.
- Richard Bassetti Tuscarawas County 2006
   – Bassetti, a retired educator who resides at New Philadelphia, has visited the MWCD lakes for many years and is a former MWCD lake ranger.
- Norman L. Blanchard Guernsey County 2006 – Blanchard, a retired educator and school administrator who is a cottage site lessee at Seneca Lake, is the executive director of the Cambridge-Guernsey County Community Improvement Corporation.
- Todd A. Davis Carroll County 2008 Davis the director of FFA Camp Muskingum located on Leesville Lake. A former Ohio Farm Bureau coordinator, Davis directs the operations of the year-round camp.

- Kevin Keffer Tuscarawas County 2008 –
  Keffer is an educator who spent several years
  as a lake ranger for the MWCD. Currently the
  athletic director at Dover High School, Keffer is
  familiar with numerous MWCD reservoirs.
- F. Scott O'Donnell Lorain County 2007 –
  O'Donnell is superintendent of the financial institutions for the Ohio Department of Commerce and has more than 20 years experience in the banking industry in various executive capacities.
- **Denny Roudebush** Carroll County 2008 Roudebush, a Carrollton resident, is a boater on Atwood Lake and the director of marketing for the Carroll Electrical Cooperative Inc.
- James A. Rowe Tuscarawas County 2008
   Rowe is a dairy farmer in northern Tuscarawas
   County. He is a member of the Ohio Farm Bureau.
- **Dirck W. TenBroeck** Harrison County 2009 TenBroeck, a retired insurance company executive, resides on a farm located less than five acres away from Tappan Lake. He is a member of numerous Harrison County civic and social organizations.
- Mark E. Tondra Harrison County 2007 –
   A resident of the Tappan Lake area, Tondra's family also owns property near Leesville Lake.

   He is a professional engineer.
- Roy Wilson Tuscarawas County 2010 Wilson has taught sailing on Atwood Lake for many years and docks a boat at Seneca Lake. He is the former owner of Hi-tech Test Technology Inc. at Bolivar.
- Bonnie Wissler Mt. Lebanon, Pa. 2008 -Wissler, whose late husband Regis also previously served on the DAC, is a resident of the Mt. Lebanon, Pa., area and a seasonal camper at Seneca Lake Park.

(Six seats on the DAC were vacant as of December 31, 2007).

## MWCD works toward implementation of maintenance plan in Muskingum River Watershed

The reservoirs and dams in the Muskingum River Watershed that help protect the region and its residents from the ravages of flooding and conserve water for public uses need some help at times, too.

During 2007, the Muskingum Watershed Conservancy District (MWCD) was prepared to offer its part in providing that help. After receiving the approval from its Board of Directors to proceed in levying an assessment and beginning the projects identified in the watershed through funding and partnering measures, the Ohio General Assembly slowed the process a bit.

In December 2007, members of the Statehouse approved an amendment in a bill that effectively placed a one-year moratorium on collection of an MWCD assessment intended for 2008 and ordered that legislators examine the MWCD's proposal. The MWCD Board moved quickly to appoint two of its members – David Parham and Richard J. Pryce – to work with state legislators to provide information, answer questions and assist as needed.

The MWCD also had provided witnesses and information at more than a dozen Statehouse committee hearings throughout the year to discuss other pieces of proposed legislation that were introduced and would have had an affect on the MWCD, and possibly all of the state's conservancy districts.

The sudden late-year halt in the MWCD's proposal and planning came just a few months following the final reviews and approvals of the necessary maintenance and rehabilitation by both the Conservancy Court and Board of Directors.

In what was termed "a truly historic moment in this great watershed," the MWCD Board of Directors agreed to enact a plan of maintenance and major rehabilitation of the aging infrastructure that reduces flooding and conserves water during a special meeting held Aug. 28, 2007, in Zanesville. The \$210 million plan was slated to be funded by an assessment of nearly 500,000 property owners in the watershed beginning in 2008.



The dams and reservoirs in the Muskingum River Watershed work as a system to reduce flooding and conserve water for public uses.

"It's been analyzed, reported and confirmed that the system of reservoirs and dams in the Muskingum River Watershed has and will continue to provide billions of dollars worth of benefits, including protecting lives and property," said John M. Hoopingarner, MWCD executive director/secretary. "This plan is focused squarely on public health and safety by properly maintaining and rehabilitating the aging structures and reservoirs."

Board members then almost immediately began the maintenance process by approving a resolution to participate in the installation of a temporary anchor relief project for Dover Dam on the Tuscarawas River. Because Congress has mandated local funding for such efforts, and no other Ohio agency was able to provide it, the Board agreed that the MWCD would serve as the local cost-share partner with the U.S. Army Corps of Engineers (USACE) on the project, which began near the end of the year. Through the agreement, the MWCD will provide approximately \$25,000 to \$35,000 of the total estimated cost of the work of between \$500,000 and \$1 million, or more than \$20 of federal investment for each dollar of investment by the MWCD.

"This project will help protect the dam and reduce the risk of any movement or failure of it until a more permanent solution is finalized and constructed," Hoopingarner said. "This is an example of exactly what kinds of projects the assessment funds will be used for - work that protects public health and safety, improves failing and aging infrastructure and involves a small investment by the MWCD that will return larger investment in the system and this great watershed."

A more comprehensive plan for major rehabilitation of Dover Dam is being finalized by the USACE, which has placed an initial cost estimate of \$100.8 million on the work. The project is expected to begin in 2009 and as the local cost-share sponsor contributing less than 3.5 percent of the cost, MWCD will pay around \$4 million toward the maintenance and repairs of the concrete dam located north of Dover on the Tuscarawas River.

Meeting in the Welcome Center at Zanesville, Hoopingarner said the meeting site was a return to the MWCD's historical roots. Members of the Zanesville Chamber of Commerce began the planning process in the 1920s that led to the development of the MWCD and the system of reservoirs and dams in the watershed that have prevented billions of dollars worth of potential property damage and saved countless lives.

The special meeting of the Board of Directors was scheduled after a ruling from the Conservancy Court that confirmed that the projected benefits are greater than the anticipated costs in the MWCD's plan. The Court, which by law has jurisdiction over the MWCD and consists of one common pleas court judge from each of the 18 counties in the MWCD region, heard testimony about the plan and the benefits it will produce.

The MWCD asserted in testimony before the Conservancy Court that billions of dollars of projected benefits will come from its plan as compared to the \$210 million in estimated costs of the plan over the next 20 years. Witnesses testified that a whole range of benefits are received by the owners of property located within the MWCD region, including flood reduction, access, water quality, water supply, tourism spending impacts, land preservation, environmental quality and construction impact.

The MWCD, a political subdivision of the state, was organized in 1933 to develop and implement a plan for flood reduction and water conservation in the Muskingum River Watershed. By 1938, 14 reservoirs and dams were constructed. According to the MWCD's plan, an estimated \$10.5 million annually would be generated from property owners in the MWCD region for public health and safety projects to safeguard the system of reservoirs and dams.

In a study of the watershed, national, state and local experts and agencies identified more than \$200 million worth of needed projects in the system that are the responsibility of the MWCD.

A large portion of the collected assessment funds would be used to meet federal cost-share obligations for safety repairs at several dams. The USACE, which owns and operates the dams in the Muskingum River Watershed, estimates safety costs for maintenance of four dams (Beach City, Bolivar, Dover and Mohawk) and one levee (Zoar) on a federal priority list is between \$510 million to \$680 million, with a federally mandated cost-share obligation from the MWCD of between \$95 million to \$135 million.

The MWCD manages the reservoir areas behind the dams in the Muskingum River Watershed. The reservoirs, some of which have permanent pools of water (lakes) for water conservation and recreation programs, hold floodwaters temporarily for safe release downstream during flooding conditions.

Most of the work to be completed in the MWCD maintenance plan, including partnering with the federal and state governments, as well as other local and interested participants, would be cost-shared with other agencies and would lead to the protection and creation of jobs in the region.

The work plan details the estimated costs and locations for projects to be completed in many categories, including:

- Dam Safety and Dam Safety Assurance
- Flood warning and dam operations system
- Debris removal in streams
- Road relocation and elevation
- Property boundary survey

- Dredging reservoirs
- Reduction of shoreline erosion
- Assist with solutions to hydrogen sulfide production at the reservoirs
- Water quality monitoring
- Correction of acid mine drainage issues
- · Reservoir inspection and maintenance

The MWCD has projected that 94 percent of the nearly 500,000 parcels subject to the assessment would pay an annual fee of \$12 per year. According to the Ohio law that applies to conservancy districts, the assessment fee is collected as a part of a property owner's regular county property tax collection.

The MWCD has used the income from its recreational facilities and the stewardship of its lands, waters and other natural resources to fund all of its operations to date. This has included the funding of the local share required by federal law for dam repair work. The rising costs associated with safety upgrades and maintenance in the system of reservoirs and dams are now more than the MWCD can generate from its traditional revenue sources.

The counties wholly or partially contained in the MWCD jurisdiction are Ashland, Belmont, Carroll, Coshocton, Guernsey, Harrison, Holmes, Knox, Licking, Morgan, Muskingum, Noble, Richland, Stark, Summit, Tuscarawas, Washington and Wayne.



The U.S. Army Corps of Engineers (USACE) has identified stability concerns at Dover Dam. A plan to address these concerns has been developed by the USACE

Photo courtesy of USACE.

## New chief engineer takes helm at MWCD

A Columbus-area professional engineer with extensive experience in dam safety repair and construction project management was appointed chief engineer of the MWCD during the fall of 2007.

The employment of Boris E. Slogar was approved by members of the MWCD Board of Directors during their meeting in October.

Slogar began his career in 1989 with the Ohio Department of Natural Resources' Division of Water-Dam Safety Engineering Program, managing dam safety projects across Ohio, implementing Ohio's dam safety repair program and working with the U.S. Army Corps of Engineers, Natural Resource Conservation Service, Bureau of Reclamation, Ohio Environmental Protection Agency and Soil and Water Conservation District on shared projects.

In 2001, he was appointed Deputy Tax Commissioner and Chief of Staff for the Ohio Department of Taxation, an executive leadership position directing operations for an agency of 1,420 employees with an annual operating budget of \$155 million. Prior to his appointment for the MWCD, he served as the executive director of the Ohio Partnership for Excellence, a not-for-profit organization focused on improving Ohio's schools, hospitals, businesses and government agencies.

Slogar is a graduate of Ohio State University with a bachelor's degree in civil engineering, majoring in hydraulic/hydrologic engineering and fluid mechanics. He also holds a master's degree in project management from DeVry University.

He is well known in the water management field in Ohio, having served on the executive board of the Water Management Association of Ohio and as a member of the Association of State Dam Safety Officials.

"Boris has the knowledge and experience to lead the MWCD in its participation in projects to assure the safety of the system of dams and reservoirs in the Muskingum River Watershed," said John M.

Hoopingarner, MWCD executive director/secretary. "He has managed 218 dam repair projects totaling more than \$10 million in construction costs. We are very fortunate to have Boris Slogar join our effort."

Slogar replaced Richard A. Bible, who left the MWCD earlier in 2007 to become the deputy director for the Ohio Department of Transportation's District 11 operations headquartered at New Philadelphia. James Rozelle, the former general manager and chief engineer of the Miami Conservancy District, served the MWCD as interim chief engineer during the time period between the resignation of Bible and the appointment of Slogar.

"I am both honored and committed to serve as chief engineer for MWCD during this crucial time of upgrading MWCD's complex system of flood-reduction structures," Slogar said. "I look forward to the challenges and opportunities that lie ahead in furthering the mission and legacy that is the MWCD."

# MWCD provides local funds for crucial work at Dover Dam

By the end of 2007, the U.S. Army Corps of Engineers (USACE) had started work to provide additional stability at Dover Dam. The Muskingum Watershed Conservancy District (MWCD) affirmed its partnership with the USACE and pledge to protect people and property in the watershed by serving as the local cost-share sponsor for the work.

