

2014
Annual
Report of
Operations



**MUSKINGUM
WATERSHED**
CONSERVANCY DISTRICT



Responsible *stewards* dedicated to providing the *benefits* of

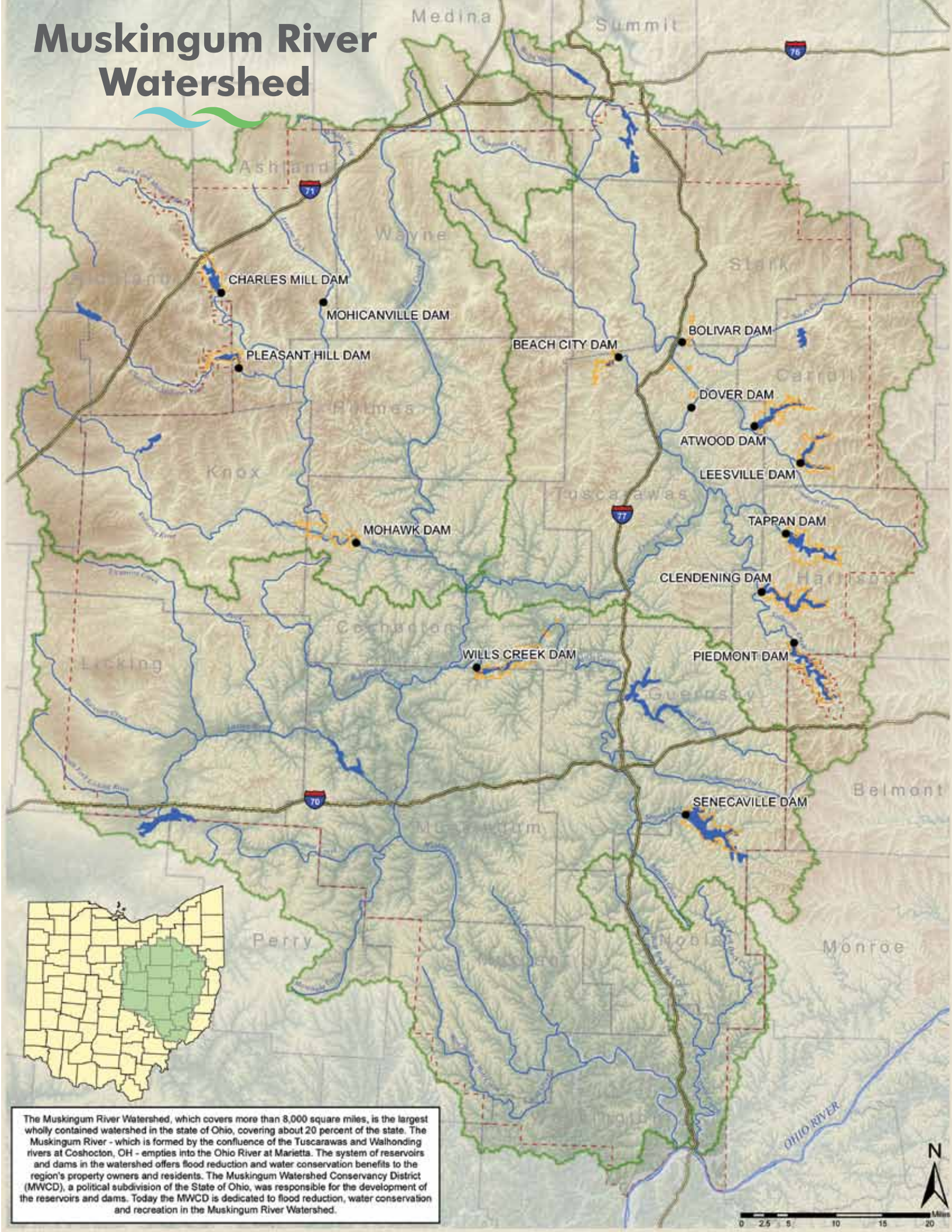
flood reduction,

conservation,

and *recreation*

in the Muskingum River Watershed.

Muskingum River Watershed



The Muskingum River Watershed, which covers more than 8,000 square miles, is the largest wholly contained watershed in the state of Ohio, covering about 20 percent of the state. The Muskingum River - which is formed by the confluence of the Tuscarawas and Walhonding rivers at Coshocton, OH - empties into the Ohio River at Marietta. The system of reservoirs and dams in the watershed offers flood reduction and water conservation benefits to the region's property owners and residents. The Muskingum Watershed Conservancy District (MWCD), a political subdivision of the State of Ohio, was responsible for the development of the reservoirs and dams. Today the MWCD is dedicated to flood reduction, water conservation and recreation in the Muskingum River Watershed.

2014 Annual Report Table of Contents

Introduction

Mission	2
Map of Muskingum Watershed Conservancy District	3

Administrative Overview

Message from the Executive Director.....	6
2014 Goals and Highlights	7

Governance

Conservancy Court	8
Board of Directors.....	9-11
Board of Appraisers	12
Development Advisory Committee	13
MWCD Staff.....	14-15
Safety Program	16
Information Systems/Information Technology	17

Chief Engineer's Report

Flood Reduction Partnership with USACE.....	18-19
Reservoir Maintenance	20
Park and Marina Capital Improvement Program	21
Partners in Watershed Management Grant Program	21-23
Subdistrict Overview	24-27

Conservation

Introduction.....	28
Water Resources Management	29
Water Quality Program.....	30
Watershed Management.....	31
Agriculture.....	32
Forestry Management	33
Oil and Gas Stewardship.....	34

2014 Annual Report Table of Contents

Recreation

Highlights and Overview.....	35-37
Awards.....	38-39
Parks, Lakes and Marinas	
Atwood.....	40-41
Charles Mill	42
Piedmont	43
Pleasant Hill.....	44
Seneca	45
Clendening	46
Tappan	47
Leesville	48
Beach City Reservoir	49
Wills Creek Reservoir	49
Kokosing Campground	49

Financial

Financial Report.....	50-85
-----------------------	-------

Appendix

Year End Cash Balance	87
Major Revenue Sources	88-89
Land and Forest Operations: Total Cash Receipts by Reservoir	90
Recreation Operations: Total Cash Receipts by Reservoir	90
Summary of MWCD Land by County	91
Summary of MWCD Land by Reservoir.....	92
MWCD Facilities at a Glance.....	93
Fish Species of the MWCD Lakes.....	94
Cooperating Agencies	95



John Hoopingarner,
Executive Director and
Secretary of the Board,
has held this position
since 1989.

Message from the Executive Director

“Responsible Stewards.” These are the first two words of our mission statement. They are, I believe, the most important two words. They define us – the persons responsible for carrying out our mission of “providing the benefits of flood reduction, conservation, and recreation in the Muskingum River Watershed.”

The year 2014 provided ample opportunities for us to be responsible stewards. It was a very good year. The continued development of our oil and gas resources provided the necessary capital to begin the implementation of a plan to renovate and improve our parks, campgrounds, and public access to our lakes. Our Board of Directors has committed more than \$170 million to this effort, which will span the next several years.

In addition, we were able to reduce the amount of the maintenance assessment collected from more than 500,000 property owners in the watershed by 50%.

Again, revenue generated from oil and gas royalties will be used to offset the decreased assessment revenue, assuring that all planned maintenance projects and programs will continue to move forward.

Our Board of Directors has also committed to the creation of a revolving loan fund to be managed by the Ohio Water Development Authority. Made possible by the revenue generated from oil and gas, this fund will be available to local communities in our watershed for water quality projects.

I am pleased to report that the Muskingum Watershed Conservancy District is in excellent financial shape and is growing to meet the needs of the public it serves. Since January 1, 2014, we have added 27 full-time employees, many of whom are experts in the field of engineering, planning, and design.

The next several years should prove to be the most significant years in the history of the Muskingum Watershed Conservancy District since it was created in 1933 and the dams were completed in 1939. Every reservoir area and many communities in the watershed will be positively impacted.

We look forward to the implementation and completion of these exciting projects and programs and pledge to be “responsible stewards.”

2014 GOALS

1 Oil And Gas Development

The MWCD will negotiate and enter into an oil and gas lease for Piedmont Reservoir in the first quarter of 2014, and for Tappan Reservoir in the third quarter of 2014. These leases will produce revenue to fund park, recreation, public access and conservation improvements. The leases will contain significant provisions focusing on the protective development of these natural resources.

2 Master Plan Implementation

The MWCD will develop a schedule, budget, design and implementation plan for park capital improvement projects at each of the five lake parks and marinas it operates. Changes to the organizational structure of the MWCD will be implemented to accommodate the multi-year implementation of these projects. Capital improvement projects will begin in 2014.

3 Dredge Program

The MWCD will launch a comprehensive dredging plan that will prioritize and identify reservoir dredging needs, secure necessary permits, and begin dredge operations in 2014. The dredge program will be a multi-year program.

4 Fiscal Management

The MWCD will continue the development of plans for the use of revenue generated from the development of oil and gas reserves and consider the amount of revenue needed to meet its obligations to fulfill the Official Plan and the Amendment to the Official Plan adopted in 2005. In the first half of 2014, the MWCD will address the issue of whether or not the current maintenance assessment should be adjusted.

2014 Muskingum Watershed Conservancy Court Members

The Ohio Revised Code provides that the Conservancy Court, comprised of one common pleas court judge from each of the 18 counties in the Conservancy District, shall exercise the jurisdiction conferred by Chapter 6101 of the Code (also known as The Conservancy Act). Members of the MWCD Board of Directors and Board of Appraisers are appointed by the judges of the Conservancy Court to oversee the operations of the District. The Conservancy Court held its annual meeting on Saturday June 7, 2014 at the Tuscarawas County Court House in New Philadelphia, Ohio.

The Conservancy Court reviewed and approved the 2013 Annual Report of Operations and appointed Gordon C. Maupin to the Board of Directors to replace William P. Boyle, Jr.

The following judges comprise the Conservancy Court as of the end of 2014:

The Honorable Damian J. Vercillo*	Ashland County
The Honorable John M. Solovan, II*	Belmont County
The Honorable John S. Campbell*	Carroll County
The Honorable Robert J. Batchelor*	Coshocton County
The Honorable David A. Ellwood*	Guernsey County
The Honorable T. Shawn Hervey	Harrison County
The Honorable Robert D. Rinfret	Holmes County
The Honorable James Ronk	Knox County
The Honorable Thomas M. Marcelain	Licking County
The Honorable D. W. Favreau*	Morgan County
The Honorable Mark C. Fleegle*	Muskingum County
The Honorable John W. Nau*	Noble County
The Honorable Philip Alan B. Mayer*	Richland County
The Honorable Jim D. James*	Stark County
The Honorable Paul J. Gallagher*	Summit County
The Honorable Edward E. O'Farrell*	Tuscarawas County
The Honorable N. Edward Lane, Jr.	Washington County
The Honorable Latecia E. Wiles*	Wayne County

*Designates Conservancy Court members who attended the annual meeting on June 7, 2014.

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. The Board of Directors each have unique experience and skills that collectively, bring meaningful discussion and decision making processes to the organization. The varied demographics by location is required by Conservancy law and lends itself to balanced leadership when reviewing goals and outcomes of the District.

Members of the Board of Directors as of December 31, 2014, were:

1. Harry C. Horstman of Scio, term expires June 3, 2015
2. Joanne Limbach of New Philadelphia, term expires June 3, 2018
3. Gordon T. Maupin of Orrville, term expires July 18, 2019
4. David L. Parham of the Atwood Lake area, term expires June 8, 2016
5. Richard J. Pryce of North Canton, term expires July 18, 2017

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 11 meetings were held during 2014 at various locations. Meetings generally are held on the third Friday of each month and begin at 9:00 a.m.

Meetings of the Board were held in 2014 on the following dates and at the following locations:

January 17, 2014	New Philadelphia City Council Chambers
February 28, 2014	McDonald/Marlite Conference Center, New Philadelphia
March 21, 2014	New Philadelphia City Council Chambers
April 18, 2014	Kent State University Tuscarawas
May 16, 2014	Messerly Recreation Building, Charles Mill Park
July 18, 2014	New Philadelphia City Council Chambers
August 29, 2014	New Philadelphia City Council Chambers
September 26, 2014	New Philadelphia City Council Chambers
October 31, 2014	Kent State University Tuscarawas
November 21, 2014	The Wilderness Center, Wilmot
December 19, 2014	New Philadelphia City Council Chambers

Richard J. Pryce served as president of the Board during 2014, while Harry C. Horstman was vice president. Minutes of all meetings are on file in the MWCD's main office at New Philadelphia.