Construction was under way in December 2007 at Dover Dam on the installation of 17 large steel bar anchors to provide increased stability of the dam until a permanent rehabilitation project is started sometime in 2010.

Nick Krupa, Muskingum Area Manager for the Huntington (WV) District of the USACE said that workers were installing the 3-inch diameter steel bars in the dam's existing foundation drains.

The MWCD, which was formed in the 1930s to develop and implement a plan for flood reduction and water conservation that included the construction of Dover and 13 other dams in the Muskingum River

Watershed, is the federally required local cost-share sponsor for the construction work at Dover Dam. The MWCD has paid the USACE \$27,600 in 2007 toward its share of the \$919,000 project, with the federal government covering more than 96 percent of the overall cost.

The MWCD has determined that the continued work on Dover Dam as well as other safety measures throughout the watershed will require local funding to attract the hundreds of millions of dollars available in federal funds.

Krupa said that the Dover project is expected to be completed by the summer of 2008. A contract for the work was awarded by the federal government to Tab Construction Company of Canton. Construction of the permanent rehabilitation at the concrete dam located off Route 800 north of Dover in northern Tuscarawas County is expected to begin sometime in 2010 and cost about \$100.8 million.

USACE officials have reported that the dam has stability concerns and needs upgraded for effective performance in reducing the effects of flooding in the watershed.

The USACE owns and operates the flood-reduction dams in the watershed, with the MWCD managing the reservoir areas behind the dams where floodwaters are stored temporarily for safe release downstream. Because of the safety concerns associated with the dam, the USACE has classified the need for work at the dam as "urgent," which is the second highest safety concern rating in the United States.

Runoff rainwater managed behind Dover Dam flows from the northern section of the watershed, including from portions of Carroll, Stark, Summit, Wayne and Medina counties. Until major rehabilitation work is completed at Dover Dam, less water may be retained behind it. This results in higher floodwater levels below the dam during peak flows. Reduced retention capabilities at any of the Muskingum flood reduction structures has an impact on the entire system of dams that are operated in conjunction with each other.

Three other dams in the Muskingum River Watershed – Beach City, Bolivar and Mohawk – as well as Zoar Levee also were rated in the urgent category by the USACE and are expected to undergo improvements in upcoming years, Krupa said. The total cost of the upgrades at all of the structures is estimated between \$510 million and \$680 million, with a federally mandated cost-share obligation of between \$95 million to \$135 million.

MWCD officials have said the conservancy district plans to serve as the local cost-share sponsor for the projects, with its share funded through a proposed assessment of property owners in the 18-county MWCD region.

The MWCD has used the income from its recreational facilities and the stewardship of its lands, waters and other natural resources to fund all of its operations to date. This has included the funding of the local share required by federal law for dam repair work. The rising costs associated with safety upgrades and maintenance in the system of reservoirs and dams are more than the MWCD can generate from its traditional revenue sources.

The MWCD Board of Directors approved the partnering arrangement for the stability work at Dover Dam earlier in 2007.

#### Staff projects fill busy year

The staff of the Muskingum Watershed Conservancy District dedicates itself to dozens and even hundreds of projects and activities simultaneously throughout a year's time. In 2007, it was no different.

Besides the routine projects conducted by MWCD work groups, many staffers also volunteer for outreach programs that extend the Conservancy District's involvement, influence and education.

Following is a listing of many noteworthy activities the MWCD participates in during the courses of a year, broken down by classification.

#### Engineering

Routine and specialty maintenance is a major concern and an important part of the short-term and long-term planning processes for the MWCD. In addition, a considerable portion of the MWCD budget is related to maintaining the facilities as overseen by the engineering group.

The Conservancy District manages 10 permanent lakes, more than 54,000 acres of property, five lake parks, a resort and other facilities to be concerned with on a day-to-day and more long-term basis.

Staff members in the MWCD's engineering group and at the parks are in charge of the planning and execution of the maintenance and major repair/replacement needs for the facilities and equipment.

The engineering and park staffs at all MWCD facilities conducted dozens of routine and specialty projects during 2007. Work, as in most years, ranged from routine maintenance to scheduled and unscheduled improvements.

The engineering group develops a list of priority projects each year through the planning process that involves the MWCD administration, managers and coordinators, park staffs and others. In most years, more than 100 projects are completed by the end of each calendar year.

The Geographic Information Systems (GIS) staff in the engineering department has spent the last couple of years accumulating and preparing the necessary data for the MWCD to levy and collect an assessment in the 18-county MWCD jurisdiction. Staff members have been busy developing a billing file that accounts for more than 700,000 parcels of land under the MWCD jurisdiction, as well as providing customer service to assessed parcel owners and responding to legal exceptions filed through the Conservancy Court.

#### Public Information

The public information support arm of the Conservancy District's operations spent most of its time in 2007 as it does in other years: utilizing public education opportunities to promote the mission of the MWCD and marketing the recreational opportunities at the facilities of the Conservancy District.

The public information effort for the MWCD utilizes and manages several forms of media to portray the message and image of the Conservancy District. These include the following:

 Lake Views – A quarterly newsletter published by the MWCD and distributed free to more than 11,000 mailing addresses.

- Internet site Information about the MWCD is posted on its website at <u>www.mwcdlakes.com</u>. A website at <u>www.mwcd.org</u> provides details related to the MWCD's Amendment to the Offical Plan.
- Press releases Official information from the Conservancy District is provided to media in the watershed and beyond.
- Promotional activities The MWCD participates in numerous activities each year, some of which it sponsors, to promote the lakes, facilities and/ or mission of the MWCD.

Other activities also are conducted through the public information office for direct marketing and advertising about the recreational programs at the lakes and parks.

#### Human Resources

With a staff of around 80 full-time employees that swells to about 400 total workers during the summer months, the work to service the needs of both staff and the MWCD organization is thye focus of the human resources office.

Besides routine reviews of the Conservancy District's benefit package, health plan and communications efforts for its employees, the human resources support office also studies all aspects of the employment experience, for the staff member and the organization.

Numerous other projects also were conducted in 2007 to enhance the employee-employer relationship for the MWCD.

#### Safety

The employment of a full-time safety coordinator by the MWCD has resulted in numerous upgrades in staff work practices and conditions of the Conservancy District's facilities to promote safety for employees and guests.

Various programs have been instituted, including a work team that focuses on safety in the workplace, routine safety meetings at regular work locations and special programs designed to promote safe work practices.

Compliance issues for safety have become more complex in recent years and the safety coordinator spent much of 2007 designing specific programs to ensure adherence to local, state and federal guidelines and laws.

#### Natural Resources

The formation in early 2004 of the Natural Resources group has centralized all of the MWCD's programs related to its environmental resources and recreational leasing under one management structure.

The Natural Resources group concentrates its efforts in both the stewardship of the MWCD's natural resources and its recreation programs. Areas managed in this group include agricultural, silvicultural, minerals, dredging/shoreline stabilization and water quality monitoring operations, as well as management of the 1,200 active leases in the cottage site lease program.

Staff members with specific position descriptions are directed to handle specialized activities related to these areas, ranging from identification of trees for harvesting as part of the forest renewal program, to testing samples of water from the permanent impoundments of water for quality to executing lease documents in the cottage site areas.

# Cooperating agencies enhance MWCD offerings

The Muskingum Watershed Conservancy District is fortunate to have the support of several state and federal agencies that enable the MWCD to improve its facilities on an annual basis.

From stocking of fish in the MWCD lakes to operation of the dams, the Conservancy District benefits from the expertise and support of trained professionals at these agencies. Officials from the organizations normally meet at least annually with MWCD representatives for planning and discussion of shared issues.

#### U.S. Army Corps of Engineers

Flood control operations of the 14 MWCD dams were assumed by the U.S. Army Corps of Engineers under the 1939 Flood Control Act. The dams continue

to be owned by the Corps' Huntington, West Virginia, District Office. The Muskingum Area Office is located off State Route 800 just outside Dover.

During 2007, officials of the Corps and MWCD met twice in accordance with their partnering agreement to discuss common goals and issues. The agencies have assigned various staff members to study designated areas of interest and make recommendations to the administrations of each.

#### Ohio Department of Natural Resources

The Ohio Department of Natural Resources and the MWCD cooperate in a number of aspects. The MWCD annually receives a grant from ODNR's Division of Watercraft for marine patrol operations. Grants also have been obtained from ODNR for numerous other MWCD construction and improvement projects.

The MWCD lakes and most of the surrounding land owned by the Conseancy District are open for public use, including boating, fishing, hunting, hiking and other activities. ODNR's Division of Wildlife annually stocks the fish in the MWCD lakes and conducts other wildlife research and development efforts at the reservoirs.

The Conservancy District lakes are located through three separate districts of jurisdiction of the Division of Wildlife. In District 3 in the northeast portion of the state, the MWCD lakes include Atwood, Beach City, Clendening, Leesville and Tappan. District 4 handles activities at Piedmont, Seneca and Wills Creek lakes, while District 2 encompasses Charles Mill and Pleasant Hill lakes.

#### Ohio Department of Transportation

The MWCD and the Ohio Department of Transportation have cooperated since the formation of the Conservancy District for highway relocations, bridge construction, rights-of-way and maintenance and repair of roads. As part of this effort, ODOT provides an annual paving program to maintain access roads for the MWCD parks, launch ramps and marinas.

#### Summary of MWCD Owned Land by County

as of December 31, 2007

			To	tal
County	Reservoir	Acres	Acres	Lots
	Charles Mill	1811.9564		
Ashland	Mohicanville	40.7540	2577.3304	199
	Pleasant Hill	724.6200		
Belmont	Piedmont	5859.9680	5859.9680	
	Atwood	3410.2550		
Carroll	Leesville	3709.2330	7119.4880	20
	Mohawk	3374.7738		
Coshocton	Wills Creek	3887.7110	7262.4848	3
	Piedmont	130.3010		
Guernsey	Senecaville	1461.3291	1712.8761	11
	Wills Creek	121.2460		
	Clendening	6601.6080		
Harrison	Piedmont	695.7800	14891.6370	58
	Tappan	7594.2490		
Holmes	Mohawk	8.5900	8.5900	
Knox	Mohawk	356.7900	356.7900	
Muskingum	Wills Creek	1785.9000	1785.9000	
Noble	Senecaville	6154.4400	6154.4400	1
	Charles Mill	1539.8400		
Richland	Pleasant Hill	1469.1390	3008.9790	63
	Beach City	64.0200		
Stark	Bolivar	815.2115	879.2315	2
	Atwood	1142.2500		
	Beach City	1286.3780		
Tuscarawas	Bolivar	19.9600	2933.1074	75.5
	Dover	484.5194		
TOTALS		54550.8222	54550.8222	432.5

#### Summary of MWCD Owned Land by Reservoir

as of December 31, 2007

			Total		
Reservoir	County	Acres	Acres	Lots	
	Carroll	3410.2550			
Atwood	Tuscarawas	1142.2500	4552.5050	19.0	
	Stark	64.0200			
Beach City	Tuscarawas	1286.3780	1350.3980	2.0	
	Stark	815.2115			
Bolivar	Tuscarawas	19.9600	835.1715	23.5	
	Ashland	1811.9564			
Charles Mill	Richland	1539.8400	3351.7964	199.0	
Clendening	Harrison	6601.6080	6601.6080		
Dover	Tuscarawas	484.5194	484.5194	52.0	
Leesville	Carroll	3709.2330	3709.2330	1.0	
	Coshocton	3374.7738			
Mohawk	Holmes	8.5900	3740.1538		
	Knox	356.7900			
Mohicanville	Ashland	40.7540	40.7540		
	Belmont	5859.9680			
Piedmont	Guernsey	130.3010	6686.0490		
	Harrison	695.7800			
	Ashland	724.6200			
Pleasant Hill	Richland	1469.1390	2193.7590	63.0	
	Guernsey	1461.3291			
Senecaville	Noble	6154.4400	7615.7691	1.0	
Tappan	Harrison	7594.2490	7594.2490	58.0	
	Coshocton	3887.7110			
Wills Creek	Guernsey	121.2460	0 5794.8570	14.0	
	Muskingum	1785.9000			
TOTALS		54550.8222	54550.8222	432.5	

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#### Management Discussion and Analysis

The discussion and analysis of the Muskingum Watershed Conservancy District's (the District) financial performance provides an overall review of the District's financial activities for the fiscal year ended December 31, 2007. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance

#### Financial Highlights

Key financial highlights for 2007 are as follows:

- Total net assets increased \$373,530. This increase is due primarily to the increase in pooled cash and cash equivalents.
- For comparative purposes, these financial statements reflect activity of the Muskingum Watershed Conservancy District and Atwood Lake Resort and Conference Center.
- The December 31, 2006 net assets have been restated due to a change in the District's depreciation policy. Prior to 2006, the District depreciated any fixed asset at 100% in the year of acquisition. During 2006 the District began full implementation of the Governmental Accounting Standards Board Statement No. 34 (GASB 34) and began depreciating their fixed assets according to generally accepted accounting principles. This change resulted in an increase in net assets at January 1, 2007 of \$5,885,675.

#### Overview of the Financial Statements

This annual report consists of two parts – management's discussion and analysis and the basic financial statements. These statements are organized so that the reader can understand the financial position of the District. The statement of net assets represents the basic statement of position for the District. The statement of receipts, disbursements and changes in net assets present increases (e.g. receipts) and decreases (e.g. disbursements) in net total assets. The statement of cash flows reflects how the District finances and meets its cash flow needs. Finally, the notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided on the basic financial statements.

#### Financial Analysis of the District as a Whole

The District is not required to present government-wide financial statements as the District is engaged in only business-type activities. Therefore, no condensed financial information derived from government-wide financial statements is included in the discussion and analysis.

The following tables represent the District's condensed financial information for 2007 and 2006 derived from the statement of net assets and the statement of receipts, disbursements, and changes in net assets.

	2007	Restated 2006
Current assets	\$ 4,655,960	\$ 3,518,385
Capital asset, net	21,457,621	19,977,852
Total assets	26,113,581	23,496,237
Current liabilities	2,182,125	2,005,499
Long-term debt outstanding	11,368,403	9,370,300
Total liabilities	13,550,528	11,375,799
Equity		
Invested in capital assets net of related debt	9,814,651	9,344,862
Unrestricted	2,679,317	2,775,576
Total net assets	\$ 12,493,968	\$ 12,120,438

#### Changes in Net Assets

The following shows the changes in net assets for 2007 and 2006.

	2007	Restated 2006
Receipts		
Charges for services	\$ 12,938,019	\$ 12,694,138
Other operating receipts	2,713,415	2,492,144
Total receipts	15,651,434	15,186,283
Disbursements		
Personnel costs	5,704,460	5,919,376
Contractual services	8,949,776	8,203,076
Depreciation	720,517	720,872
Total disbursements	15,374,753	14,843,324
Operating receipts over operating disbursement	276,681	342,958
Nonoperating Activities		
Investment earnings	96,849	74,048
Total change in net assets	373,530	417,007
Beginning net assets	12,120,438	11,703,431
Ending net assets	\$ 12,493,968	\$ 12,120,438

Net assets increased by \$373,530. This increase was primarily the result of an increase in pooled cash and cash equivalents.

#### Capital Assets and Debt Administration

#### Capital Assets

At the end of 2007 the District had \$21,457,621 net of accumulated depreciation invested in capital assets. The following table shows 2007 and 2006 balances:

	2007	Restated 2006	Increase (Decrease)
Land	\$ 2,170,779	\$ 2,170,779	\$ 1
Capitalized development costs/land purchases	-	-	\$ -
Buildings and improvements	23,674,623	23,674,623	\$ -
Easements and rights-of-way	48,871	48,871	\$ -
Machinery and equipment	4,817,651	4,690,020	\$ 127,631
Developmental costs	6,111,177	4,149,011	\$ 1,962,166
Office furnitures and fixtures	785,503	708,454	\$ 77,049
Autos and trucks	1,186,549	1,160,435	\$ 26,114
Less: accumulated depreciation	(17,337,532)	(16,624,341)	\$ (713,191)
	\$ 21,457,621	\$ 19,977,852	\$ 1,479,769

Additional information on the District's capital assets can be found in Note 3.

#### Debt

The following table summarizes the District's debt outstanding as of December 31, 2007 and 2006:

	2007	2006
Promissory notes payable	\$ 1,172,571	\$ 1,203,627
Revenue bonds payable	4,084,655	4,366,673
Promissory notes payable effective 2010	6,111,177	3,800,000
	\$ 11,368,403	\$ 9,370,300

Additional information on the District's long-term debt can be found in Note 8 and 9.

#### Requests for Information

This financial report is designed to provide our citizens, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information contact James Cugliari of the Muskingum Watershed Conservancy District.

#### Statement of Net Assets

		2007
ASSETS		
Current Assets		
Pooled cash and cash equivalents	\$	1,822,071
Cash in bank		
Accounts receivable		2,833,889
Total current assets		4,655,960
Property Assets		
Land		2,170,779
Capitalized development costs and land purchases		6,111,177
Easements and rights-of-way		48,871
Buildings and improvements		23,674,623
Machinery and equipment		4,817,651
Office furniture and fixtures		785,503
Autos and trucks		1,186,549
Total property assets		38,795,153
Less: accumulated depreciation		17,337,532
Net property assets		21,457,621
Total Assets	\$	26,113,581
LIABILITIES	<u>.</u>	
Current Liabilities		
Accounts payable		1,179,786
Bonds payable - portion due within one year		334,237
Accrued interest payable		100
Performance bond payable		5,475
Escrow land rentals		175
Accrued health insurance		350,692
Accrued medicare		0
Accrued life insurance		-
Accrued industrial insurance		335,879
Accrued disability income		9,035
Accrued retirement insurance		27,303
Total current liabilities		2,242,682
Long-Term Liabilities		
Accounts payable		
Loans payable - OWC/OWDA		
Bonds payable - portion due after one year		11,368,403
Deferred revenue		8,528
Total long-term liabilities		11,376,931
Total Liabilities		13,619,613
Net Assets	\$	12,493,968

#### Statement of Cash Receipts and Disbursements

for the year ending December 31, 2007, ORC Section 6101.66

Cash and Investment Balance, January 1, 2007		1,438,424.10
Receipts		
Atwood Lake Resort	4,123,897.24	
Park Camping	3,641,810.40	
Cottage Site Leases	1,758,320.10	
Grants	15,842.75	
Marina Operations	578,572.52	
Sale of Timber and Pulpwood	501,397.98	
Sale of Land/Easements and Rights-of-Way	159,215.27	
Park Vacation Cabins	379,319.22	
Private and Mutliple Docks	440,411.82	
Interest on Investments, Deposits and Notes	96,849.35	
Sale of Assets	5,905.30	
Park Admissions and Shelters	112,892.56	
Camper Trailer Storage and Pump-Out	193,381.09	
Mineral Rights and Royalties	378,033.13	
Water and Sewer Systems	37,551.83	
Marina - Camping	81,291.22	
Lake Patrol Operations	45,325.56	
Share Crop Operations	360,409.32	
Park Activity Centers	21,949.40	
ODNR Division of Watercraft	62,646.74	
Organized Groups and Club Sites	60,950.88	
Rental of Lands and Buildings	22,053.50	
Special Events	17,164.85	
Miscellaneous Income and Reimbursements	80,010.08	
Park Firewood Operations	22,464.51	
Refreshment Stand Sales and Dispensers	31,295.09	
Beach Operations and Water Activities	16,565.00	
Road Improvements - Lessees	17,957.39	
Sale of Water	36,350.38	
Accounts Receivable Adjustment and Advances	(264,241.00)	
State of Ohio - Operating Funds	75,000.00	
OWDA - Assessment Loan	2,276,598.48	
Total Receipts		15,387,191.96
Total Receipts and Balance		16,825,616.06

#### Statement of Cash Receipts and Disbursements continued

Disbursements		
Atwood Resort Facilities	4,542,032.27	
Salaries, Wages and Fees	3,629,906.95	
Purchase of Fixed Assets and Equipment	301,775.97	
Employee Insurance - Retirement, Health and Industrial	1,065,483.12	
Contracts	1,931,246.49	
Materials and Supplies	971,423.11	
Service	152,128.73	
Utility Expense	599,259.03	
Real Estate Taxes	206,127.46	
State Sales Tax	36,401.20	
Chemicals and Fertilizers	4,165.33	
Legal Expenses	367,213.35	
Debt Retirement-Principal	192,954.85	
Insurance - Property and Liability	162,873.00	
Park Supplies for Resale	20,226.65	
Gas and Oil	165,136.78	
Repairs	4,319.14	
Advertising Expense	144,587.60	
Interest Expense	95,320.89	
Training and Education	10,437.99	
Telephone	49,274.24	
Adjustments to Current Liabilities and Advances	(47,777.81)	
Postage	24,428.44	
Travel Expense	51,520.51	
Court Costs	323,079.70	
Total Disbursements		15,003,544.99
Cash and Investment Balance December 31, 2007		1,822,071.07

#### Cash Flow

Cash Flows from Operating Activities	2007	
Cash received from customers	\$ 12,775,597	
Cash payments to suppliers for goods and services	(6,100,761)	
Cash payments to employees	(5,704,460)	
Net cash provided by operating activities	970,376	
Cash Flows from Capital and Related Financing Activities		
Proceeds from capital debt	2,276,598	
Capital Contributions	56,990	
Interest paid on capital debt	(210,652)	
Acquisitions and construction of assets	(2,500,545)	
Principal payment on revenue and note payable	(305,970)	
Net cash used in capital and related financing activities	(683,579)	
Cash Flows from Investing Activities		
Receipts of interest earnings	96,849	
Net cash provided by investing activities	96,849	
Net increase in cash and cash equivalents	383,647	
Cash and cash equivalents at beginning of year	1,438,424	
Cash and cash equivalents at end of year	\$ 1,822,071	

# Reconciliation of Operating Income to Net Cash provided by Operating Activities

Excess of operating receipts over operating disbursements	\$	276,681
Adjustments to reconcile excess of operating receipts over		
Operating disbursements to net cash provided by operating activ	vities:	
Depreciation		720,517
Changes in assets and liabilities:		
Increase in accounts receivable		696,575
Increase in accounts payable		213,891
Increase in performance bond payables		(1,000)
Increase in accrued health insurance		(148,463)
Increase in accrued life insurance		-
Increase in accrued industrial insurance		68,300
Decrease in accrued disability income		(423)
Decrease in accrued retirement insurance		(2,682)
Decrease in deferred revenue		280
Increase in other		(1,605)
Total adjustments		1,545,390
Net cash provided by operating activities	\$	1,822,071

#### Analysis of Fund Balances

Total Improvement Fund	240,087.00	
Maintenance Fund		
General Land and Miscellaneous	83,229.69	
Forestry	694,364.13	
Recreation	566,093.86	
Contingent	39,857.73	
Total Maintenance Fund		1,383,545.4
Recreation Improvement Fund		
Regular	130,048.94	
Construction	59,883.48	
Contingent	8,406.24	
Total Recreation Improvement Fund		198,338.60
Bond Fund No. 2	100.00	
Total Cash Balances - All Funds		1,822,071.07
<b>Depositories</b>		
Funds with Banks - Checking and Collection Accounts	1,775,564.29	
Funds with Banks - Atwood Resort	43,933.00	
Funds with Banks - Investments	0.00	
Inactive Funds with State Treasurer	100.00	
Petty Cash and Change Funds	2,473.78	
Total Depositories - All Funds		1,822,071.07