Board of Directors



Harry C. Horstman

Harry C. Horstman has been associated with the Muskingum Watershed Conservancy District for more than 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, and as a member and past chairman of the MWCD's Development Advisory Committee.

- 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 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



Joanne Limbach

Joanne Limbach returned to the MWCD Board of Directors in 2013, where she is the first Board member to be reappointed to a new term on the Board and is the Board's first woman member. Her involvement with the MWCD, though, goes back

to her childhood when the Steubenville native visited the conservancy district's lakes with her family on fishing trips.

She later moved to Tuscarawas County where she launched her career in education, was elected to serve on the New Philadelphia Board of Education and as a Tuscarawas County commissioner, and later became the state's tax commissioner when she was appointed by Gov. Richard F. Celeste.

- Appointed to the MWCD Board of Directors on June 1, 2013, to fill vacancy created by fulfillment of two-term service by Steve Kokovich of New Concord
- Previous member of MWCD Board of Directors from 1996-2006, and prior to that, member of MWCD Development Advisory Committee, 1995-96
- Founding member of Limbach and Associates at Columbus
- Director of governmental affairs for The Success Group Inc., 1991-1992
- Tax Commissioner, Ohio Department of Taxation, 1983-91
- Tuscarawas County commissioner, 1977-83
- Public schoolteacher in Dover, North Royalton and Columbus districts, 1962-78
- Member of numerous professional and civic organizations throughout Ohio
- Graduate of Muskingum University with a bachelor's degree in history; also a graduate of Bowling Green State University with a master's degree in history



Gordon T. Maupin

Gordon Maupin, a resident of Orrville in Wayne County, retired after 32 years of leading The Wilderness Center, a non-profit nature center, land conservancy and "ecopreneurial" organization located near Wilmot in Stark County.

Maupin also serves as a board member of Fair Shake Legal Environmental Services, a non-profit organization that serves as an incubator for attorneys who would like to establish practices in environmental law. He has written numerous articles on outdoor recreation and natural history topics.

- Appointed to the MWCD Board of Directors on June 7, 2014 to fill the vacancy of William P. Boyle of Charles Mill Lake area.

Board of Directors

- Previous member of the MWCD Development Advisory Committee 1996-2003
- Retired Director of The Wilderness Center, a non-profit nature Center in Stark County, after 32 years at the helm
- Long-time member of the Association of NatureCenter Administrators, including President of the Board of Trustees from 2001-03
- Also member of Land Trust Alliance, American Association of Museums, Coalition of Land Trusts, The Nature Conservancy, National Wildlife Federation and the Audubon Society.
- Served as Information Specialist for the Oklahoma Department of Wildlife Conservation
- Graduate assistant in forestry for the University of Missouri-Columbia
- Interpretive aid for the U.S. Army Corps of Engineers
- Graduate of Missouri State University with bachelor's and master's degrees in biology

- 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 with a bachelor's degree from Case Institute of Technology, a master's degree from the University of Dayton and a law degree from the Case Western Reserve University School of Law



Richard J. Pryce

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.



David L. Parham

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 currently serves on the Board of Trustees for the Muskingum Watershed Conservancy Foundation, and on the Board for the Atwood Regional Water and Sewer District.

- 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
- Retired attorney from the law firm of Thompson Hine LLP in Cleveland, OH
- Held numerous leadership positions in local, state and national bar associations, including service as vice president of the Sixth Circuit for the Federal Bar Association

- 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, 2006-2007
- Retired president and chief executive officer of Aultman Health Foundation in Stark County with more than 20 years of service
- Formerly employed by Arthur Andersen and Co. consulting staff and 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

Board of Appraisers

The Muskingum Watershed Conservancy District's Board of Appraisers is a three-member panel responsible for appraising property to be acquired for rights of way, reservoirs and other works of the MWCD and to appraise all benefits or damages resulting from the execution of the Official Plan. Any assessments levied by the Board are apportioned on the basis of appraisal of benefits.

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 Ohio's Public Meetings Law.

Meetings of the Board of Appraisers in 2014 were held on the following dates and locations:

- February 6 - New Philadelphia City Council Chambers
- July 31 - Country Inn & Suites, Dover
- October 27 - Country Inn & Suites, Dover
- December 17 - Country Inn & Suites, Dover

Members of the Board of Appraisers as of December 31, 2014, were as follows:

1. James Navratil of Medina, term expires June 3, 2018
2. Bradley M. Stubbs of Zanesville, term expires July 14, 2016
3. Mark J. Waltz of Dover, term expires June 3, 2018

Mark J. Waltz served as chairman of the Board of Appraisers in 2014. Minutes of all meetings are on file in the MWCD's main office at New Philadelphia.

2014 Development Advisory Committee Members

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.

John Prelac served as chairman of the DAC during 2014, and George Romanoski was vice chair. The DAC held four meetings during 2014:

January 31	New Philadelphia City Council Chambers
April 25.....	New Philadelphia City Council Chambers
July 25	Massillon Museum
October 31	Kent State University Tuscarawas Science and Technology Center

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 make recommendations for possible action by the MWCD Board of Directors.

Members of the DAC as of December 31, 2014, including their residence, were the following:

Jon Elsasser.....	Zoar
Joe Gies.....	Shelby
JoEllen Hayes	Cambridge
Michael Gunther	Dover
Bryan Haviland.....	Worthington
Jeff Heacock	New Concord
Marty Larsen	Mansfield
Douglas McClarnan	Gambier
Rich Milleson	Freeport
Joy Padgett.....	Coshocton
John Prelac	Canton
Robert Prince	Carrollton
George Romanoski.....	Akron
Chasity Schmelzenbach	Caldwell
James Schoch.....	New Philadelphia
Dirck TenBroeck.....	Scio
David White	Akron

MWCD Staff as of December 31, 2014

Administration

John M. Hoopingarner Executive Director/Secretary
Mary C. Burley Human Resources Administrator
Scott Tritt Safety Administrator
Michael Mahaffey Human Resources Generalist
Karen Miller Executive Assistant
Stacie Stein Office Assistant
Thomas Fisher IS/IT Manager
Brittany Converse GIS Assessment Coordinator
Stephen Demuth IT Coordinator
Matt Ott IS/IT Analyst
Haley Zehentbauer GIS Analyst

Conservation

Theodore R. Lozier, P.E. Chief of Conservation
Mark Swiger Conservation Administrator
Dan Castellucci Natural Resources Manager
Skyler Dewey Conservation Specialist
Fredrick Hammon Conservation Coordinator
Kaylynn Kotlar Intern
Clayton Rico Forest Resources Specialist

Engineering

Boris E. Slogar, P.E. Chief Engineer
William Alderman Project Accountant
Kelli Karns Administrative Specialist
Michael C. Rekstis, P.E. Assistant Chief Engineer
David Sicker, P.E. Program Manager
Jeff Yohe, P.E. Project Engineer
Erin Davis CAD Technician
Douglas Little, P.E. Program Manager
Thomas Jones Design Engineer
Gary Taylor Utilities Coordinator
R. Alan Edwards Utilities Operator
Jeremiah Warner Lead Utilities Technician
Kyle Johnson Utilities Technician
John Sukosd Utilities Technician
Lucas Pulley Utilities Laborer
Tim Parks Utilities Operator
David Lautenschleger, P.S. Surveying/Facilities GIS Manager

G. Aaron Peck GIS Specialist
Michael Kobilarcsik Survey Technician
Kyle Pastircak Survey Technician
Josh Bauer Construction Services Manager
Jason Collins Construction Coordinator
Rick Gump Equipment Supervisor
Darrell Larkin Lead Equipment Operator
Charles Meiser Equipment Operator
Seth Thomas Equipment Operator
James Caughey Lead Project Inspector
Frederick Mamarella Project Inspector
William Williams Project Inspector
Randy Canfield Building/Fleet Technician
David Kopchak Chippewa Project Coordinator
Jonathan Kreglow Chippewa Project Engineer
Deborah Russell Chippewa Watershed Project Coordinator

Finance

James B. Cugliari Chief Financial Officer/Treasurer
James Crandall, III Senior Staff Accountant
Melissa Tylke Staff Accountant
Nick Lautzenheiser Development Coordinator
Rebecca Oakes Accounting Specialist
Anna Miller Accounting Assistant
Thomas Hawkins Archivist

Recreation-Parks

Scott D. Barnhart Chief of Recreation/Chief Ranger
M. Joe McGlothlin Deputy Chief – Parks
John Olivier Deputy Chief – Marina Operations
Scott Heller Recreation Business Manager
Adria Bergeron Recreation Marketing Coordinator
Tricia Miller Administrative Specialist
Donnie Borland Deputy Chief – Lease Operations
John Traxler Lease Coordinator
Tom Stanley Lease Technician
Troy Bichsel Docking/Shoreline Coordinator
Peggy May Lease Assistant
Deana Schrupp Clerical Assistant
Tony Luther Deputy Chief – Planning and Projects

Eric Stechschulte Recreation and Park Planner
 Dave Olsafsky Maintenance Specialist
 Anthony Korn Electrician
 John Bird..... Deputy Chief – Law Enforcement
 Michael Nodo..... Ranger Specialist
 Lucas Pace..... Ranger Specialist

Atwood Lake Park

Aaron Stump Park Manager
 Shawn Tharp Assistant Park Manager
 Joan Wilson..... Administrative Assistant
 Richard Anderson Ranger/Technician
 Ed Davy Ranger/Technician
 Tim Brooks Lead Park Technician
 William Reed Park Technician

Charles Mill Lake Park

Steven Rice Park Manager
 Mike Bittinger Assistant Park Manager
 Daniel Atterholt..... Lead Park Technician
 Stacy Karsmizki..... Clerk
 Cody Mager Ranger/Technician
 Donna Messerly..... Activities Leader

Pleasant Hill Lake Park

William Martin, Jr..... Park Manager
 Charles Statler Assistant Park Manager
 Rhonda Miller Administrative Assistant
 Corey Tedrow Ranger/Technician
 Shawn Mahoney Lead Park Technician

Seneca Lake Park

Matt Steffen Park Manager
 Edward L. Egan Ranger/Technician
 Patty Jo Huntsman Administrative Assistant
 W. Dean Mallett Ranger/Technician
 Troy Hannahs Lead Park Technician
 Timothy Mercer..... Park Technician

Tappan Lake Park

Jeremy Hoffer Park Manager

Jared Oakes..... Assistant Park Manager
 Gina Ferri..... Administrative Assistant
 Rose DeLong Clerical Assistant
 Jon Little..... Ranger/Technician
 Troy Noice..... Ranger/Technician
 David Schuler Lead Park Technician
 Kris Dickey Park Technician

Piedmont Lake Marina

Matt Miller..... Marina Manager
 Lynn Lyons..... Assistant Marina Manager

Seneca Lake Marina

Jeff Davis Marina Manager
 Darlene Ellis Marina Attendant
 Marilyn Roe Marina Attendant

Anniversaries

The MWCD employs over 114 full time team members and approximately another 300 part-time and seasonal employees during the summer months during peak outdoor recreational season. The following employees received special recognition for their years' of service through 2014.

5 YEAR SERVICE ANNIVERSARY

Gary Taylor	Atwood WTP
Jeremiah Warner	Atwood WTP
John Sukosd	Atwood WTP

10 YEAR SERVICE ANNIVERSARY

Becky Oakes	Main Office
Joe McGlothlin	Main Office
Tom Fisher	Main Office
Kelli Karnes	Main Office

15 YEAR SERVICE ANNIVERSARY

Ed Davy	Atwood
Steve Demuth	Main Office
Dave Schuler	Tappan

25 YEAR SERVICE ANNIVERSARY

Tony Luther	Main Office
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30 YEAR SERVICE ANNIVERSARY

Jim Cugliari	Main Office
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Safety Program

To supplement the MWCD safety policies and operational procedures, specialized training was offered to many of the MWCD staff. Safety training completed in 2014 included:

- 27 employees were trained in CPR/AED use.
- 15 employees were trained in chainsaw safety and operations.
- 223 employees received new hire orientation and drug free education.
- 37 managers and supervisors attended a "Supervisor Safety Stand Down" to receive training and education regarding Ohio BWC policies and resources, risk reduction practices, accident analysis and drug free education.
- 15 Emergency Medical Responders (EMR) on MWCD staff participated in 8 hours of skills based training as part of the MWCD on-going training program.
- 23 employees received specialized training for operating a 55 foot maximum height lift. The lift was purchased through a safety grant through the Ohio Bureau of Workman's Compensation (BWC). The lift reduces employee's exposure to falls and improves safety for tree trimming and elevated work such as roofing and electrical work.
- A Safety Day was conducted at Seneca Lake where MWCD staff demonstrated the proper use of a fire extinguisher on a live-fire training simulator. Approximately 75 guests used the extinguisher on the live-fire the simulator.



MWCD Staff during training using a 55 foot lift.

Information Systems/ Information Technology

The GIS staff conducts the work of development and enhancement of the information delivered to counties in the MWCD jurisdiction for collection of an annual maintenance assessment. There are nearly 500,000 parcels of property in the MWCD region subject to the assessment, and GIS staff members work with public officials and property owners to ensure accurate and fair application of the assessment program. Additionally, the GIS staff utilizes highly specialized skills to create and analyze spatial data related to assessment projects and produces cartography and statistical data for use by MWCD staff and the public.

- MWCD Credits Renewal – 5-year renewal of the original 2009 and 2010 MWCD Credits Program;
- Chippewa Subdistrict Assessment – Additional steps to ensure the reduction of the MWCD maintenance assessment;
- Implemented the MWCD Maintenance Assessment Reduction to \$6.00 per Equivalent Residential Unit (ERU); and
- MWCD region countywide GIS parcel layers and MWCD GIS website for downloading parcel data.

Staff working in the Information Technology (IT) operations of the MWCD provide numerous services that have reduced expenses and provided MWCD staff with additional resources to address tasks. Major activities in 2014 include the following:

- Deployed and supported the District's first online reservation and campground management system at the five major parks and Piedmont Marina campground.
- Planning and implementation of IT infrastructure with migration of hardware and software for four departmental office relocations and the Atwood Park office move to different building within the park.
- Expanded park and marina network footprints with installations at the Atwood Water Treatment Plant, Charles Mill Eagle Point

office, Pleasant Hill Park gate and ranger offices, Seneca Marina Point gate and Seneca Marina's services building.

- Created a Virtual Private Network (VPN) between the Main Office and Engineering Annex for a Metro Area Network that utilizes Voice Over Internet Protocol (VoIP) for telecommunications.
- Upgraded park internet access to broadband at Atwood and Charles Mill.
- Installation of phone systems in the Engineering annex and Chippewa Subdistrict office and installed a public 911 emergency phone at Piedmont Marina.
- Stood up a new application server and domain server.
- Introduced three large format, video conference enabled smart displays across the District.
- Responded to nearly 1,200 organizational helpdesk requests from eleven District facilities.
- Atwood Welcome Center planning (Network/Communications)
- Installed new Point of Sale (POS) systems at Atwood, Charles Mill, Piedmont, Pleasant Hill, Seneca and Tappan.
- Upgraded systems for maintenance, time and attendance computers at all parks.
- Launched public Wi-Fi hotspots at Atwood, Pleasant Hill, Seneca and Tappan.
- Established over forty personal login and email accounts for MWCD law enforcement.
- Installed ranger Mobile Data Terminals (MDT) and configured law enforcement body camera systems.
- Planned for the deployment of Ohio Law Enforcement Gateway (OHLEG) iLincs, Smart Records Management System (RMS) and Call Records.

2014 was a year of growth for the Engineering Division in both the volume of work completed and in expertise added to our staff. At the end of 2014 the Engineering staff consisted of five Professional Engineers along with one Professional Surveyor, planners, GIS experts, technicians and maintenance personnel. In addition, many on the MWCD engineering staff are members and held leadership positions in local and statewide technical societies such as Ohio Parks and Recreation Council, Water Management Association of Ohio and Professional Land Surveyors of Ohio.

Flood Reduction Partnership with USACE

The operation, upkeep and maintenance of the dam and reservoir system in the MWCD rely on the close partnership with the US Army Corps of Engineers (USACE). The MWCD is responsible for the 4 reservoirs and 10 lakes while the USACE is responsible for the operation and upkeep of the 14 dams in the flood reduction system.

In 1998 the USACE completed a detailed review and inspection of the state of the dams in the MWCD system. The results of the study found that the 80 year old dam system was in major need of maintenance in order to preserve the function and integrity of future operations. The total cost of the maintenance of the flood reduction system was projected at \$600 million . The Federal Government would allocate 75% of the total cost if a local source could provide 25% of the cost-share or \$137 million. This situation resulted in the MWCD enacting the maintenance assessment in order to provide the local cost-share.



The contractor at Dover Dam staging equipment on the downstream side of the dam preparing for maintenance construction.

Revenues collected through the maintenance assessment can only be used toward the maintenance and upkeep of the flood reduction system which include dam maintenance, shoreline protection and reservoir maintenance activities.

In 2014 the maintenance assessment was cut in half due to the new found revenue stream through oil and gas leasing.



The ceremonial ground breaking of the Bolivar Dam Maintenance Project included many federal, state and local dignitaries.

In 2014 two dam maintenance projects realized construction activity. The first project was Dover Dam which is the only concrete dam in the MWCD system. A major maintenance construction project commenced in 2011 and substantial completion was realized in 2014. The project included adding 140 ft. long anchors at 30 ft. spacing throughout the dam, increasing the parapet height, adding stilling basins at the outlet and repairs to aging concrete surfaces. 97% of the funding came from the USACE and 3% of the funding came from the MWCD. The MWCD cost share portion comes from assessment income and is supplemented through oil and gas revenues and totaled \$3 million.

The second major dam upgrade construction project was the Bolivar Dam. A ground breaking ceremony was held in July 2014 to announce the initiation of the \$44.3 million Bolivar Dam maintenance project. The project entails construction of a seepage barrier on the upstream side of the dam which consists of a 3 ft. wide wall, 140 feet deep along the 4,500 ft. length of the toe of the dam. The contractor mobilized and also established a concrete batch plant for this highly specialized type of construction operation. The construction activity is located on the east side of Interstate 77 on the south end of Stark County. The MWCD cost share portion is 23% or approximately \$10.2 million. Construction activity is scheduled to be completed in 2017.



The construction of the Bolivar Dam Maintenance Project is visible on the East side of I-77 on the south end of Stark County.

Reservoir Maintenance

Two main programs are managed through Engineering for reservoir maintenance and include shoreline protection and dredging. The 2014 shoreline protection program is summarized below:

- Almost 3,000 feet of shoreline was repaired at a cost of approximately \$972,000. Construction and maintenance projects were completed by MWCD staff and through private contractors.
- Seneca Lake (located at Lashley Addition and Seneca Park Campground)
2 projects totaling approx. 600 feet in length | \$255,000 construction cost
- Tappan Lake (located at Cramblett Road)
3 projects totaling approximately 1,000 feet in length | \$87,700 construction cost
- Atwood Lake (located at Atwood Park beach and Glens Cottage Area)
2 projects totaling approximately 860 feet in length | \$166,000 construction cost
- Atwood Lake (located at Area 3 Campground)
2 projects totaling approximately 375 feet in length | \$460,000 construction cost
- Atwood Lake (North Shore Cottage Area)
1 project approximately 180 feet in length | \$3,000 material cost



Shoreline stabilization techniques include “green construction.”

Dredging

The ten permanent MWCD lakes were constructed between 1936-1939 as part of the flood reduction system and for water conservation for beneficial public use. Over the course of the past 80 years, silts and sediments have entered the lakes and reduced the flood storage capacity by approximately 25%. A detailed study of each lake and a priority order for a dredging plan was developed in 2014 based on a wide range of factors. The priority list for dredging operations is as follows:

Tappan Lake
Seneca Lake
Pleasant Hill Lake

Charles Mill Lake
Atwood Lake
Piedmont Lake

Leesville Lake
Clendening Lake

Permits for dredging operations and for the dredge material disposal area were obtained for Tappan Lake. In addition, a dredging contractor was commissioned to initiate dredging operations at Tappan Lake which is expected to commence in 2015.



Base topographic and utility survey and mapping was completed by MWCD staff in the winter months in preparation of final design of capital improvement projects.

Park and Marina Capital Improvements

The Park and Marina Capital Improvement Plan (also referred to as the Master Plan) is the road map to the most significant upgrade to the MWCD recreational facilities in a half century. With over 300 projects identified, engineering staff have charted out the execution and implementation which includes \$160 million in improvements over the course of the next 5-7 years. Careful and thoughtful attention was given to the scheduling of improvement to minimize adverse impacts during peak seasons and to minimize inconveniences to the MWCD campers and 3.6 million customers a year that use the MWCD recreational facilities.

In preparation of commencing full detailed design and construction, the engineering staff completed detailed base topographic and existing utility surveys and mapping for eight of the lakes scheduled for capital improvements at the MWCD parks, campground and/or marinas.

In addition, engineering staff planned, managed and completed utility upgrades and addressed a variety of deferred maintenance projects to augment existing operations and lay the groundwork for future major construction at our parks and campgrounds.

These upgrades and deferred maintenance projects totaled over \$8 million in 2014. Funding for these projects and the future capital improvements to the recreational system is through revenues from oil and gas leases. A listing of the major improvements completed in 2014 is found with the highlights of each Park and Lake in this report.

Partners in Watershed Management

The MWCD's Partners In Watershed Management Program (PWM) provides funding and in-kind assistance to local communities, agencies and groups involved in projects and programs that support conservation and flood reduction in the Muskingum River Watershed.

PWM programs include: debris/logjam removal in streams, creeks and rivers; flood cleanup; stream gauging and water quality testing; flood warning system implementation; acid-mine drainage projects in partnership with the Ohio Department of Natural Resources; hazard mitigation grant program projects in partnership with Ohio Emergency Management Agency; small conservation projects in partnership with county Soil and Water Conservation District staffs; and assistance with education and outreach programs. Five community projects located throughout the 18-county Muskingum River Watershed region received a total of \$200,000 in funding in 2014 from the Partners in Watershed Management grant program.

Since the inception of the Partners in Watershed Management program in 2009, the MWCD has awarded a total of 48 grants worth more than \$3.5 million to approved programs and projects. The goal of the Partners in Watershed Management program is to provide a portion of the overall funding needed for approved projects, permitting eligible recipients to access other grants and partnering efforts.

Partners in Watershed Management 2014 Grants

Camp Presmont Wastewater Treatment Plant Improvement

Camp Presmont is located along Piedmont Lake on MWCD property in Belmont County. A poorly functioning wastewater treatment plant which was originally constructed in the 1960's was replaced with a package plant and made possible by a \$66,000 grant from the PWM program. The total cost of the project was \$132,000. The new wastewater treatment package plant ensures effective treatment of waste discharged from the camp and complies with current OEPA standards.

Cleaner Water Brighter Future

Ohio Future Farmers of America (FFA) Camp Muskingum is located on Leesville Lake in Carroll County. A PWM grant in the amount of \$6,200 was used for educational programming to purchase four watershed models including watershed/nonpoint sources, hazardous materials, drinking water and wastewater treatment, and waste management. Total cost of these models was \$15,200 and will significantly enhance watershed awareness and environmental stewardship.