#### Summary of Funds

as of December 31, 2007

	Balance					Balance
	Jan. 1, 2007	Receipts	Expenses	Transfers In	Transfers Out	Dec. 31, 2007
Improvement Fund	95,871.73	159,215.27	15,000.00	0.00	00.0	240,087.00
Maintenance Fund						
General	48,853.39	2,674,734.05	4,640,357.75	(1) 2,000,000.00	0.00	83,229.69
Contingent	39,857.73	00.0	0.00	0.00	00:00	39,857.73
Forestry	606,324.97	501,397.98	163,358.82	00:00	<sup>(2)</sup> 250,000.00	694,364.13
Recreation	433,595.00	11,981,317.07	9,931,782.77	00:00	(3) 1,917,035.44	566,093.86
Total Maintenance Fund	1,128,631.09	15,157,449.10	14,735,499.34	2,000,000.00	2,167,035.44	1,383,545.41
Recreation Improvement Fund						
Regular	157,315.59	70,527.59	245,863.72	(4) 148,069.48	00.0	130,048.94
Construction	48,099.45	00.0	7,181.93	(5) 18,965.96	0.00	59,883.48
Contingent	8,406,24	00.00	0.00	00:0	0.00	8,406.24
Total Recreation Maintenance Fund	213,821.28	70,527.59	253,045.65	167,035.44	0.00	198,338.66
Bond Fund No. 2	100.00	00.0	00.00	00:00	0.00	100.00
Total Funds	1,438,424.10	15,387,191.96	15,003,544.99	2,167,035.44	2,167,035,44	1,822,071.07

(1) Transfer of \$250,000.00 from Maintenance Fund - Forestry Transfer of \$1,750,000.00 from Maintenance Fund - Recreation

(2) Transfer of \$250,000.00 to Maintenance Fund - General (3) Transfer of \$1,750,000.00 to Maintenance Fund - General

Transfer of \$148,069.48 to Recreation Improvement Fund - Regular

Transfer of \$18,965.96 to Recreation Improvement Fund - Construction (4) Transfer of \$148,069.48 from Maintenance Fund - Recreation

(5) Transfer of \$18,965.96 from Maintenance Fund - Recreation

#### Analysis of Funds: Improvement Fund

	Income	Expense	Fund Balance
Balance, January 1, 2007			95,871,73
Sale/Purchase of Land and Buildings	145.864.27	15,000.00	
Easements and Rights-of-Way	13,351.00	0.00	
Subtotals	159.215.27	15.000.00	
Excess of Income over Expenses			144,215.27
Balance, December 31, 2007			240,087,00

#### General Maintenance Fund

	Income	Expense	Fund Balance
Balance, January 1, 2007			48,853.39
Water Resources and Flood Control	36,350.38	2,741.91	
Improvement to District Properties		37,062.23	
Safety	6,413.75	103,894.60	
Office Remodeling and Equipment		95,891.52	
Lake Access Improvements		18,229.42	
Land and Building Rentals	22,053.50	13,018.68	
Share Crop Operations	360,409.32	163,333.22	
Mineral Operation - Gas, Oil, Coal	378,033.13	3,423.63	
Watershed Management	9,429.00	15,704.15	
State of Ohio - Operating Funds	75,000.00		
Assessment (Loan)	2,276,598.48	2,204,843.23	
Auto, Truck, and Equipment		194,007.18	
Office Building		85,636.84	
Administrative and Finance		1,214,587.25	
Engineering		236,193.65	
Subtotals	3,164,287.56	4,388,567.51	
Miscellaneous Sales and Services			
(See Itemized Supplement Next Page)	(489,553.51)	130,447.52	
Total General Maintenance Fund			
(Including Miscellaneous)	2,674,734.05	4,519,015.03	
Transfer from Recreation Maintenance Fund	1,750,000.00		
Transfer from General Maintenance Forestry	250,000.00		
Debt Retirement - Office Building		121,342.72	
Totals	4,674,734.05	4,640,357.75	
Excess of Income over Expense			34,376.30
Balance, December 31, 2007			83,229.69

#### Itemized Supplement: Analysis of Miscellaneous Sales and Services

Reimbursible Items	Income	Expense
Chippewa Subdistrict Reimbursement	38,992.33	29,850.76
Miscellaneous Income		
Plans and Maps	438.00	
Pay Phone Receipts		
Bad Check Fees	650.00	
Impounded Boat Fees	80.00	
Cottage Construction Permits	5,725.00	
Capital Credit Refunds	5,270.13	
Recycle Materials		
Reimbursements		
Incidental Income	1,352.90	
Subtotals	13,516.03	29,850.76
Various Other Items		
Sale of Assets	5,905.30	
Interest on Investments (Maintenance Fund-General)	71,026.35	
Depreciation, Write-offs and Adjustments	(618,993.52)	(239,403.24)
Cash Advance to Atwood Resort		340,000.00
Total Maintenance Fund-Miscellaneous	(489,553,51)	130,447.52

#### Forestry Maintenance Fund

	Income	Expense	Fund Balance
Balance, January 1, 2007			606,324.97
Reforestation		1,783.32	
Woods Improvement		8,475.15	
Timber Harvesting	331,826.67	26,904.32	
Forest Protection		7,343.49	
Continuous Forest Inventory		0.00	
Pine Pulpwood Operations	169,571.31	17,742.61	
Conservation Administrative Expense		101,109.93	
Subtotals	501,397.98	163,358.82	
Transfer to General Maintenance Fund	0.00	250,000.00	
Totals	501,397.98	413,358.82	
Excess of Income over Expenses			88,039.16
Balance, December 31, 2007			694,364.13

#### Recreation Maintenance Fund

	Income	Expense	Fund Balance
Balance, January 1, 2007			433,595.00
Atwood Resort Facilities	4,123,897.24	4,542,032.27	
Manager and Employee Residences		10,942.25	
Watercraft Agreement	62,646.74		
Special Clean Up Operations		8,469.17	
Lake Patrol Operations	45,325.56	175,722.29	
Marina Operations	578,572.52	39,696.09	
Marinas-Camping	81,291.22	1,662.65	
Marinas-Reimbursements	27,501.72		
Public Launching Facilities		20,340.27	
Cottage Sites	1,758,320.10	455,416.93	
Club Sites	60,950.88	6,707.36	
Private Docks	440,411.82	17,468.35	
Road Maintenance			
and Improvements - Cottage Areas	17,957.39	73,587.09	
Water and Sewer Systems	20,118.76	228,990.11	
Park Vacation Cabins	379,319.22	126,372.69	
Beach Facilities & Rental Boats	16,565.00	108,965.23	
Park Refreshment Stands & Vending	31,295.09	18,949.01	
Activity Centers	21,949.40	40,256.93	
Park Camping	3,641,810.40	1,901,466.88	
Trailer Pump-Out	25,658.00	35,106.71	
Camper Trailer Storage	167,723.09		
Firewood Operations	22,464.51	12,813.09	
General Park Facilities (includes shelters)	112,892.56	1,167,283.99	
Program Services		11,441.07	
Special Events and Festivals	17,164.85	83,735.14	
General Planning and Development	.,	61,160.88	
Training and Education		22,464.10	
Public Information		124,923.87	
Purchase of Equipment and Vehicles		201,667.07	
Recreation Administrative Expense		267,208.26	
Adjustment to Current			
Liabilities, Receivables and Advances	327,481.00		
Debt Retirement-Vacation Cabins	327,101.00	125,897.64	
Debt Retirement-Tappan Water Plant		41,035.38	
Subtotals	11,981,317.07	9,931,782.77	
Transfer to Maintenance Fund-General	11,701,017.07	1,750,000.00	
Transfer to Recreation Improvement Fund-Regular		148,069.48	
Transfer to Recreation		1 10,007. 10	
Improvement Fund-Construction		18,965.96	
Totals	11,981,317.07	11,848,818.21	
Excess of Income Over Expense	119/01901/00/	11,070,010,21	132,498.86
Balance, December 31, 2007			566,093.86

#### Maintenance Fund (Contingent)

as of December 31, 2007

	Income	Expense	Fund Balance
Balance, January 1, 2007			39,857.73
Transfer to Maintenance Fund - General	0.00	0.00	·
Totals	0.00	0.00	
Excess of Income over Expenses			0.00
Balance, December 31, 2007			39,857.73

#### Recreation Improvement Fund (Regular)

	Income	Expense	Fund Balance
Balance, January 1, 2007			157,315.59
Marina Operations			
Lake Dredging		50,809.20	
Public Launching Facilities			
Water and Sewer Systems	17,433.07	149,004.96	
Vacation Cabins			
Park Camping		35,907.60	
General Park Facilities		10,141.96	
Interest Income	25,823.00		
Subtotals	43,256.07	245,863.72	
Transfer from Recreation Maintenance Fund	148,069.48	0.00	
Accounts receivable adjustment			
from Water and Sewer Systems	27,271.52	0.00	
Totals	218,597.07	245,863.72	
Excess of Expenses over Income			27,266.65
Balance, December 31, 2007			130,048.94

#### Recreation Improvement Fund (Construction)

as of December 31, 2007

	Income	Expense	Fund Balance
Balance, January 1, 2007		_	48,099.45
Vacation Cabin - Refurbishing	0.00	7,181.93	
Transfer From Maintenance Fund - Recreation	18,965.96	0.00	
Totals	18,965.96	7,181.93	
Excess of Income over Expenses			11,784.03
Balance, December 31, 2007			59,883.48

#### Recreation Improvement Fund (Contingent)

as of December 31, 2007

	Income	Expense	Fund Balance
Balance, January 1, 2007			8,406.24
Totals	0.00	0.00	
Excess of Income over Expenses			0.00
Balance, December 31, 2007			8,406.24

#### Bond Fund No. 2

	Income	Expense	Fund Balance
Balance, January 1, 2007			100.00
Interest on Deposits and Investments	0.00	0.00	
Bonds Retired	0.00	0.00	
Interest on Bonds	0.00	0.00	
Totals	0.00	0.00	
Excess of Expenses over Income			0.00
Balance, December 31, 2007			100.00

#### Notes to the Financial Statement

#### A. Type of Reporting Entity

The Muskingum Watershed Conservancy District was created as a separate political subdivision of the State of Ohio by the Ohio Legislature in 1933. The Muskingum Watershed Conservancy District was created in accordance with Chapter 6101 of the Ohio Revised Code, which is concerned with the formation and governing of conservancy districts. The Conservancy District operates under an elected conservancy court consisting of eighteen court of common pleas judges, with one judge serving on the court from each county. Muskingum Watershed Conservancy District had a five-member board of directors in 2007 appointed by the court. All other officers and employees are hired in accordance with the provisions of Chapter 6101 of the Ohio Revised Code. The MWCD is a separate governmental entity within the eighteen county area served by the Conservancy District.

#### 2007 Board of Directors

Harry C, Horstman, Member	
Steve Kokovich, Member	. term expires June 3, 2008
David L. Parham, Vice-President	term expires June 8, 2011
Richard L. Pryce, Member	term expires July 18, 2012
Thomas L. Tribbie, President	term expires July 18, 2009
2007 Officers	
John M. Hoopingarner	Secretary
James B. Cugliari	Treasurer

Services provided by the MWCD are defined in detail in the Ohio Conservancy District Act and Section 6104.04 of the Ohio Revised Code and include among other duties the following:

- a) Flood prevention
- b) Regulating stream channels by changing, widening, and deepening the same
- c) Providing a water supply for domestic, industrial, and public use
- d) Providing for the collection and disposal of sewage and other liquid waste
- e) Regulating the flow of streams and conserving the waters thereof

The MWCD manages 14 reservoirs and receives income from the following and other sources:

- a) Park camping
- b) Rental of sites for cottages
- c) Sale of crops
- d) Sale of timber and pulpwood
- e) Atwood Resort facilities
- f) Boat marina rentals and docking

#### Subdistricts

Chippewa Subdistrict, Black Fork Subdistrict, Buffalo Subdistrict and Duck Creek Subdistrict are component units of Muskingum Watershed Conservancy District. Each subdistrict was formed in accordance with Section 6101.71 of the Ohio Revised Code, "Organization of Subdistricts." The subdistricts were put into action as a result of petitions of the owners of real property subject to flooding within their areas. To date the only active subdistrict is the Chippewa Subdistrict. Black Fork Subdistrict, Buffalo Creek Subdistrict and Duck Creek Subdistrict are inactive.