Determination of % of Organic Matter in Soils

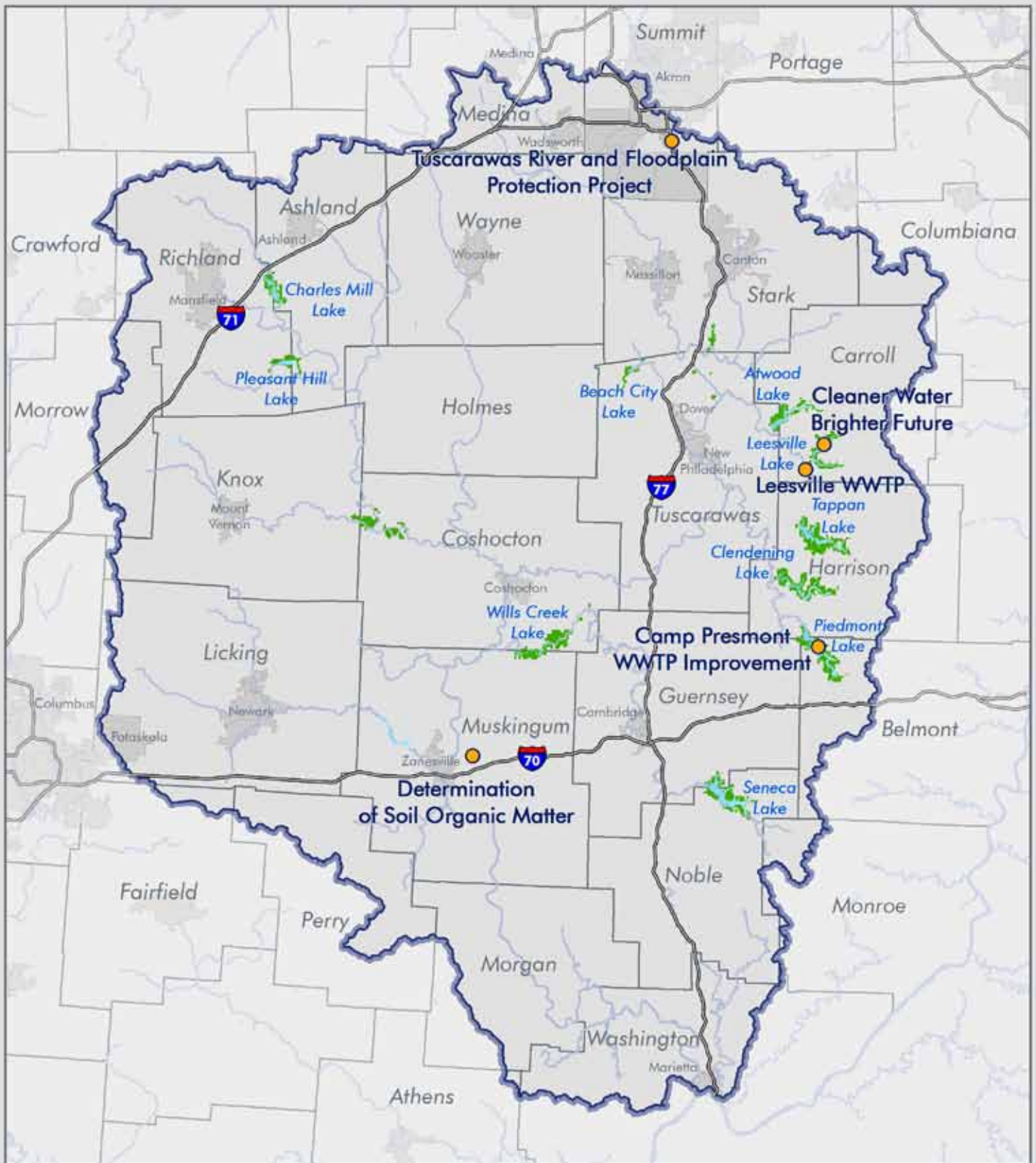
The Ohio State University Extension in Muskingum County received a \$1,000 PWM grant to help fund a study to determine a baseline for the percentage of organic matter in soils in Muskingum County. The project analyzed 200 samples for row crops and allows farmers to determine proper lime and fertilizer amenities needed for soy bean and corn production and also determines the effectiveness of conservation practices. The total cost of the study was \$4,600. The study supports effective soil conservation and nutrient management practices and promoting water quality in part of the MWCD.

Leesville Wastewater Treatment Plant

The Village of Leesville had a major health concern in that 85% of the septic systems in the Village were failing, allowing untreated waste water to enter the Conotton Creek. To address this problem a 25,000 GPD wastewater treatment plant was needed. A PWM grant of \$117,000 was made to partially fund the \$2.5 million project. The new plant eliminates a major health concern for the Village and significantly improves water quality of the Conotton Creek.

Tuscarawas River and Floodplain Protection Project

The Ohio Valley Conservation Coalition (OVCC) was able to purchase 31.44 acres of streams, wetlands and forest in the Upper Tuscarawas River Watershed. The property contains 1,600 feet of the Tuscarawas River and 1,200 feet of tributary. The property also contains 14.2 acres of Category 3 wetlands and mature riparian forest. The preserved forested floodplain and wetlands provide critical water quality and quantity functions in part of the MWCD.



- PWM Projects
- Streams
- Interstates
- Cities
- MWCD Region
- Counties
- MWCD Lakes
- MWCD Property

Partners in Watershed Management 2014 Grant Recipients

0 10 Miles
Sources: MWCD, ESRI, ODOT, USGS



Black Fork Subdistrict

The Black Fork Subdistrict continues to work towards flooding solutions.

The Black Fork Subdistrict originally was organized in 1959 to develop water resources for the City of Mansfield and surrounding region, but because of a lack of activity, the MWCD deactivated it several years later. It was reactivated in 2011 after local officials appealed to the MWCD.

Stream gaging and modeling of the Black Fork, under contract with the United States Geological Survey, was completed in 2013. This model will be provided to engineers in 2014 for use in developing potential solutions to flooding problems that have plagued the Black Fork for decades.

The watershed of the Black Fork of the Mohican River primarily covers portions of Ashland and Richland counties, but also includes small portions of Crawford and Holmes counties.

The Black Fork is controlled by Charles Mill Dam and Reservoir located just off I-71 and Rt. 30 near Mansfield in Ashland and Richland counties. However, the city of Shelby is located northwest, or above, the dam. Water also flows slowly from Shelby through the Blackfork to Charles Mill Dam because of a small drop in elevation, which can add to potential flooding problems in the Shelby area.

The Flood Plain Management Commission of Shelby was authorized by the city in June 2009 and by July 2010, its recommendation to reactivate the Black Fork Subdistrict was approved by Shelby City Council. The MWCD Board of Directors and Conservancy Court agreed, with the next steps to include completion a flood-reduction study of the watershed.

The Ohio law dealing with conservancy districts permits separate subdistricts to function with the conservancy district serving as the business agent for the subdistrict.

Chippewa Subdistrict

The Chippewa Subdistrict manages the Chippewa Creek Watershed Project as a flood-control program that began in 1956 and was completed in 1980 with the construction of eight dams and modifications to 33 miles of channel comprising of Chippewa Creek, Little Chippewa Creek and River Styx. 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 in the Seville area. A project coordinator staffs the office along with an engineer to oversee maintenance of the system of dams and reservoirs, as well as responding to inquiries from property owners and residents of the Chippewa Creek watershed.

The MWCD serves as the business agent for the subdistrict, which was formed in 1970 from a request of property owners in the region.

Maintenance work in the subdistrict is funded through an assessment of property owners as provided for in the Ohio law that governs conservancy districts, and assessment dollars can be used solely in the subdistrict region according to law.

Present maintenance needs of the dams and channel improvements include, but are not limited to:

- Tree and brush removal
- Slip repairs
- Debris removal
- Hydraulic structure repairs and upgrades
- Monitor/remove sedimentation
- Ongoing maintenance
- Mowing and maintaining dam slopes and surfaces
- Mowing and maintaining channel banks and access points
- Maintaining spillway systems and clearing debris that clogs spillway inlets

During 2014, subdistrict personnel conducted numerous projects related to the maintenance and operation needs of the subdistrict. This included the replacement of 46 drainage structures along Chippewa Creek along with re-establishing the maintenance berm along four reaches of Chippewa Creek and two reaches of River Styx.

Clear Fork Subdistrict

Flooding has been a recurring theme along the Clear Fork of the Mohican River in Richland County. Though attempts have been made in the past to solve these flooding issues, a solution had never materialized. On July 31, 2013, State Representative Mark Romanchuk hosted a meeting in Mansfield to discuss flooding issues and invited numerous Richland County officials and stakeholders. MWCD and the US Army Corps of Engineers were invited to that meeting as well and both entities provided presentations relating to each organization's flood mitigation programs and associated legal authorities.

Following the July 31, 2013 meeting, MWCD was contacted by local officials to learn more about conservancy district law and how it might assist with their flooding problems. To that end, several meetings were held in Bellville between MWCD officials and representatives from the villages of Bellville, Butler, and Lexington, the cities of Mansfield and Ontario, and also township officials and representatives from Richland Soil and Water Conservation District (SWCD). Officials from the City of Shelby also attended these meetings on behalf of the Black Fork Subdistrict of MWCD.

On February 19, 2014, the Village of Bellville passed an ordinance requesting the creation of a Clear Fork Subdistrict of MWCD. MWCD's Board of Directors authorized the Chief Engineer to submit a petition to the Conservancy Court for creation of a Clear Fork Subdistrict. On June 7, 2014, the Conservancy Court approved the creation of the Clear Fork Subdistrict and directed the Chief Engineer to create an Official Plan outlining the flooding problem and its proposed solution.



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 work to reduce the effects of flooding in the Duck Creek Watershed has involved the MWCD at various points for nearly 50 years.

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.

In 2011, three gages were installed at key locations in the watershed to gather data that can provide vital information during potential flooding from the fast-rising creek. This early flood warning system allows residents in the watershed to register and receive "alerts" that are sent to their cellphones when water reaches selected levels. MWCD continues to fund its portion of the operation and maintenance costs for the gages.

Introduction

The Muskingum Watershed spans 8,000 square miles which equates to approximately 20% of the State of Ohio. The District owns over 54,000 acres which includes 16,000 acres of water surface; 8,000 acres used by its parks, camp sites, cottage sites, marinas, clubs and youth camps; and 30,000 acres of conservation land. At the creation of the Conservancy District, it was the commitment of the Board of Directors to ensure that the District did not duplicate services that other agencies provided. As a result of this goal, the MWCD has forged strong partnerships with Federal, State and local agencies in order to supplement needed services and avoid duplication of effort for not only flood control but also in conservation. This commitment still holds true today.

Conservation through the Muskingum Watershed Conservancy District means land management through the wise use of natural resources in the particular areas of water, soil and minerals. The MWCD concentrates on six main operations in the conservation program which include:

- Water Resources Management
- Water Quality Program
- Watershed Management
- Agriculture
- Forestry Management
- Oil and Gas Stewardship



A temporary pumping station at Clendening Lake is located in remote areas as required by the agreement, operates within the timeframe as prescribed by the agreements and substantially conforms to the other protective terms and conditions of the agreement.

Water Resources Management

Conservancy law allows for both long term and short term water supply agreements. The founders of the MWCD agreed that the reservoir systems would serve a multi-purpose function and provide flood control, recreational, and water supply opportunities for domestic and industrial uses. By volume, the MWCD has more than 68 billion gallons of water in its ten reservoirs covering 16,000 acres of water surface. Agreements for water withdrawal for the MWCD reservoir system date back to the beginning of the conservancy district.

In 2011, the MWCD was approached by horizontal drilling exploration and production companies with the request to provide water for drilling operations. Knowing these drilling operations require significant volumes of water in their operations and in order to make an informed decision, the MWCD partnered with the U.S. Geological Survey, who provided water availability studies on individual lakes and analyzed supply, recharge and withdrawal capacities. In addition, township trustees in affected areas along with private engineering firms were also consulted in order to gain an understanding of the order of magnitude of the water requirements and options.

The results of these studies were favorable and demonstrated that millions of gallons of water withdrawal on individual lakes would have negligible effects on the pool elevations and greatly reduce proposed truck traffic on local roads. The Ohio Township Association provided a letter of support for water withdrawal as means to protect their local roads. Moving forward with these agreements, the MWCD was able to negotiate terms and conditions that included restrictions on land disturbance, noise abatement, and periods where water withdrawal was not permitted along with other terms and conditions protecting the MWCD systems and programs. In these agreements, the MWCD Chief Engineer has the sole authority to cease all water withdrawals for any reason. In addition, proceeds from these temporary water withdrawal agreements are expended for the maintenance, protection and improvements of the MWCD reservoirs including water quality protection and improvements in reservoir drainage basins. Activities in Water Resource Management in 2014 include the following:

- The Board of Directors approved the renewal of long term public water supply agreements with the following:
 - Village of Cadiz at Tappan Lake;
 - City of Cambridge at Seneca Lake; and
 - Atwood Resort at Atwood Lake.
- Short term water withdrawal agreements executed in 2014 with horizontal drilling companies were activated with negligible effect on the pool elevation and land disturbance at each lake and included:
 - Gulfport Energy at Piedmont Lake;
 - American Energy Partners at Clendening Lake;
 - and Antero Resources at Seneca Lake.
- Revenues from these short term water withdrawal agreements were used to purchase, install and maintain stream gages



A temporary waterline at Seneca Lake depicts minimal land disturbance in conformance with the MWCD temporary water withdrawal agreement with Antero.

at strategic locations at inflow and outflow positions on MWCD lakes.

- Revenues from short term water withdrawal agreements were also used to purchase, install and maintain weather stations at strategic locations on MWCD properties that have filled a gap in the National Weather Service reporting systems.
- Temporary water withdrawal pipelines eliminated trucks on local roads as summarized:
 - Seneca - 97 million gallons withdrawn through above ground pipelines eliminating 29,000 truckloads;
 - Clendening - 33 million gallons withdrawn through above ground pipelines eliminating 9,800 truckloads; and
 - Piedmont - 26.6 million gallons withdrawn through above ground pipelines eliminating 7,700 truckloads.

Water Quality Program

Citizen Lake Awareness and Monitoring

The MWCD partnered with the Citizen Lake Awareness and Monitoring (CLAM) program sponsored by the Ohio Lake Management Society (OLMS). The District is fortunate to have volunteer “Lake Keepers” who continue to watch over eight permanent District reservoirs, conduct sampling and gather water quality information. These volunteers collected samples twice a month from July through September from 2009-2013 and sent their samples to a lab for analysis of potential toxins that could cause harmful algae blooms. The results of this three-year testing were available in 2014 and show that all samples were below the threshold for health advisories and warnings. This means that measured toxins at District beaches where people have contact with water were well below the threshold for concern and the MWCD will continue to monitor the lake water.



One of 6 weather stations purchased and installed by MWCD which now supplements the National Weather Service readings in eastern Ohio. Real time weather data collected is available at the www.oh.water.usgs.gov website.

USACE Coordination of Water Quality Sampling

The MWCD Lakes are on a five year intensive sampling rotation in collaboration with a program established by the USACE. This program has been in effect since 1986. MWCD provides field personnel to pull samples at the designated locations and during critical times of the year as determined by the Corps. Seneca Lake was the focus of intensive water quality testing in 2014.

NOWCAST Research with USGS

The MWCD is working in collaboration with USGS to develop a predictive modelling tool to forecast periods of elevated bacteria in inland lakes. In 2014 the USGS conducted research on the computer modelling tool at Atwood, Tappan and Seneca. The predictive modelling tool is still in development phase.

Watershed Management



Water quality sampling conducted by MWCD staff upstream from Seneca Lake

Watershed Specialist

The MWCD forged strong partnerships with County Soil and Water Conservation Districts throughout the 18-county region. 2013 found that both Carroll and Harrison counties had unfunded open positions for a Watershed Specialist during 2013. Carroll and Harrison Soil and Water Conservation Districts agreed to share the Watershed Specialist position and the MWCD provided a grant to fund this position in 2014 to fill this void. The MWCD has a keen interest in ensuring agricultural loading and construction runoff monitoring programs are active through the appropriate county agencies.

Tuscarawas Acid Mine Drainage

The MWCD is currently partnering with Rural Action by hosting an AmeriCorps member that is assisting with Acid Mine Drainage issues and potential project sites.

Agriculture

The MWCD manages approximately 2,300 acres of land for agricultural operations. Approximately 1,000 acres represent leases where a price per acre is negotiated with each individual lessee. The majority of the acreage is leased for share cop production where MWCD pays 60 percent of the material costs such as seed, fertilizer and pesticides and the lessee pays 40 percent plus provides labor and equipment to plant and harvest. Both share in 50 percent of the crop except on acreage which floods. In those situations the MWCD pays 100 percent of the material cost.

It is worth noting that one of the MWCD farm lessees was recognized as farmer of the year from Coshocton Soil and Water Conservation District in 2014 for conducting sustainable and best practices farming.

In addition, in 2014 a Cooperative Work Agreement (CWA) with ODNR Division of Soil and Water was renewed to provide a partnership for the successful delivery of conservation programs. This successful programming partnership was established in 2010 and has been renewed every year since with MWCD providing funding for these programs. The 2014 work plan included:

1. The Cover Crop Program expanded from 16 to all 18 counties within the District. Cover crops are increasingly becoming an important tool in the conservation toolbox to decrease erosion and sediment runoff and prevent loss of nutrients from croplands in Ohio. This significant expansion will move our region of the State to the forefront in utilizing this conservation practice.
2. Establish five grazing councils.
3. Match funds for National Grazing Land Coalition Grant.
4. Grazing Plan Implementation – a continuation of the site specific work that includes such traditional practices as cattle-exclusion fencing around farm streams.

Items 2, 3 and 4 are initiatives to assist in the implementation of improving grazing lands in Eastern Ohio to ensure proper management of soil and its nutrients. All four initiatives help reduce nutrient loading to MWCD lakes thus helping to prevent harmful algae blooms and promote water quality improvements.

Forestry Management



This photo shows the result of recent timber harvesting and tree stand management.

The MWCD Forestry program dates back to 1945 when the Board of Directors formally adopted a reforestation policy to augment soil erosion control practices and protect the lakes. These early years of the Forestry program were dominated by the planting of pines that currently surround the ten permanent District lakes.

Today, the District is managing and harvesting those same pines while also establishing young growth hardwood forests. The MWCD is recognized as the second largest tree farmer in the State of Ohio. In 2014, the MWCD conservation staff is in process of updating the forest inventory which had not been thoroughly completed since the 1990's.

MWCD forestry operations completed three major harvesting projects in 2014 which consisted of selective harvesting at Atwood, Leesville and Tappan. The District also completed multiple clear cuts, mainly converting mature pine stands to native hardwood through natural regeneration. These major project locations are summarized below and resulted in 950,000 board feet of lumber harvested and



Young hardwood tree planting program to establish stabilization of soil on the hill and depicting Best Management Practices for Soil Erosion Control to minimize silt from entering the waterway.

15,500 tons of pulpwood. In addition, with a partnership with the Wildlife Management Institute, over 200 acres of young forest habitat was created and 3,000 tree seedlings with tree shelters were planted.

Young Forest Regeneration Acres Completed in 2014

Reservoir	Acres
Atwood	9
Bolivar	30
Leesville	115
Piedmont	15
Pleasant Hill	10
Tappan	17
Wills Creek	28
TOTAL ACRES	224

Oil and Gas Stewardship

Oil and gas leases have been a part of the Muskingum Watershed Conservancy District since creation of the District in 1933. MWCD currently has royalty interests in 275 conventional oil and gas wells of which 120 of these gas wells are located on MWCD property.

With the dawning of new technology which allows for deeper and horizontal drilling techniques the MWCD has found itself in the center of what is commonly known as the Utica Shale Play. This new found interest in the Utica Shale Play yields unprecedented oil and gas leasing opportunities to produce increased revenues while also presenting the opportunities to establish leasing terms and conditions that preserve the integrity of the MWCD properties and programs. Leasing to horizontal drilling companies by the MWCD was initiated in 2011. Activities in Oil and Gas Stewardship in 2014 include the following:

- The Board of Directors approved a deep mineral rights lease of 6,498 acres at Piedmont Lake and properties with Antero Resources. The 14-page addendum to the standard oil and gas lease can be found on the MWCD website at www.mwcd.org.
- Other leases currently held by the MWCD with horizontal drilling companies include:

Gulfport Energy (2011) at Clendening Lake
and properties..... 6,485 acres

Chesapeake Exploration (2012)
at Leesville Lake and properties..... 3,682 acres

Antero Resources (2013)
at Seneca Lake and properties 7,135 acres



Highlights and Overview

The ten flood control reservoirs managed by the Muskingum Watershed Conservancy District afford countless opportunities for recreational activities. A record breaking 3.6 million visitors came through the MWCD gates in 2014 to enjoy boating, fishing, water skiing, camping, parks, trails and our scheduled events. Parks and lakes are patrolled through MWCD Rangers and Marine Patrol officers and we are proud to report there were no major incidents on MWCD properties in 2014.

In addition to the utilization of our facilities and programs being at an all-time high, 2014 was also a year of preparation in laying the groundwork for the major capital improvement over-haul of our recreational facilities. While final planning and design of the park and marina capital improvement program was underway, engineering and recreation staffs were able to address deferred maintenance projects in our parks. Recreation capital improvements in 2014 totaled over \$4.7 million in construction reinvestment. Details of improvements completed in 2014 are listed with each park.

Major highlights in 2014 of the MWCD recreation program include the following:

- A Recreation Marketing Director was hired to solely market the park and marina services and programs.
- An on-line reservation system for camping, cabins and pavilion reservations was fully implemented and resulted in an increase in facility utilization.
- A Recreation Business Manager position was created and filled in order to assist monitoring park and marina operations.
- The number of campsite and cabin rentals reached an all-time record high.
- Parks experienced record setting attendance and participation during Fourth of July celebrations.
- Offerings and opportunities for naturalist and kayaking programs were expanded through contracted services.
- Separate websites for each park were developed allowing customers to more easily find park and marina information instead of routing them solely through the www.mwcd.org home web page.



Example of new monument signs installed throughout the district.

- New entrance and monument signs were installed at MWCD facilities which reflect the new branding and colors of the Muskingum Watershed Conservancy District.
- Purchase of the Clendening Marina was completed.
- Improvements to Kokosing, which is a campground owned by the USACE and operated by the MWCD, included a new playground, picnic tables and other general maintenance items.
- Park Rangers were equipped with body cameras which enhanced safety of law enforcement operations for rangers and customers.





This rendering is the vision of the future of MWCD Parks and capital improvement plans. Improvements to MWCD facilities are initiated and will continue for the next 5-7 years.

- Over 500 fishing tournaments were scheduled on the MWCD lakes in 2014.
- 1,205 cottage site leases within the district and along MWCD lakeshores were managed.
- The continuation of 13 youth camp and 13 club site leases along the shores of the MWCD lakes were managed and coordinated.
- 1,455 seasonal campsites were leased throughout the district (A seasonal campsite is defined by a campsite that is continuously leased and occupied from April 1 through October 31) This resulted in 321,792 occupied camping nights.
- 5,924 cabin/motel daily units were reserved
- 38,904 daily camp site pads were occupied in 2014.
- Due to new revenues generated through recent oil and gas leasing opportunities, over \$8 million was expended on deferred maintenance and capital improvement projects throughout the MWCD recreational facilities in 2014.

Awards

The Ohio Parks and Recreation Association (OPRA) Annual Awards of Excellence recognize individuals and organizations throughout Ohio that embody the vision, dedication and demonstration of excellence in parks and recreation. These awards highlight the efforts that transcend everyday standards to make a difference and improve the quality of life in our Ohio communities. The MWCD was recognized in several categories and acknowledged with the following awards.



(Left to right) Woody Woodward, Executive Director of OPRA; MWCD Executive Director and award winner, John Hoopingarner; and Stacey Schweikhart, 2013-2014 President OPRA (City of Kettering).

Jack Hanna Resource Conservation Award

was given to **John M Hoopingarner**, MWCD executive Director/Secretary, at the 2014 annual OPRA conference and awards banquet. This statewide award acknowledges John's dedication to natural resources through his leadership in conservation in parks and recreation and in other efforts that have a positive effect on the community. This award is one of the highest honors bestowed on members of OPRA.

Award of Excellence at a Facility-Up to \$2.5 Million

Seneca Marina Renovations received the third place award in this category acknowledging the transformation of this building improvement into an up-to-date facility and premier source of community pride.



A view of Seneca Marina.