#### B. Basis of Accounting

The MWCD keeps its books on a modified cash basis of accounting.

#### New Accounting Pronouncements

The MWCD has implemented a new financial reporting model, as required by the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments; GASB Statement No. 37, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus and Statement No. 38, Certain Financial Statement Note Disclosures, as amended and interpreted, as of January 1, 2004. These statements revise accounting and reporting standards for general purpose external financial reporting by governmental units. These statements change the MWCD's presentation of net assets and require the inclusion of management's discussion and analysis.

The Authority will continue applying all applicable pronouncements issued by the GASB.

#### Receipts/Receivables

Under this modified cash method of accounting the following operating receipts (as reported on the enterprise fund statements of receipts, disbursements and changes in fund balances) are accrued (billed):

- Water sales (City of Cambridge and Village of Cadiz)
- Land, building and cottage rentals
- State of Ohio and Division of Watercraft/Wildlife expense reimbursements for safety patrol rangers, use of lakes for fishing, etc.
- Private dock income
- Club income
- Billings for water and sewage for cottages
- Division of Wildlife conservation lease
- Reimbursement of utility and maintenance fees for Atwood Resort
- Other items of operating receipts are recorded as received

#### Disbursements/Payables

Under this modified cash method of accounting the following items of expenses are accrued (set up as payables):

- Employee health insurance premiums
- Industrial insurance
- Insurance is recorded as paid and prepaid insurance is not recorded
- Accumulated unpaid vacation and sick pay are not accrued (see Note G)
- Payroll is not accrued and checks for withheld federal, state, and city income tax withheld are prepared with individual payrolls so no accrual is necessary for these at year-end.
- Other disbursements are not accrued.

#### Enterprise Funds

The MWCD reports its activity in an enterprise fund. The enterprise fund is accounted for in a manner similar to private business enterprises where the intent of management is that the costs and expenses of providing goods and services to the general public on a continuing basis be covered primarily through user charges.

#### C. Cash and Investments

Investments are reported as assets. Accordingly, purchases of investments are not reported as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively. The MWCD had no investments during 2007.

#### D. Fund Accounting

#### Main District

The MWCD maintains its accounting records in accordance with the principles of "Fund" accounting. The MWCD had four separate activities included in its enterprise fund during 2007:

- 1) Improvement activity
- 2) Maintenance activity
- 3) Recreation improvement activity
- 4) Bond activity

The transactions of each activity are reflected in a self-balancing group of accounts.

#### Subdistricts

There are four subdistricts: Chippewa Subdistrict, Duck Creek Subdistrict, Black Fork Subdistrict, and Buffalo Creek Subdistrict. Chippewa Subdistrict has Improvement, Maintenance, Bond and Preliminary Funds. Duck Creek Subdistrict, Black Fork Subdistrict and Buffalo Creek Subdistrict have only Preliminary Funds.

#### E. Budgetary Process

#### Budget

The MWCD's annual budget of revenues, expenses, and capital expenditures is prepared under the modified cash basis of accounting. The budget is adopted by resolution of the Board of Directors. The MWCD utilizes such budget and related budgetary accounting to ensure that: 1) service objectives are attained; 2) expenditures are properly controlled; and 3) adequate resources will be available to finance current operations and meet capital outlay requirements.

Because the MWCD's revenues and expense may fluctuate, a flexible-rather than fixed-dollar budget is utilized to permit budgetary revision. Actual results of operations are compared to the final, revised budget of the MWCD for the year.

#### Appropriations

The annual appropriation measure is passed on the last meeting of the year in December, for the period January 1 to December 31 of the following year. The appropriation measure may be amended or supplemented by the board. The total amount appropriated from any fund for any year shall not exceed the sum of the unencumbered balance in the fund at the beginning of the year and the amounts to be received during such year from bonds authorized, and taxes and special assessments imposed prior to their appropriation, together with all other moneys estimated to be received by the fund during the year. At the close of each calendar year, all unencumbered balance of appropriations shall revert to the funds from which they were made and shall be subject to reappropriation.

#### Encumbrances

The MWCD is required to use the encumbrance method of accounting by virtue of Ohio Law. Under this system purchase order, contracts and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation. At the close of the calendar year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be re-appropriated.

#### F. Property Assets/Depreciation

Prior to 2006, the District depreciated any fixed asset at 100% in the year of acquisition. During 2006 the District began full implementation of the Governmental Accounting Standards Board Statement No. 34 (GASB 34) and began depreciating their fixed assets according to generally accepted accounting principles.

#### G. Accumulated Unpaid Vacation, Sick Leave, Compensatory and Personal Items

Accumulated unpaid vacation, sick leave, compensatory and personal time are not accrued under the modified cash basis of accounting described in Note 1.B. All leave will either be absorbed by time off from work or, within certain limitations, be paid to the employees.

#### 2. Pooled Cash and Cash Equivalents

#### A. Classification

The MWCD maintains a cash and investment pool used by all funds. The pooled cash and investments are presented on the financial statements as pooled cash and cash equivalents.

#### B. Legal Requirements

GASB 3 requires that the pooled cash and investments of the MWCD and its subdistricts be presented in accordance with the following credit risk categories:

#### Category 1

**Bank balances** insured or collateralized with securities held by the MWCD and its subdistricts or its agent in the name of the MWCD and its subdistricts.

**Investments** insured or registered, or securities held by the MWCD and its subdistricts or its agent in the name of the MWCD and its subdistricts.

#### Category 2

**Bank balances** collateralized with securities held by the pledging financial institution's trust department or agent in the name of the MWCD and its subdistricts.

**Investments** uninsured and unregistered, with securities held by the counter party's trust department or agent in the name of the MWCD and its subdistricts.

#### Category 3

**Bank balances** uncollateralized (this includes any bank balance that is collateralized with securities held by the pledging financial institution, or by the pledging financial institution, or by its trust department or agent but noting the name of the MWCD and its subdistricts.

**Investments** uninsured and unregistered, with securities held by the counterpart, or by its trust department or agent but not in the name of the MWCD and its subdistricts.

#### C. GASB 3 Classification of Pooled Cash and Cash Equivalents by Risk Category

Main District/Atwood Resort Pooled Cash and Cash Equivalents as of December 3	31, 2007
Category 1	
Petty cash and change funds	\$2,474.00
Category 1 total	\$2,474.00
Category 2	
Cash in bank (general checking, credit card accounts)	\$1,526,722.00
Bank certificates of deposit and construction accounts	292,775.00
Bond coupons with State Treasurer	
Category 2 total	\$1,819,597.00
Main District/Atwood Resort Pooled Cash and Cash Equivalents as of December 31, 2007	\$1,822,071.00
Chippewa Subdistrict, Pooled Cash and Cash Equivalents as of December 31, 2007	7
Category 2	
Cash in bank (general checking and certificates of deposit)	\$1,349,425.00
Category 2 total	\$1,349,425.00
Chippewa Subdistrict, Pooled Cash and Cash Equivalents as of December 31, 2006	\$1,349,425.00
Duck Creek Subdistrict, Pooled Cash and Cash Equivalents as of December 31, 2	007
Category 2	
Cash in bank (general checking and certificates of deposit)	\$8,286.00
Category 2 total	\$8,286.00
Duck Creek Subdistrict, Pooled Cash and Cash Equivalents as of December 31, 2007	\$8,286.00
Subdistrict, Total Pooled Cash and Cash Equivalents as of December 31, 2007	\$1,357,711.00

#### 3. Capital Assets

Proprietary capital assets summary by category at December 31, 2007

Historical Cost	Restated			
Class	12/31/2006	Additions	Deletions	12/31/2007
CAPITAL ASSETS NOT BEING DEP	RECIATED:			
Land	\$2,170,779	\$0	\$0	\$2,170,779
Assessment Development	4,149,011	1,962,166		6,111,177
Easements and rights-of-way	48,871	-	-	48,871
Subtotal	6,368,661	1,962,166	-	8,330,827
CAPITAL ASSETS BEING DEPREC	IATED:			
Building and improvements	23,674,623	-	-	23,674,623
Machinery and equipment	4,690,020	127,631	-	4,817,651
Office furniture and fixture	708,454	77,049	-	785,503
Automobiles and trucks	1,160,435	33,439	7,325	1,186,549
Subtotal	30,233,532	238,119	7,325	30,464,326
Total cost	\$36,602,193	2,200,285	7,325	\$38,795,153

Accumulated Depreciation Class	Restated 12/31/2006	Additions	Deletions	12/31/2007
CAPITAL ASSETS BEING DEPREC	IATED:			
Building and improvements	\$11,911,789	\$301,772	\$0	\$12,213,561
Machinery and equipment	3,339,222	296,994	_	3,636,216
Office furniture and fixtures	446,326	52,905	_	499,231
Automobiles and trucks	927,004	68,845	7,325	988,524
Total depreciation	16,624,341	720,517	7,325	17,337,532
Net value	\$19,977,852			\$21,457,621

#### 4. Risk Management

#### 4a. Comprehensive Liability Insurance

The MWCD maintains comprehensive insurance coverage with the Ohio Plan for the following:

- a) All risks
- b) Business auto
- c) Law enforcement
- d) Directors/Officers
- e) Boiler and machinery
- f) Umbrella liability
- g) Public employee disability
- h) Employee bonds

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there has been no significant reduction in insurance coverage in the years 2007 and 2006.

#### 4b. Self-insurance

Muskingum Watershed Conservancy District has a health insurance self-insurance plan administered by third party administrator Aultcare. The monthly premium in 2007 for a single employee is \$336.16, \$527.74 for an employee plus 1, and for the family of an employee the premium is \$797.66. The overall stop loss for the plan is \$431,694 at December 31, 2007. The limit per occurrence was \$40,000 in 2007 with no exceptions on individual employees. When MWCD pays claims or reimburses employees for medical bills in excess of the limits they are reimbursed by Excess Re-insurance Underwriters Agency, Inc.

#### 5. Retirement System

#### Pension Benefit Obligation

All employees of the MWCD participate in the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple employer defined benefit pension plan. OPERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. OPERS issues a stand-alone financial report that includes financial statements and required supplementary information for the OPERS. Interested parties may obtain a copy by making "written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 9.5% for employees other than law enforcement and public safety. The law enforcement classification consists of sheriffs, deputy sheriffs, and township police with an employee contribution rate of 10.1%. Public safety division members contribute at 9.75%. The 2007 employer contribution rate for local government employer units was 13.85% of covered payroll. The 2007 employer contribution rate for both the law enforcement and public safety divisions was 17.17% of covered payroll. The MWCD's contributions to OPERS for the year ending 2005, 2006 AND 2007 were \$441,350, \$495,816 and \$502,528 respectively.

#### Other Post-Employment Benefits

Ohio Public Employees Retirement System (OPERS) provides post-employment health care benefits to age service retirants with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is also available. The health care coverage provided by the retirement system is considered an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to the OPERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The OPERS law enforcement program is separated into two divisions, law enforcement and public safety, with separate employee contribution rates and benefits. The 2007 employer contribution rate for local government employers was 13.85 % of covered payroll of which 5.0% from January 1 through June 30, 2007 and 6.0% from July 1 through December 31, 2007 was the portion used to fund health care for the year. For both the public safety and law enforcement divisions the 2007 employer rate was 17.17% and 4.5% was used to fund health care.

The health inflation and significant actuarial assumptions and calculations relating to post-employment; health care benefits were based on the OPERS latest actuarial review performed as of December 31, 2006. OPEBs are advance-funded on an actuarially determined basis. There were 374,979 active contributing participants in the OPERS as of December 31, 2007. An entry age normal actuarial cost method of valuation was used in determining the present value of benefit liabilities and normal cost. The difference between assumed and actual experience (actuarial gains and losses) became part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2006 was 6.5%. An annual increase of 4% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4% base increase, were assumed to range from .5% to 6.3%. Health care costs were assumed to increase at the project wage inflation rate plus an additional factor ranging from .5% to 6% for the next 8 years. In subsequent years health care costs were assumed to increase at 4% annually. \$12 billion represents the actuarial value of the Retirement System's net assets available for OPEB at December 31, 2006. The actuarially accrued liability and the unfounded actuarial accrued liability, based on the actuarial cost method used, were \$30.7 billion and \$18.7 billion, respectively.