Park Law Enforcement Award



One off the many posted signs promoting the successful Dock Watch Program.

The Muskingum Watershed Conservancy District "Dock Watch" Program received third place in this category. The program exemplifies innovative training, public programs and constructive plans that have significantly and positively improved park law enforcement operations.

Highlights

Over 863,500 visitors travelled through the Atwood Park gates in 2014 Cleveland Magazine featured Atwood Lake on the cover of their July 2014 publication which was distributed to 212,850 in northeast Ohio.

Maintenance and facility improvements completed in 2014 include:

- New roofs were installed on four picnic shelters and Area B shower house
- LED lighting was added in the park restrooms
- Campground amenities were purchased and installed
- The courtesy dock at State Route 212 was replaced

Atwood Lake General Information

Atwood Lake, known as one of the state's top sailing and pleasure boating lakes, is located in Tuscarawas and Carroll counties between New Cumberland and Dellroy. An easy drive from Canton, Akron and Cleveland, Atwood Lake is a close getaway destination.

LAKE AREA

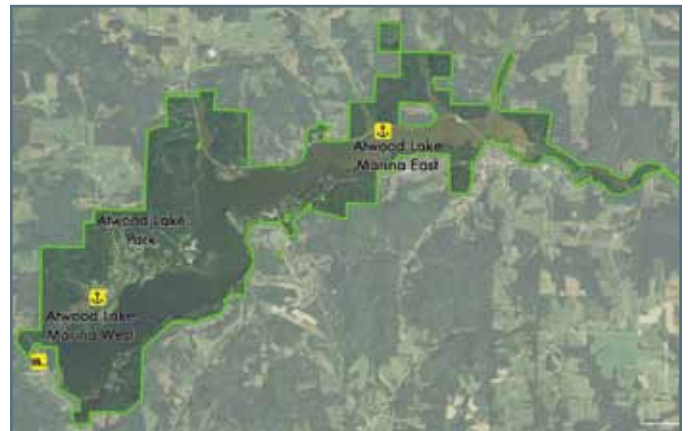
- 1,540 acres of water surface
- 2,500 acres of land
- 25 horsepower limit
- Two public boat-launch ramps

ATWOOD LAKE PARK & CAMPGROUNDS

- 500+ campsites (full hook-up, standard electric and primitive sites are available)
- Swimming beach with concession stand
- Vacation cabins and patio cabins
- Picnic shelters
- Activity center, nature center
- Hiking trails
- Special events and daily activities
- Laundry and camp store
- Atwood Fall Festival held first weekend in October
- Playground
- Free Wi-Fi in the activity & nature center

MARINAS

- Atwood Marina West is a full-service marina with boat sales and service, rentals, fuel, supplies and dock rentals. The restaurant features a full dining menu, courtesy docking and gift shop.
- Atwood Marina East offers boat rentals, dock rentals, fuel, supplies, restaurant, courtesy docking and gift shop.





Atwood Lake was the cover story for Cleveland Magazine in July.

Atwood Lake Park
 4956 Shop Road NE
 Mineral City, OH 44656
 Phone: 330-343-6780
 Fax: 330-343-5454
www.atwoodparkohio.org

**Atwood Lake Boats
 (Marina West)**
 9298 Atwood Lake Road
 Mineral City, OH 44656
 Phone: 800-882-6339
 Fax: 330-364-6358
www.atwoodlakeboats.com

Atwood Marina (East)
 1601 Magnolia Road
 P.O. Box 57
 Dellroy, OH 44620
 Phone: 330-735-2323
 Fax: 330-364-6358
www.atwoodlakeboats.com

Atwood

Highlights

Attendance was charted at 604,000 in 2014.
Improvements to the facilities in 2014 include:

- The Messerly activity building was dedicated
- The large picnic shelter received a new roof, new ceiling and new electric service
- Coping stones on the Eagle Point pool were replaced

Charles Mill Lake General Information

Located near Mansfield, Charles Mill is a quiet place to relax and enjoy nature. The park entrance is located near the junction of SR 430 and 603.

LAKE AREA

- 1,350 acres of water surface
- 2,000 acres of land • 10 horsepower limit
- Two public boat-launch ramps

CHARLES MILL LAKE PARK & CAMPGROUNDS

- 500+ campsites (standard electric and primitive sites available)
in two campground locations
- Special events and daily activities
- Swimming beach and Swimming pool
- Patio cabins
- Picnic shelters
- Hiking trails
- Playground
- Activity center

MARINA

- Charles Mill Marina is a full-service marina with fuel, boat sales and service, rentals, supplies and docking.



Donna Messerly with Charles Mill Park Manager, Steve Rice at the May ribbon cutting ceremony. Donna is recognized for her service in her capacity as activities leader in energizing the lake community and making it a family friendly environment.



Charles Mill Lake Park

1277A SR 430, Mansfield, OH 44903
Phone: 419-368-6885
Fax: 419-368-4912
www.charlesmillparkohio.org

Charles Mill Marina

1277 SR 430, Mansfield, OH 44903
Phone: 419-368-5951
Fax: 419-368-3900
www.charlesmillmarina.com

Pictured at left, the new Messerly Recreation Center was dedicated in May, 2014.

Highlights

Over 158,000 visitors resided in the cottages and the campgrounds at Piedmont.

A \$1.6 million multi-faceted project at Piedmont Marina was completed which included:

- Replacing the launch ramp
- Adding ADA walkways and accessible dock
- Installing a seawall and filter strip
- Completing renovation of the parking lot with improved storm drainage and lighting
- Replacing pit toilet with an ADA accessible flush facility
- Improving the marina building with a new roof, HVAC and new overhead doors
- Renovating the restaurant in the marina building including enlarging windows, adding dry wall and painting the interior
- Replacing one dock and improving electrical service to two docks
- Constructing a new parking lot with marked parking locations and established traffic pattern to improve access to the boat launch and campground
- Improving lighting for launching at night, wayfinding and safety
- A fitness station was added in the campground along with trash cans, picnic tables and fire rings.
- The shower building roof was replaced.



The ribbon cutting to celebrate the completion of the Piedmont Marina and grounds was conducted on August 29.

Piedmont Lake General Information

Nestled in the steep hills and wooded valleys of Southeast Ohio, is the serene and picturesque Piedmont Lake. Anglers from around the State visit this lake for the excellent fishing and quiet waters.

LAKE AREA

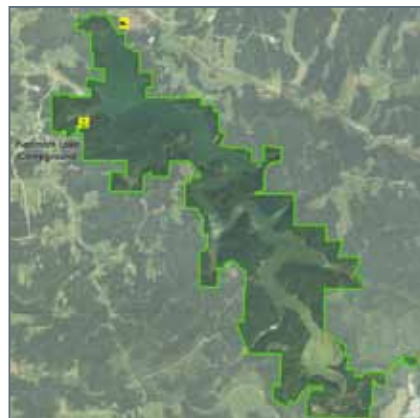
- 2,270 acres of water surface
- 4,416 acres of land
- 10 horsepower limit
- Two public boat-launch ramps

MARINA

- Piedmont Marina offers docking, boat rental, boat service, lunch counter, fuel, fishing and boating supplies, motel and cabin.

CAMPING

- 80+ campsites (full hook-up and standard electric sites are available)



Piedmont Marina & Campground

32281 Marina Rd., Freeport, OH 43973 | Phone: 740-658-1029

Fax: 740-658-3709 | www.piedmontmarinaohio.org

Highlights

2014 Pleasant Hill Lake & Park Highlights
Attendance was charted at 346,700 visitors in 2014.

Major facility improvements included:

- The horse trail connecting the park, Mohican Memorial State forest, Mohican State Park and Malabar Farm State Park was completed
- A new office addition was completed
- Roof extended over the exiting deck
- New campground docks were installed
- Upgrades to the shower facilities including new fixtures and water heaters were added.
- Campsite amenities were purchased and installed



The new horse trail connector was completed to the enjoyment of equestrians throughout northeast Ohio.

Pleasant Hill Lake General Information

Located in Amish County near Perrysville, Pleasant Hill Lake is the only MWCD lake with unlimited horsepower for boating. Miles of horse-trail, newly developed equine camp and nearby Mohican State Park and Forest make Pleasant Hill Lake Park a favorite place to vacation.

LAKE AREA

- 850 acres of water surface
- 1,345 acres of land
- Unlimited horsepower
- Two public boat-launch ramps

PLEASANT HILL LAKE PARK & CAMPGROUNDS

- 440 campsites (full hookup, standard electric, primitive and equine primitive sites are available)
- Swimming beach with concession stand
- Vacation and camper cabins and rental house
- Picnic shelters, activity center (free Wi-Fi) and play ground
- Hiking trails, equine trails and horse camp
- Daily activities and special events

MARINA

- Pleasant Hill Marina offers docking, boat sales, service and rentals, fuel, fishing and boating supplies.



Pleasant Hill Lake Park

3431 SR 95, Perrysville, OH 44864
Phone and Fax: 419-938-7884
www.pleasanthillparkohio.org

Pleasant Hill Marina

3434 SR 95, Perrysville, OH 44864
Phone: 419-938-6488 | Fax: 419-938-8208
www.pleasanthillmarina.com

Highlights

Attendance at Seneca Lake was reported at 874,400 for 2014. Major facility improvements included:

- Upgrades to the interior decorating throughout the Marina's Dockside Restaurant was completed
- Two docks at Seneca Marina were replaced
- The shelter at Marina Point was renovated with a new roof, soffit and new electric service
- A new service building for the marina was installed which includes a large service bay, parts room, office, restroom and storage.
- The park maintenance facility and district sign shop were remodeled with new roofs, new windows and overhead doors.



The improvements to the Seneca restaurant at the marina provide comfort and a scenic view for MWCD customers.

Seneca Lake General Information

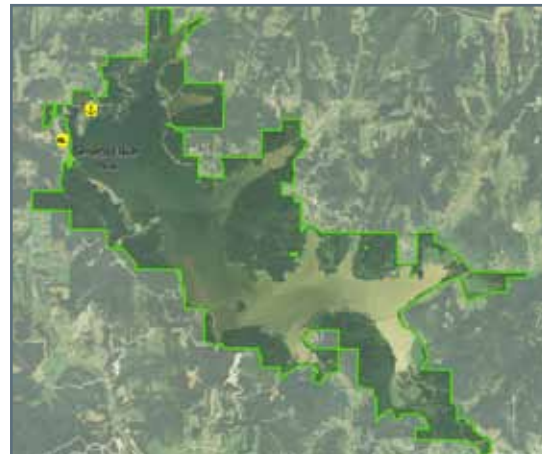
An easy drive from Cambridge and Marietta, Seneca is the largest of the MWCD lakes and the third largest man-made lake in Ohio.

LAKE AREA

- 3,550 acres of water surface
- 4,060 acres of land
- 399 horsepower limit
- One public boat-launch ramp

MARINA

- Seneca Marina offers docking, boat sales, service and rentals, fuel, boating and fishing supplies and dine-in restaurant with courtesy docking.



SENECA LAKE PARK & CAMPGROUNDS

- 513+ campsites (full hook-up, standard electric and primitive sites are available)
- Swimming beach with concession stand
- Free Wi-Fi at swimming beach and marina point shelter
- Vacation and camper cabins
- Picnic shelters
- Historic log cabin for special events and activities
- Hiking trails and playground
- Special events and daily activities

Seneca Lake Park

22172 Park Road, Senecaville, OH 43780
Phone: 740-685-6013 | Fax: 740-685-6770
www.senecaparkohio.org

Seneca Marina

16592 Lashley Road.
Senecaville, OH 43780
Phone: 740-685-0015 | Fax: 740-685-0017
www.senecamarinaohio.org

Highlights

Over 60,600 visitors used the camping facilities.
The purchase by MWCD of Clendening Marina was completed.

Clendening Lake General Information

Known for having the largest undeveloped shoreline in Ohio, Clendening Lake is favored by anglers for its bass fishing and solitude. Located near Freeport, the lake is accessible by SR 800 and SR 799.