## 6. Ohio Public Employees, Deferred Compensation Program

Employees of the Muskingum Watershed Conservancy District may elect to participate in the Ohio Public Employees Deferred Compensation Program. Under this program, employees elect to have a portion of their pay deferred until a future time, usually after retirement. The deferred pay and interest earned on it is not subject to income taxation until actually received by the employee. This program was established pursuant to Ohio Revised Code Sections 145.71 and 145.76. Under the terms of the deferred compensation plan agreement these funds are held in trust for the exclusive benefit of the participants and their beneficiaries. These amounts are not included in the MWCD's financial statements.

#### 7. Legal Proceedings

The MWCD is involved in litigation in the normal course of business. Although the eventual outcome of these matters cannot be predicted, it is the opinion of management that the ultimate liability is not expected to have a material effect on the MWCD's financial position.

#### 8. Bonds Payable

Muskingum Watershed Conservancy District has three revenue bonds and three notes payable outstanding as of December 31, 2007. They are as follows:

#### 8A

This is a \$1,300,000.00, 4.75%, fifteen year Revenue Bond dated February 24, 1998, and maturing February 24, 2013. Key Bank of Cleveland, Ohio purchased this bond. Funds were borrowed for the renovation, construction and improvement to the Muskingum Watershed Conservancy District administration building in New Philadelphia, Ohio. Principal and interest is due the 24th day of each month starting March 24, 1998.

Bond principal is due as follows:

2008	\$97,076
2009	The state of the s
2010	\$106,731
2011	\$111,913
2012	\$117,346
2013	\$20,105
Thereafter	0
Total	\$554,960

#### **8**B

This is a \$1,300,000.00, 5.31%, fifteen-year Revenue Bond dated December 17, 1999 and maturing December 13, 2014. Key Bank of Cleveland, Ohio purchased this bond. Funds were borrowed for the purpose of paying all or a portion of the costs of renovating, construction, acquiring and installing improvements to cabins and other facilities at Tappan and Atwood Parks and all necessary appurtenances thereto. Principal and interest is due the 13th day of each month starting January 13, 2000.

Bond principal is due as follows:

2008	\$89,031
2009	\$93,876
2010	\$98,984
2011	\$104,370
2012	\$110,048
2013	\$116,036
Thereafter	
Total	

#### **8C**

This is a \$550,692.22, 5.56% Cooperative Agreement with Ohio Water Development Authority for construction of a 75,000 and a 10,000 gallon water tank and 3,807 linear feet of 6-inch water line and 3,676 linear feet of 4-inch water line at Tappan Lake Park. The agreement date is April 15, 1999 with a contract term of twenty-five years with the first semi-annual payment due January 1, 2000 and the final payment due July 1, 2024. Principal and interest is due January 1 and July 1 with the first payment due January 1, 2000.

Bond principal is due as follows:

2008	\$16,378
2009	· · · · · · · · · · · · · · · · · · ·
2010	\$18,277
2011	
2012	
2013	\$21,545
Thereafter	
Total	

#### **8**D

This is a \$795,000 agreement with Consumers Ohio Water Company for improved and upgraded water system at Charles Mill Sites Lake cottages. The agreement is dated December, 2002 with a contract term of twenty-five years with monthly payments due March 1, 2003.

Bond principal is due as follows:

2008	\$16,752
2009	\$18,044
2010	\$19,436
2011	
2012	\$22,550
2013	\$24,290
Thereafter	\$603,046
Total	

#### 8E

This is a \$3,095,000 variable rate revenue bond used to finance construction at Atwood Resort. This note is dated April 23, 2003.

Bond principal is due as follows:

2008	\$115,000
2009	\$120,000
2010	
2011	
2012	
2013	' '
Thereafter	
Total	
10tal	\$\pi_1 75,000

#### 8F

This is a \$3,800,000 from OWDA. It is a 5.0% interest bearing loan with a balloon payment due fives years from the December 16, 2004 signing date.

#### 9. Long-Term Debt

Long-term debt obligations of the District at December 31, 2007 were as follows:

					Amount
					Due Within
Long-Term D	ebt	12/31/2006	Deletions	12/31/2007	One Year
4.75% Revenue Bond	1998	\$647,542	\$92,582	\$554,960	\$97,076
5.31% Revenue Bond	1999	819,131	84,437	734,694	89,031
5.56% OWDA	1999	463,020	15,504	447,516	16,378
7.50% COW	2002	740,607	15,553	725,054	16,752
Variable Rate RB	2003	2,900,000	105,000	2,795,000	115,000
5.0% OWDA LOAN	2004	3,800,000		6,111,177	
		\$9,370,300	\$313,076	\$11,368,401	\$334,237

A summary of the District's future long-term debt funding requirements, including principal and interest payments as of December 31, 2007 follows:

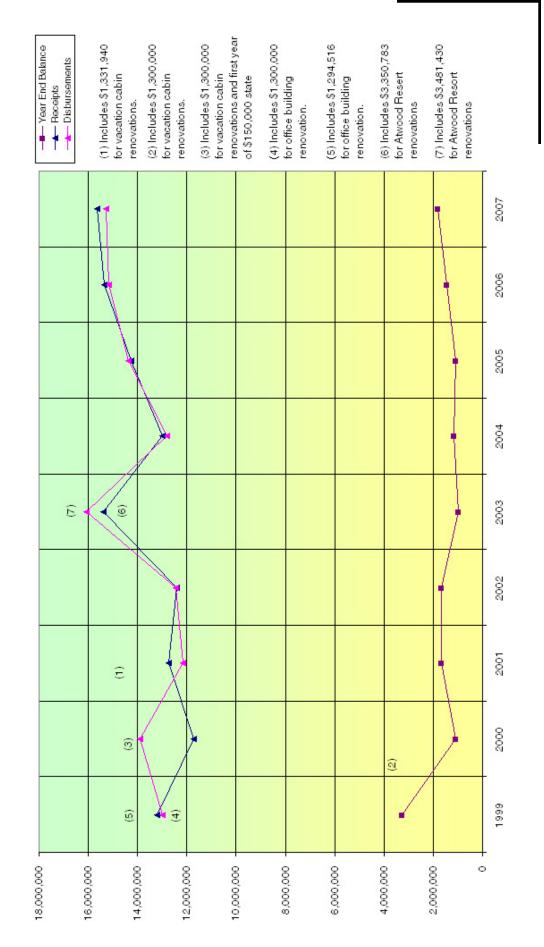
	Revenue	Bonds	Promisso	ory Notes
Years	Principal	Interest	Principal	Interest
2008	\$301,107	\$61,131	\$33,130	\$78,557
2009	315,665	51,574	6,146,522	162,059
2010	330,715	41,525	37,713	73,975
2011	351,283	30,957	40,243	71,444
2012	367,394	19,845	42,945	68,742
Thereafter	2,418,491	64,330	983,195	547,306
	\$4,084,655	\$269,362	\$7,283,748	\$1,002,083

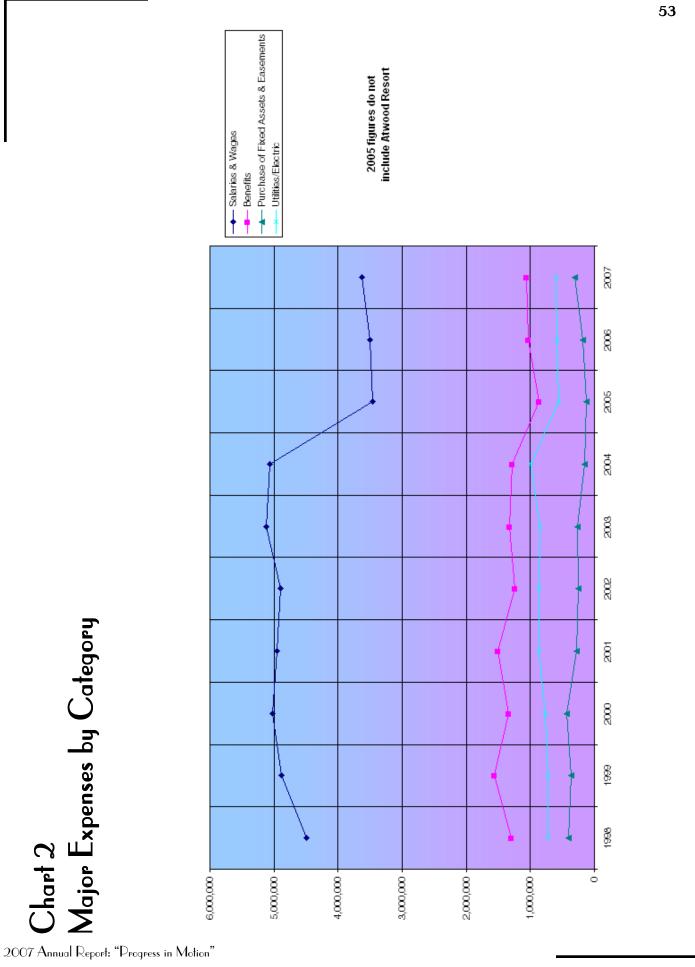
#### 10. Prior Period Adjustment

The restatement of December 31, 2006 Net Assets of \$5,885675 is entirely due to the District changing their depreciation policy. Prior to 2006, the District depreciated any fixed asset at 100% in the year of acquisition. During 2006 the District began depreciating their fixed assets according to generally accepted accounting principles. This change resulted in an increase in the Net Assets at January 1, 2007 of \$5,885,675.

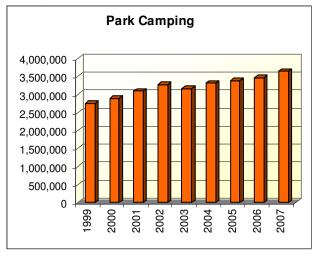
The following charts represent the financial history of the Muskingum Watershed Conservancy District over the past ten years (information source: 1997-2006 Annual Reports of Operations).

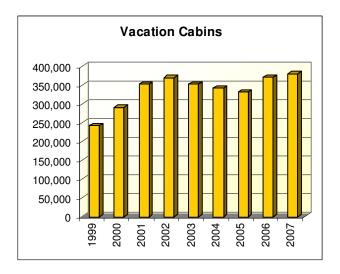
Vear End Cash Balance/Receipts and Disbursements Chart 1

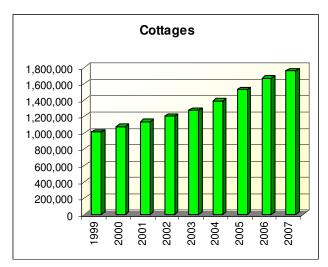


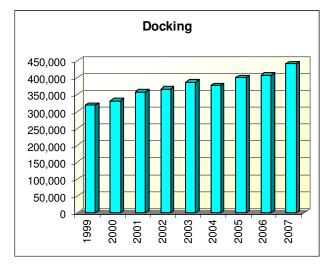


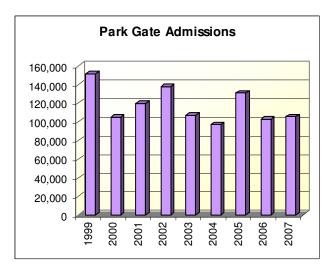
## Chart 3 Major Revenue Sources

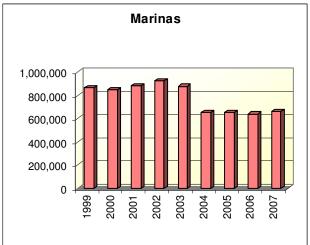




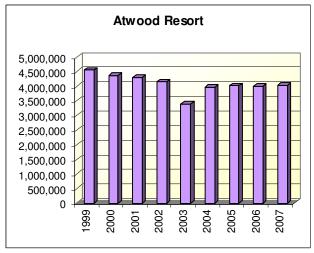


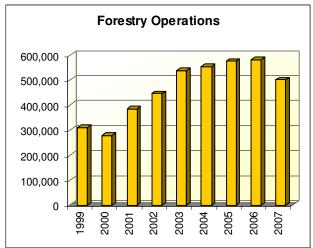


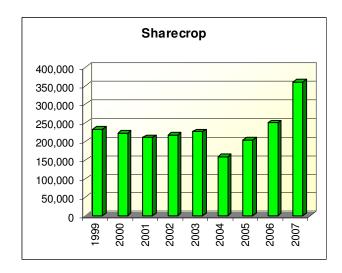


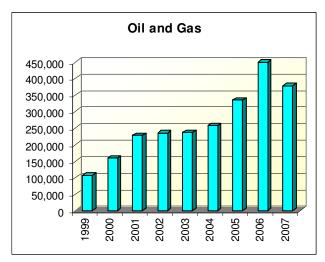


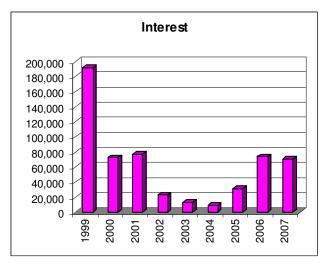
## Chart 3 Major Revenue Sources continued











# Land and Forestry Operations: Total Cash Receipts by Reservoir

	Agricutural,	Land	· · · · · · · · · · · · · · · · · · ·	Cash Rent			
	Building, and Lot-	and	Gas, Oil,	and			
	Acres Leased	Building Rentals	Stone, Coal	Sharecrops	Timber	Pulpwood	Totals
Atwood			153,329.19				153,329.19
Beach City	60.3		40,051.87	5,788.80	10,111.19	22,559.35	78,511.21
Bolivar			28,602.86				28,602,86
Charles Mill	25.0	935.00	12,566.06	1,250.00	735.33		15,486.39
Clendening			408.54			22,296.61	22,705.15
Dover			84,818.11		15,600.63		100,418.74
Leesville					3,788.65	47,993.70	51,782.35
Mohawk	6.506		26,041.90	194,634.00	226,949.27	40,184.05	487,809.22
Mohicanville			56.00				\$6.00
Piedmont					13,036.79	17,252.60	30,289.39
Pleasant Hill	145.35		8,870.24	9,744.95	1,753.33		20,368.52
Seneca	7.0	8,450.00	4,410.42				12.860.42
Tappan	132.0	7,120.00	4,268.11	1,980.00	17,266.48	19,285.00	49,919.59
Wills Creek	533.0	5,548,50	14,609.83	147,011.57	42,585.00		209,754.90
Totals	1,808.55	22,053.50	378,033.13	360,409.32	331,826.67	169,571.31	1,261,893.93

## Recreation Operations: Total Cash Receipts by Reservoir

	ODINR		Cottages.	Road, Water			
NACO TO THE RESIDENCE OF THE PARTY OF THE PA	Division of	Lake	Clubs, and	and Sewer	Marina	Park	Total
,	Watercraft	Patrol	Dock Sites	Maintenance	Operations	Operations	Recreation
Atwood	8,733.14	3,750.00	688,726.17		213,764.30	1.026,988.21	1,941,961.82
Beach City	1,102.68						1,102.68
Bolivar			1.831.00				1,831.00
Charles Mill	4,313,12	3,750.00	327,590,50	14,195.13	88,671.18	508,480.37	947,000.30
Clendening	4,195.08	3,750.00	3,426.00		78,602.93		89,974.01
Dover	10,202.58						10,202.58
Leesville		3,750.00	241,557.06		63,406.14	75,005.07	383,718.27
Mohawk & Kokosing					111111111111111111111111111111111111111	62,476.13	62,476.13
Mohicanville							0.00
Piedmont	6,134,62	3,750.00	204,729,82		71,948-46		286,562.90
Pleasant Hill	10,735.80	3,750.00	144,934,25		42,881,79	499,392,75	701,694.59
Seneca	7,033.64	3,750.00	382,178.00	23,881.02	41,092.08	1,205,925.28	1,663,860.02
Tappan	9,133.02	3,750.00	247,283,00		59,496.86	1,058,574.31	1,378,237.19
Wills Creek	1,063.06		17,427.00				18,490.06
Totals	62,646.74	30,000.00	2,259,682.80	38,076,15	659,863,74	4,436,842.12	7,487,111.55

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#### Subdistricts

#### Black Fork Subdistrict

There is no present activity in the Black Fork Subdistrict. No cost is involved in continuing the subdistrict as a vehicle for its intended purpose. In the future should the need arise, its existence could save considerable time and expense in lieu of forming another subdistrict.

#### Chippewa Subdistrict

The Chippewa Subdistrict is the only active subdistrict in the Muskingum Watershed Conservancy District system. The Chippewa Creek Watershed Project is a flood-control program that began in 1956 and was completed in 1980 with the construction of eight dams. It encompasses 188 square miles (more than 120,000 acres) in northern Wayne and southern Medina counties.

The watershed project was established to reduce the acreage prone to flooding and to decrease the time periods of inundation. The Chippewa Creek flows to the Tuscarawas River and has been a source of major flooding in the watershed.

The subdistrict has an office located within the Medina County Park District complex at 6364 Deerview Lane, Medina. A watershed specialist staffs the office and oversees maintenance of the system of dams and reservoirs, as well as responding to inquiries from property owners and residents of the watershed.

During 2007, the following projects were conducted:

Project	Cost
Channel rehabilitation:	
streambank improvements	\$7,000.00
Channel rehabilitation: structural	
repairs, replacements	12,573.00
Channels: general maintenance	3,210.00
Channels: mowing	7,435.00
Contract services	17,970.00
Dam safety: rehabilitation projects	26,329.00
Dams: general maintenance	5,885.31
Dams: mowing	6,260.00
Education	416.40
Office expenses: rent	5,700.00
Office supplies	345.43
Vehicle maintenance and repairs	1,596.77
Total projects	\$94,720.91

The subdistrict's revenue for projects is generated through an assessment of property owners located in the watershed.

#### Buffalo Creek Subdistrict

There is no present activity in the Black Fork Subdistrict. No cost is involved in continuing the subdistrict as a vehicle for its intended purpose. In the future should the need arise, its existence could save considerable time and expense in lieu of forming another subdistrict.

#### Duck Creek Subdistrict

The Duck Creek flows through Noble and Washington counties and the original watershed protection project was started as a subdistrict of the MWCD.

The Washington and Noble Soil and Water Conservation Districts have received funding to develop a watershed management plan for the Duck Creek Watershed. A watershed coordinator also has been hired to facilitate the process.

The management plan being developed will assist the SWCDs in the two counties in setting priorities and securing funds to assist landowners and residents in improving the overall health of the watershed. The Soil Conservation Service, now Natural Resources Conservation Service, under Public Law 566, and co-sponsors MWCD and the Ohio Department of Natural Resources, had worked on the project since 1963. Due to disinterest by those affected landowners along the channel and adverse benefit-cost ratio, activity in the project dwindled. With reluctance, in 1981 the NRCS requested and received agreement from the subdistrict to close out the remaining activity.

In the past few years, interest has resumed among many public officials and agencies to further develop the flood control plan and revive subdistrict activities. Commissioners from Noble and Washington counties have passed resolutions supporting the reactivation of the subdistrict and said they believe the support has increased for a flood control project in recent years.

#### Black Fork Subdistrict of MWCD: Balance Sheet

as of December 31, 2007

Assets	
Cash	0.00
Expenses	
Preliminatey Expense (expense includes legal and engineering costs, court costs, and overhead	
charges)	1,822.26
Total Assets and Expenses	1,822.26
Liabilities	
Account Payable (to Main District)	1,822.26
Receipts and Advances	0.00
Total Liabilities and Receipts	1,822.26

#### Black Fork Subdistrict of MWCD

from January 1, 2007, to December 31, 2007, in accordance with ORC Section 6101.66

Cash on Hand, January 1, 2007	0.00
Receipts	
None	0.00
Disbursements	
None	0.00
Cash on Hand, December 31, 2007	0.00

#### Buffalo Creek Subdistrict of MWCD: Balance Sheet

as of December 31, 2007

Assets		
Cash		0.00
Expenses		
Preliminary Expense (expense includes legal and engineering		
costs, court costs and overhead charges	27,592.88	
Total Assets and Expenses		27,592.88
Liabilities		
Accounts Payable (to Main District)	12,464.98	
Loan from Local Committee	15,000.00	
Total Liabilities		27,464.98
Receipts and Advances		
Interest on Deposits and Investments	127.90	
Total Liabilities and Receipts		27,592.88

#### Buffalo Creek Subdistrict of MWCD

from January 1, 2007, to December 31, 2007, in accordance with ORC Section 6101.66

Cash on Hand, January 1, 2007	0.00
Receipts	
None	0.00
Disbursements	
None	0.00
Cash on Hand, December 31, 2007	0.00

#### Chippewa Subdistrict of MWCD: Balance Sheet

Assets		
Cash and Investments	1,349,425.47	
Amount available to be provided	345,000.00	
Total Assets		1,694,425.47
Expenses		
Preliminary (legal, engineering, appraisal, etc)		
less preliminary expenses paid	232,317.25	
Various improvement expenses (legal, engineering)	169,096.37	
Purchase of Land and Easement	542,878.41	
Construction Payments to Contractor	210,388.07	
Repayment of Contributors		
(a) Chippewa Watershed Association	33,630.00	
(b) Packaging Corporation of America	0.00	
Interest on Notes	169,590.70	
Funds Advanced to Improvement Fund	54,178.01	
Funds Advanced to Maintenance Fund	145,000.00	
Various Maintenance Expenses	1,972,183.14	
Real Estate Taxes	4,521.61	
Various Bond Fund Expenses	110.91	
Total Expenses		3,533,894.47
Total Assets and Expenses		5,228,319.94

#### Chippewa Subdistrict of MWCD: Balance Sheet continued

Liabilities		
Current Notes Payable - FHA		
Accounts Payable (to Main District)	2,242.94	
Total Liabilities		2,242.94
Receipts		
Chippewa Watershed Association	19,630.00	
Packaging Corporation of America	33,544.00	
Revenue from Sales of Notes - FHA	345,000.00	
Interest on Deposits and Investments	449,106.15	
Wayne County Commissioners	17,500.00	
Department of Natural Resources	37,000.00	
Department of Natural Resources - Purchase of Lands	100,000.00	
Construction Payments from NRCS	189,195.26	
Revenue from Benefit Assessments - Paid in Full	173,574.32	
Interest on Assessments - Paid in Full	105.60	
Revenue from Sale of Lands	170,309.33	
Funds Advanced from Preliminary Funds	74,178.01	
Funds Advanced from Bond Fund	145,000.00	
Miscellaneous Receipts and Refunds	2,556.94	
Collection of Assessments from Counties	2,875,271.10	
Revenue from Land Rent/Miscellaneous	583,971.11	
Interest on Notes	10,135.18	
Total Receipts		5,226,077.00
Total Liabilities and Receipts		5,228,319.94

#### Chippewa Subdistrict of MWCD

from January 1, 2007, to December 31, 2007, in accordance with ORC Section 6101.66

Cash on Hand, January 1, 2007		1,059,128.04
Receipts		
Collection of Assessments	370,452.51	
Interest on Deposits and Investments	60,944.60	
Revenue from Land Rental and Miscellaneous	0.00	
Total Receipts		431,397.11
Total Receipts and Balance		1,490,525.15
Disbursements		
Salaries, Wages & Benefits	37,251.93	
Contract Services	51,069.70	
Materials & Supplies	6,821.41	
Repairs and Maintenance	44,015.14	
Legal	887.50	
Taxes	1,054.00	
Total Disbursements		141,099.68
Cash on Hand, December 31, 2007		1,349,425.47