LAKE AREA

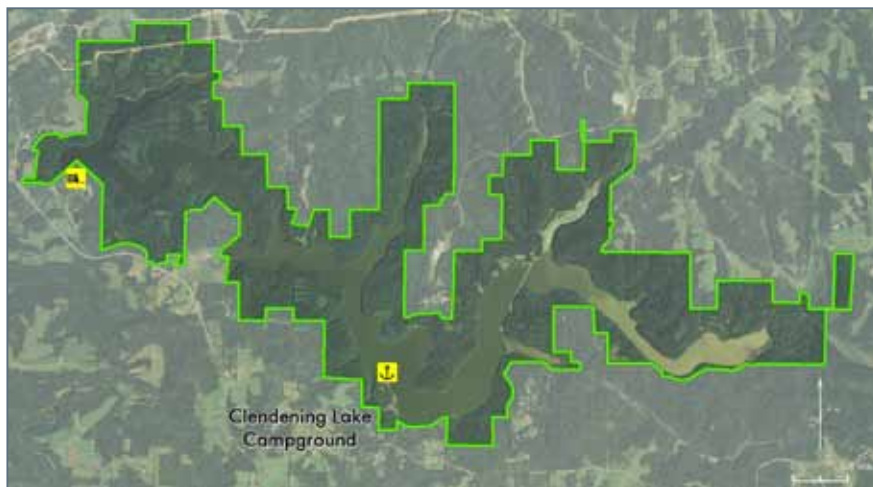
- 1,800 acres of water surface
- 4,800 acres of land
- 10 horsepower limit
- Three public boat-launch ramps

MARINA

- Clendening Marina offers docking, boat service and rentals, fuel, boating and fishing supplies, concessions, motel and log cabins.

CAMPING

- 80 sites (full hook-up, standard electric and primitive sites are available)
- Playground and picnic areas



Clendening Marina & Campground

79100 Bose Road
Freeport, OH 43973
Phone: 740-658-3691
Fax: 740-658-4266
www.clendeningmarinaohio.org

Highlights

669,700 visitors came through the gates in 2014.

Major facility improvements included:

- Five vacation cabins were upgraded and received new HVAC systems and new wainscot/chair rail features
- The park office, maintenance and activity centers received new roofs
- Landscaping was added around the park entrance sign

Tappan Lake General Information

Located between Cadiz and Uhrichsville, Tappan Lake is great for camping, swimming, boating, fishing and hiking.

LAKE AREA

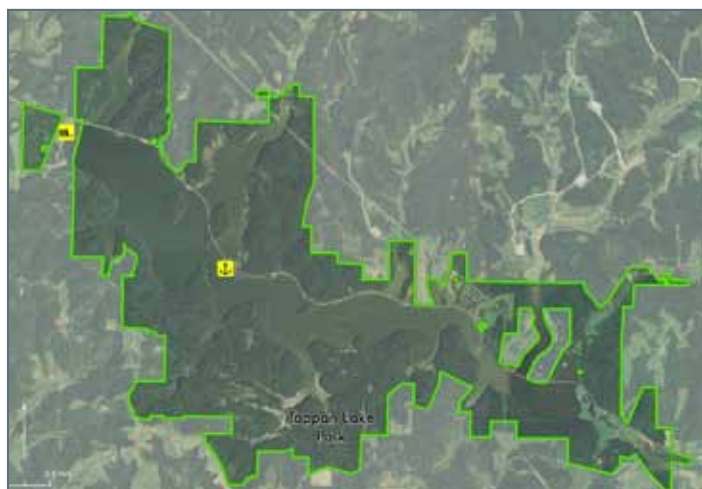
- 2,350 acres of water surface
- 5,200 acres of land
- 399 horsepower limit
- Two public boat-launch ramps

TAPPAN LAKE PARK & CAMPGROUNDS

- 500+ campsites (full hook-up, standard electric and primitive sites are available)
- Swimming beach with concession stand
- Vacation and camper cabins
- Activity and nature center
- Hiking trails and nature center
- Daily activities and special events
- Laundry facilities and camp store

MARINA

- Tappan Marina offers docking, boat sales, service and rentals and ski accessories, fuel, boating and fishing supplies and dine-in restaurant.



Tappan Lake Park

8400 Mallarnee Rd
Deersville, OH 44693
Phone: 740-922-3649
Fax: 740-922-6068
www.tappanparkohio.org

Tappan Marina

33315 Cadiz-Dennison Rd
Scio, OH 43988
Phone: 740-269-2031
Fax: 750-269-8002

Tappan

Highlights

Leesville Lake is consistently ranked as one of Ohio's top lakes for "muskie" fishing. Situated in the rolling hills between New Philadelphia and Carrollton, Leesville Lake offers two marinas, campgrounds, and seven youth camps.

LAKE AREA

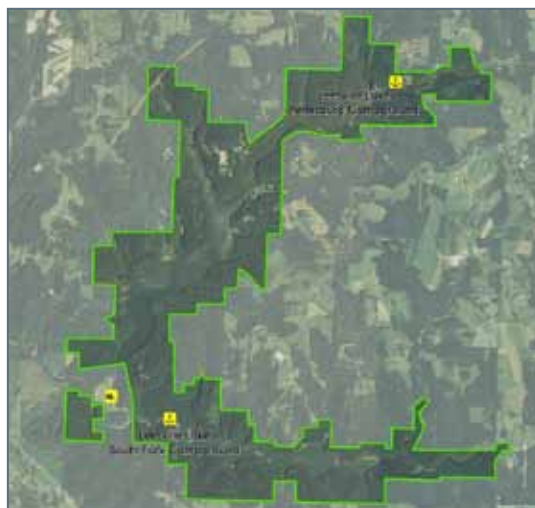
- 1,000 acres of water surface
- 2,600 acres of land
- 10 horsepower limit
- Two public boat-launch ramps

MARINAS

- Southfork Marina offers docking, boat sales, service and rentals, fuel, boating and fishing supplies, restaurant, and vacation cabins.
- Petersburg Boat Landing and Campground offers docking, boat sales, service and rentals, fuel, boating and fishing supplies and concessions.

CAMPING

- A campground is located at each marina. (Standard electric and primitive sites are available)
- The campground near Southfork Marina is operated by Atwood Park (call 330-343- 6780 for more info)



Leesville Petersburg Boat Landing

2126 Azalea Road SW
Carrollton, OH 44615
Phone: 330-627-4270
Fax: 330-627-2490

Leesville Lake South Fork Marina

4131 Deer Road SW
Bowerston, OH 44695
Phone: 740-269-5371
Fax: 740-269-1360

Beach City Reservoir General Information

Beach City Reservoir is located near the junction of US 250 and SR 93 north of Strasburg. Hunting is popular on the district property surrounding this shallow lake area. Canoes and kayaks are best suited for this area. Camping is not permitted.

RESERVOIR AREA

- 420 acres of water surface
- 930 acres of land
- 10 horsepower limit



Wills Creek Reservoir General Information

Wills Creek is located in Coshocton and Muskingum counties. The area offers hunting and fishing opportunities. Camping is not permitted.

RESERVOIR AREA

- 900 acres of water surface
- 4,900 acres of land
- 10 horsepower limit
- One public boat-launch ramp



Kokosing Campground General Information

Located on Kokosing Lake, the campground is a USACE owned facility operated through a lease agreement by the MWCD.

CAMPING

- 46 campsites
- Playground
- Picnic shelter
- Shower building
- Public boat-launch ramp
- Camper cabin

Kokosing Campground

18352 Waterford Road, Fredericktown, OH 43019
740-694-1900 (April 15 to October 15)
or contact Pleasant Hill Lake Park for Info

Financial



Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014

The discussion and analysis of the Muskingum Watershed Conservancy District's (the "Conservancy District") financial performance provides an overall review of the Conservancy District's financial activities for the year ended December 31, 2014. The intent of this discussion and analysis is to look at the Conservancy 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 Conservancy District's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2014 are as follows:

- Total assets increased \$107,027,800. This increase is due to a large increase in pooled cash, cash equivalents and investments, which was directly related to proceeds received from the lease of oil and gas rights and royalties received during 2014.
- Net position increased \$107,297,282 as a result of current year operations.
- Outstanding debt decreased from \$1,048,039 to \$988,762 through principal payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management's discussion and analysis, the basic financial statements, and notes to the basic financial statements. These statements are organized so that the reader can understand the financial position of the Conservancy District. The statement of net position represents the basic statement of position for the Conservancy District. The statement of revenues, expenses and changes in net position present increases (e.g. revenues) and decreases (e.g. expenses) in net total position. The statement of cash flows reflects how the Conservancy 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.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio

Management's Discussion and Analysis
For the Year Ended December 31, 2014

FINANCIAL ANALYSIS OF THE CONSERVANCY DISTRICT AS A WHOLE

The Conservancy District is not required to present government-wide financial statements as the Conservancy 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 Conservancy District's condensed financial information for 2014 and 2013 derived from the statement of net position and the statement of revenues, expenses, and changes in net position.

	2014	2013
Assets		
Current and Other Assets	\$ 188,405,388	\$ 87,994,781
Capital Assets, net	30,808,004	24,190,811
<i>Total Assets</i>	<u>219,213,392</u>	<u>112,185,592</u>
Liabilities		
Current Liabilities	1,899,050	2,097,497
Long-Term Liabilities	1,558,539	1,629,574
<i>Total Liabilities</i>	<u>3,457,589</u>	<u>3,727,071</u>
Net Position		
Net Investment in Capital Assets	29,228,384	22,054,155
Restricted	16,259,264	18,150,420
Unrestricted	170,268,155	68,253,946
<i>Total Net Position</i>	<u>\$ 215,755,803</u>	<u>\$ 108,458,521</u>

Net position increased \$107,297,282 which is mainly attributable to an increase in cash equivalents and investments, as well as an increase in capital assets. The increase in cash equivalents and investments is directly related to an additional lease of oil and gas rights during 2014. Capital assets increased due to a number of construction projects such as the completion of the Atwood Water Treatment Plant, Piedmont Marina site improvements, including a new seawall, boat ramp, and improved access to marina amenities and additional parking. In addition, there was completion of a service building at Seneca Marina, and a new dump station at Pleasant Hill Park. There were also a number of shoreline stabilization projects completed and the vehicle and equipment fleet was upgraded. Current liabilities decreased due to the timing of payments mostly related to the construction projects in progress at December 31, 2014. Long term liabilities decreased due to debt being reduced in 2014.

**Muskingum Watershed Conservancy District
Tuscarawas County, Ohio**

*Management's Discussion and Analysis
For the Year Ended December 31, 2014*

Changes in Net Position – The following shows the changes in net assets for 2014 and 2013.