#### Duck Creek Subdistrict of MWCD: Balance Sheet

as of December 31, 2007

Assets		
Cash		8,285.95
Expenses		
Preliminary expense (includes legal and engineering costs,		
court costs and overhead charges)		5,400.32
Total Assets and Expenses		13,686.27
Liabilities	<u> </u>	
Accounts Payable	36.55	
Ohio Water Commission	20,000.00	
Less Partial Repayment	(14,000.00)	
Total Liabilities		6,036.55
Receipts and Advances		
Interest on Deposits and Receipts		7,649.72
Total Liabilities and Receipts		13,686.27

#### Duck Creek Subdistrict of MWCD

from January 1, 2007, to December 31, 2007, in accordance with ORC Section 6101.66

Cash on Hand, January 1, 2007	8,215.65
Receipts	
Interest on Deposits and Investments	70.30
Total Receipts and Balance	8,285.95
Disbursements	
None	0.00
Cash on Hand, December 31, 2007	8,285.95

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# A D D E D D I X

# Park Contact Information

Park	Superintendent	Assistant Superintendent	Phone	Fax	Email Addresses
Atwood Lake Park 4956 Shop Road NE Mineral City, OH 44656	Tony Luther	Ed Davy Jeremy Hoffer	330-343-6780	330-343-5454	atwood@mwcdlakes.com tluther@mwcdlakes.com edavy@mwcdlakes.com jhoffer@mwcdlakes.com
Charles Mill Lake Park 1277A State Route 430 Mansfield, OH 44903	Dan Mager	Steven Rice	419-368-6885	419-368-4912	charlesmill@mwcdlakes.com dmager@mwcdlakes.com srice@mwcdlakes.com
Pleasant Hill Lake Park 3431 State Route 95 Perrysville, OH 44864	Dan Mager	William Martin	419-938-7884	419-938-7884	pleasanthill@mwcdlakes.com dmager@mwcdlakes.com bmartin@mwcdlakes.com
Seneca Lake Park 22172 Park Road Senecaville, OH 43780		Lynn Lyons Lucas Pace	740-685-6013	740-685-6770	seneca@mwcdlakes.com llyons@mwcdlakes.com lpace@mwcdlakes.com
Tappan Lake Park P.O. Box 29 Deersville, OH 44693	John Birney	M. Joe McGlothlin Jared Oakes	740-922-3649	740-922-6086	tappan@mwcdlakes.com jbirney@mwcdlakes.com jmcglothlin@mwcdlakes.com joakes@mwcdlakes.com

# Marina Contact Information

Marina	Operator	Phone	Fax		
Atwood Marina West	C. Brian Valot	330-364-4703	330-364-6358		
9298 Atwood Lake Road NE	www.atwoodlakeboats.com				
Mineral City, OH 44656	sales@atwoodlakeboats.com				
Atwood Marina East	C. Brian Valot	330-735-2323	330-364-6358		
9298 Atwood Lake Road NE	www.atwoodlakeboats.com				
Mineral City, OH 44656	sales@atwoodlakeboats.com				
Charles Mill Marina	Robert Schraedly	419-368-5951	419-368-3900		
1277B State Route 430	www.charlesmillmarina.com				
Mansfield, OH 44903	info@charlesmillmarina.com				
Clendening Marina	Rob and Annette Ryser	740-658-3691	740-658-3596		
79100 Bose Road	www.clendeninglake.com				
Freeport, OH 43973	cmi@1stnet.net				
Leesville Clow's Landing	Paul and Linda Clow	740-269-5371	740-269-1360		
4131 Deer Road SW	www.clowsmarina.com				
Bowerston, OH 44695	clowsmarina@tusco.net				
Leesville Petersburg Marina	Mary Jo Turner	330-627-4270	330-627-2490		
2126 Azalea Road SW	www.petersburgmarina.com				
Carrollton, OH 44615	info@petersburgmarina.com				
Piedmont Marina	Terry Mason	740-658-3735	740-658-3713		
32281 Marina Road	Paul and Barb Krzywdik				
Freeport, OH 43973					
Pleasant Hill Marina	Robert Schraedly	419-938-6488	419-368-3900		
3434 State Route 95	www.pleasanthillmarina.com	(summer only)			
Perrysville, OH 44864	info@pleasanthillmarina.com				
Seneca Marina	Heinlein Properties, Inc.	740-685-5831	740-676-1549		
P. O. Box 430	Roger Barack				
Senecaville, OH 43780					
Tappan Marina	Cathy Cramblett	740-269-2031	740-269-8002		
33315 Dennison-Cadiz Road	Sandra and Richard Henry				
Scio, OH 43988	www.tappanlakemarina.com				
	cwsimon@comcast.net				

# Governing Bodies

# Conservancy Court

#### **Ashland County**

Honorable Damian J. Vercillo

#### **Belmont County**

Honorable John M. Solovan II

#### **Carroll County**

Honorable John H. Weyand

#### **Coshocton County**

Honorable Richard I. Evans

#### **Guernsey County**

Honorable David A. Ellwood

#### **Harrison County**

Honorable Michael K. Nunner

#### **Holmes County**

Honorable Thomas C. Lee

#### **Knox County**

Honorable James Ronk

#### **Licking County**

Honorable Thomas M. Marcelain

#### **Morgan County**

Honorable D. W. Favreau

#### **Muskingum County**

Honorable Mark Fleegle

#### **Noble County**

Honorable John W. Nau

#### **Richland County**

Honorable James D. Henson

#### **Stark County**

Honorable Jim James

#### **Summit County**

Honorable Paul J. Gallagher

#### **Tuscarawas County**

Honorable Edward E. O'Farrell

#### **Washington County\***

Honorable C. Ashley Pike

#### **Wayne County**

Honorable Raymond E. Leisy

\* Washington County member is from Columbiana County.

## Board of Directors

Thomas L. Tribbie, President (Cambridge) Term expires July 18, 2009

David L. Parham, Vice President (Dellroy) Term expires June 8, 2011

> Steve Kokovich (New Concord) Term expires June 3, 2008

> Harry C. Horstman (Scio) Term expires June 3, 2010

Richard J. Pryce (North Canton) Term expires July 18, 2012

# Board of Appraisers

Mark J. Waltz, Chairman (Dover) Term expires July 14, 2008

James Navratil (Medina) Term expires July 18, 2008

Thomas A. Roe (Wooster) Term expires June 3, 2010

# Cooperating Agencies



U.S. Army Corps of Engineers



Ohio Department of Natural Resources



U.S. Forest Service





U.S. Geological Survey



Ohio
Department
of
Transportation



Ohio Department of Agriculture



Ohio Agricultural Research and Development Center



Ohio Environmental Protection Agency

# **MWCD Staff**

as of December 31, 2007

# Administration

John M. Hoopingarner

Executive Director/Secretary
Mark Jukich
Manager of Operations
Mary Burley
Human Resources Manager
Kelli Karns
Office Assistant
Karen Miller
Executive Assistant
Darrin Lautenschleger
Public Affairs Manager
Scott Tritt
Safety Coordinator

# Engineering

Boris E. Slogar Chief Engineer Randy Canfield Robert Jones Darrell Larkin Equipment Operators Thomas P. Fisher GIS Specialist Steve Voroselo GIS Technician **Brittany Converse** Brandon Hartman GIS Interns Gwen Floyd Project Assistant Bruce Horsfall Equipment Supervisor Phil Wolfe Utilities Technician Randal Meese **Building Attendant** Deborah J. Russell Chippewa Watershed Specialist

### Finance

James B. Cugliari

Chief Financial Officer/Treasurer

Colby Byrom

Accountant

Stephen Demuth

Systems Coordinator

John L. Olivier

Development Coordinator

Jayne Ann Fankhauser

Rebecca Warfield

Accounting Clerks

## Natural Resources

Mark Swiger

Natural Resources Administrator
James Bishop

Resource Coordinator
Donnie Borland

Lease Coordinator
Peggy May
Lease Assistant
Tricia Miller

Administrative Assistant
Bernie Schreiner

Resource Specialist
Tom Stanley
John Traxler

Lease Technicians

# Recreation-Parks

Scott D. Barnhart

Parks Administrator/Chief Ranger
Dave Olsafsky

Maintenance Specialist

Michael Govanello

Lake Ranger Supervisor

Michael Cable

Ranger Specialist

Juanita Russell

Denise Vales-Smith

Lake Rangers

# MWCD Staff continued

as of December 31, 2007

## Atwood Lake Park

Tony Luther Park Superintendent Edward L. Davy Jeremy G. Hoffer Assistant Park Superintendents Joan Wilson Administrative Assistant Anthony Amicone Richard Anderson Ralph H. Long Shawn Tharp Park Rangers Terry Genet Park Technician Richard Law Park Services Technician

## Charles Mill Lake Park

**Dennis Jones** 

Campground Supervisor

Dan Mager Regional Park Superintendent Steven Rice Assistant Park Superintendent Candace Zeger Administrative Assistant Daniel Atterholt Park Technician James Braeunig Corey Tedrow Ranger/Technicians Stacy Karsmizki Gate Supervisor Donna Messerly Activities Leader Andrew Dick Larry Goon Park Rangers

## Pleasant Hill Lake Park

Dan Mager
Regional Park Superintendent
William Martin, Jr.
Assistant Park Superintendent
Sue Williams
Administrative Assistant
Shawn Mahoney
Park Technician
Kelly Gillette
Park Attendant

## Seneca Lake Park

Lynn E. Lyons
Lucas Pace
Assistant Park Superintendents
Linda Leach
Park Administrative Assistant
William D. Mallett
Ranger/Technician
Josh Oakley
Francis Wehr
Park Rangers
Troy Hannahs
Mark Lashley
Park Technicians
Ranger

# Tappan Lake Park

John Birney Park Superintendent Michael J. McGlothlin Jared Oakes Assistant Park Superintendents Gina Ferri Administrative Assistant Nakia Echelberry **David Schuler** Park Technicians Jon Little Ranger/Technician Troy Noice Ranger Rose DeLong Clerical Assistant

# MWCD Facilities

Description	Atwood	Beach City	Charles Mill	Clendening	Leesville	Piedmont	Pleasant Hill	Seneca	Tappan	Wills Creek
Horsepower limit	25	10	10	10	10	10	unlimited	299	299	10
Acres of water	1540	420	1350	1800	1000	2270	850	3550	2350	900
Acres of land	3000	930	2000	4750	2600	4372	1345	4060	5000	4846
Conservation pool elevation*	928	948	997	898	963	913	1020	832.2	899.3	742
Spillway elevation **	941.0	976.5	1020.0	910.5	977.5	924.6	1065.0	742.5	909.0	779.0
Maximum depth (in feet)	38	13	12	38	43	33	50	27.2	29.3	22
Average depth (in feet)	16.3	4.1	5.5	15.5	19.5	14.8	15.9	12.3	14.9	6.7
<u>Park</u>										
Year round camping										
Seasonal camping rates										
Group camping										
Hot showers										
Modern restrooms										
Electric hookups										
Full hookups										
Swimming beach										
Hiking trails										
Activity center										
Nature center										
Group shelters										
18-hole golf course										
Full service marina	2		1	1	2	1	1	1	1	
Overnight lodging	Overnight lodging									
Resort										
Park vacation cabins										
Marina motel/cabins										
Camper cabins										

<sup>\*</sup>Conservation pool is a lake surface elevation which is maintained durin the boating season, unless affected by the operation of the dam for flood control, or by drought. Conservation pool is measured in feet above sea level.

\*\*Spillway elevation (the channel near the dam for surplus water) is measured in feet above sea level.

# Fish Species in MWCD Reservoirs

Description	Atwood	Beach City	Charles Mill	Clendening	Leesville	Piedmont	Pleasant Hill	Seneca	Tappan	Wills Creek
Muskellunge										
Northern Pike										
Channel Catfish										
Flathead Catfish										
Bullheads										
White Bass										
Striped Bass										
Largemouth Bass										
Smallmouth Bass										
Crappie										
Bluegill										
Yellow Perch										
Saugeye										
Hunting *										
Trapping *										
*Through an agreement, hunting, trapping, and fishing activities are regulated by the ODNR Division of Wildlife.										

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