	2014	2013
Operating Revenues		
Timber Sales	\$ 398,276	\$ 339,832
Pine-Pulpwood Sales	139,656	85,599
Easements/Right of Ways	228,619	162,825
Mineral Rights and Royalties	109,566,548	46,310,947
Share Crop Lease	200,311	241,772
Cottage Sites	2,698,286	2,645,990
Marina Operations	1,305,279	1,191,820
Fishing Rights	62,648	62,647
Marina Camping	227,986	240,375
Water Sales	843,090	807,679
Beach Facilities	138,064	122,077
Water and Sewer Systems	136,569	60,838
Vacation Cabin	438,523	397,898
Park Camping	4,669,495	4,442,902
Admissions - park facilities	138,189	106,917
Special Events	135,712	131,711
Miscellaneous Income	56,917	60,536
Total Operating Revenues	\$ 121,384,168	\$ 57,412,365

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014

	2014	2013
Operating Expenses		
Water Sales	\$ 80,949	\$ 0
Water quality	126,636	87,331
Vehicles and equipment	380,317	619,059
Dam Safety/Upgrades	8,719,291	5,015,847
Boundary survey	57,914	50,606
Conservation	173,959	139,606
Reservoir Maintenance	17,516	20,749
Information Systems/Technology	341,328	490,671
Shoreline Protection	197,476	185,746
Share crop	310,145	292,266
Mineral operation	544,738	305,513
Watershed management	493,055	434,840
Beach facilities	241,248	281,146
Office building	281,407	165,973
Administrative and finance	1,913,227	1,641,995
Engineering	414,598	638,165
Planning and development	283,576	475,267
GIS and Parcel Development	241,517	248,316
Forestry maintenance	166,409	137,847
Park camping	2,668,278	2,649,714
Park Master Planning	88,693	0
Cottage sites and clubs	988,424	877,446
Cottage Road Maintenance	0	25,763
General park facilities	2,770,621	2,477,024
Vacation cabin	94,321	190,151
Marina operation	991,297	1,208,968
Water and sewer system	658,158	788,803
Lake patrol operation	351,958	312,797
Education and public information	329,210	451,109
Safety	150,136	126,982
Recreation maintenance	110,723	163,346
Parks - special events	124,865	81,471
Partners in Watershed Management	513,286	239,528
Sediment Removal	381,220	411,211
Special Clean up	0	60,906
Depreciation	1,675,492	1,236,424
Total Operating Expenses	26,881,988	22,532,586
Operating Income/(Loss)	\$ 94,502,180	\$ 34,879,779

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014

	2014	2013
Non-Operating Revenues (Expenses)		
Maintenance assessments	\$ 11,634,517	\$ 11,528,484
Grants	649,282	245,839
Interest on investments	607,946	84,853
Debt retirement - Interest	(96,643)	(116,918)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>12,795,102</u>	<u>11,742,258</u>
 <i>Change in Net Position</i>	 <u><u>\$ 107,297,282</u></u>	 <u><u>\$ 46,622,037</u></u>

The increase in operating revenue is the result of the additional lease of the deep mineral rights at Piedmont reservoir during 2014. The number of Utica shale wells the Conservancy District received royalties from increased from 2 in 2013 to 13 as of December 31, 2014. Timber and pine and pulpwood sales increased approximately 26% in 2014 due to a stronger market for hardwood and pine in 2014. Park camping and marina operations increased in 2014. Marina revenue increased due to a full year of operation of Seneca marina in a newly remodeled building. Park revenue increased in part to the first full year of the on-line reservation system.

The operating expenditures increased during 2014; the following highlight some of the main changes. The MARCS radio system was purchased in 2013 and was a major expense to the Conservancy District, therefore vehicles and equipment decreased in 2014. The increase in dam/safety upgrades was the result of the cost share with the US Army Corp of Engineers. There was more activity on the project at Bolivar in addition to the Dover Dam project during 2014. Mineral operations expenses increased in 2014 due to an increase in the legal expenditures of the oil and gas program. Administration and Finance expenditures increased during 2014 as a result of increased health insurance costs. Engineering expenses decreased in large part due to an effort to align wage expenditures with the projects the staff was working on. The conceptual park master plan was completed in 2013 and therefore the planning and development expenditures decreased during 2014. In addition, Marina expenditures were down in 2014 due to a decrease in expenditures at Seneca marina with the completion of the remodel in 2013. The decrease in education and public information was the result of the implementation of the branding initiatives being essentially complete as of December 31, 2013. Partners in Watershed Management, a grant program run by the Conservancy District, increased during 2014 in large part to a \$350,000 grant to the City of Massillon for a modification to a levee in order to comply with the US Army Corp of Engineers standards. During 2014, the Conservancy District separated out the costs related to the sediment removal program. This program is going to be a multi-year program and having the costs segregated will allow for closer monitoring. In 2013 the expenses were included with Dam Safety/upgrades.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2014 the Conservancy District had \$30,808,004 of capital assets net of accumulated depreciation. The following table shows 2014 balances compared with 2013:

	2014	2013
Land	\$ 1,806,650	\$ 1,806,650
Capitalized Development Costs	1,189,495	1,189,495
Construction in Progress	1,426,462	5,034,402
Land Improvements	5,945,134	3,914,471
Buildings	5,654,498	5,074,209
Building Improvements	1,600,728	1,615,305
Furniture, Fixtures and Equipment	1,547,538	1,282,957
Vehicles	699,441	729,919
Infrastructure	10,938,058	3,543,403
Totals	<u>\$ 30,808,004</u>	<u>\$ 24,190,811</u>

Additional information on the Conservancy District's capital assets can be found in Note 5.

Debt

The outstanding debt for the Conservancy District as of December 31, 2014 was \$988,762 with \$61,875 due within one year. The following table summarizes the Conservancy District's debt outstanding as of December 31, 2014 and 2013:

	2014	2013
OWDA #2162 - 5.56%	\$ 299,697	\$ 323,089
OWDA #5413 - 0%	141,664	151,108
OWDA #5575 - 3.25%	523,143	548,746
OWDA #5558 - 3.25%	24,258	25,496
OWDA #6104 - 3.99%	0	0
Totals	<u>\$ 988,762</u>	<u>\$ 1,048,439</u>

Additional information on the Conservancy District's long-term debt can be found in Note 10.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014

CURRENT ISSUES

The recent surge in the Utica shale activity in Ohio has presented the Conservancy District with opportunities to utilize its natural resources. With approximately 7,000 acres available for lease, the Conservancy District is continuing to develop and implement its plan for the prudent use of the resources it has available. Currently the Conservancy District has leased acreage at Clendening Reservoir, Leesville Reservoir, Seneca Reservoir, and Piedmont Reservoir. The Conservancy District is evaluating options with regards to the remaining available acres.

In October 2013 the board of directors approved the park master plan. The park master plan will consist of major updates at all five parks and the two marinas operated by the Conservancy District. The estimated cost of the master plan is \$160 million with the projected completion in seven to ten years. During 2014, the Conservancy District hired a project management consultant to manage the implementation of the master plan. In addition, the Conservancy District will contract with individual consultants for each park that will manage the individual projects at each respective park. The hiring of the individual park consultants is anticipated to be complete by the second quarter of 2015. During the February 2015 board meeting the Board of Directors awarded the construction contract for the first major project of the park master plan, the Atwood welcome center which is anticipated to be complete in the fourth quarter of 2015.

The sediment removal program which was approved by the board of directors in 2012 was kicked off during 2013. The plan includes designing the program, developing goals, objectives, milestones, tasks, and the internal and external communication protocols. The dredging was anticipated to begin in 2014 at Tappan Lake, however, was delayed due to problems encountered in finding a location for the dredged material. The budget for 2015 includes \$3.5 million for the dredging program. The Tappan Lake dredge project is anticipated to start in the summer of 2015, this project will continue into 2016 budget year. The sediment removal program will protect and extend the useful life of the reservoirs for many years to come by allowing for proper flow storage capacity. This multi-year project will protect people and property within the reservoirs and is a component of the Amendment to the Official Plan.

In the second half of 2014, the Board of Directors approved a 50% reduction in the collection of the maintenance assessment effective for the 2015 collection year. The Board of Directors agreed to not diminish the established plan for the maintenance assessment fund. The difference in the amount not collected will be supplemented with moneys derived from the oil and gas activity.

In addition to the reduction of the maintenance assessment, the Board of Directors authorized the Conservancy District staff to establish a revolving loan fund with moneys collected from the oil and gas program. The moneys will be used to offer low interest loans, to local governments within the watershed, for waste water projects. The Conservancy District staff is working with Ohio Water Development Authority, who is going to manage the program, and anticipate having the program established during 2015.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014

The Conservancy District continues to be the local cost share sponsor in the US Army Corp of Engineer projects. The current on-going projects are the Dover and Bolivar dam rehabilitations. The board of directors approved a \$3 million budget for 2015 for these projects.

In the fourth quarter of 2014, the Board of Directors approved the purchase of Clendening Marina. The marina operations had been leased to a private operator, who had a desire to retire from the business. The Conservancy District began operating Clendening Marina on January 1, 2015. Currently the Conservancy District operates three marinas, Piedmont, Seneca and Clendening.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, investors and creditors with a general overview of the Conservancy District's finances and to show the Conservancy 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.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Statement of Net Position
Proprietary Fund
December 31, 2014

Assets

Current Assets:

Equity in Pooled Cash and Investments	\$ 185,300,724
Accrued Interest	668
Accounts Receivable	1,102,970
Assets held for resale	70,419
Prepays	335,163
Maintenance Assessments Receivable	1,349,241

<i>Total Current Assets</i>	<u>188,159,185</u>
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Non-Current Assets:

Capitalized Costs	246,203
Non-Depreciable Capital Assets	4,422,607
Depreciable Capital Assets, Net	26,385,397

<i>Total Non-Current Assets</i>	<u>31,054,207</u>
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<i>Total Assets</i>	<u>219,213,392</u>
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Liabilities

Current Liabilities:

Accounts Payable	377,416
Contracts Payable	551,836
Retainage Payable	59,859
Performance Bond Payable	38,550
Escrow Land Rentals	175
Escrow Funds Payable	2,140
Due to Other Governments	136,491
Accrued Wages and Benefits	202,018
Accrued Interest Payable	100
Accrued Life Insurance	6,621
Claims Payable	176,807
Advances	108,631
Compensated Absences	71,704
Capital Leases Payable	104,827
OWDA Loans Payable	61,875

<i>Total Current Liabilities</i>	<u>1,899,050</u>
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Long-Term Liabilities:

Compensated Absences - net of current portion	591,394
Capital Leases Payable - net of current portion	40,258
OWDA Loans Payable - net of current portion	926,887

<i>Total Long-Term Liabilities</i>	<u>1,558,539</u>
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<i>Total Liabilities</i>	<u>3,457,589</u>
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Net Position

Net Investment in Capital Assets	29,228,384
Restricted for Maintenance Assessment	16,259,264
Unrestricted	170,268,155

<i>Total Net Position</i>	<u>\$ 215,755,803</u>
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See accompanying notes to the basic financial statements

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2014

Operating Revenues

Water Sales	\$ 843,090
Water and sewer systems	136,569
Timber sales	398,276
Pine/pulpwood sales	139,656
Mineral rights and royalties	109,566,548
Share crop lease	200,311
Cottage sites	2,698,286
Marina operations	1,305,279
Marina camping	227,986
Fishing rights	62,648
Easements/Right of ways	228,619
Beach facilities	138,064
Vacation cabin	438,523
Park camping	4,669,495
Parks - Special events	135,712
Admissions - park facilities	138,189
Miscellaneous income	56,917
Total Operating Revenues	121,384,168

Operating Expenses

Water Sales	80,949
Water Quality	126,636
Vehicles and equipment	380,317
Dam safety/upgrades	8,719,291
Boundary survey	57,914
Conservation	173,959
Reservoir Maintenance	17,516
Information Systems/Technology	341,328
Shoreline Protection	197,476
Share crop	310,145
Mineral operation	544,738
Watershed management	493,055
Beach facilities	241,248
Office building	281,407
Administrative and finance	1,913,227
Engineering	414,598
Planning and development	283,576
GIS and Parcel Development	241,517
Forestry maintenance	166,409
Park camping expense	2,668,278
Park Master Planning	88,693
Cottage sites and clubs	988,424
General park facilities	2,770,621
Vacation cabin	94,321
Marina operation	991,297

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2014

	(Continued)
Water and sewer system	\$ 658,158
Lake patrol operation	351,958
Education and public information	329,210
Safety	150,136
Recreation maintenance	110,723
Parks - special events	124,865
PWM	513,286
Sediment Removal	381,220
Depreciation	<u>1,675,492</u>
<i>Total Operating Expenses</i>	<u>26,881,988</u>
<i>Operating Income</i>	94,502,180
Non-Operating Revenues (Expenses)	
Maintenance assessments	11,634,517
Grants	649,282
Interest on investments	607,946
Debt retirement - Interest	<u>(96,643)</u>
<i>Total Non-Operating Revenues (Expenses)</i>	<u>12,795,102</u>
<i>Change in Net Position</i>	107,297,282
Net Position - Beginning of Year	<u>108,458,521</u>
Net Position - End of Year	<u><u>\$ 215,755,803</u></u>

See accompanying notes to the basic financial statements

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2014

Cash flows from Operating Activities:	
Cash Received from Customers	\$ 121,462,889
Cash Payments to Suppliers for Goods and Services	(16,834,892)
Cash Payments for Employees Services and Benefits	<u>(8,374,303)</u>
<i>Net Cash Provided by Operating Activities</i>	<u>96,253,694</u>
Cash Flows from Noncapital Financing Activities:	
Proceeds from OWDA Loans	65,526
Principal Payments on OWDA Loans	(76,208)
Intergovernmental Grants	50,395
Maintenance Assessments	9,126,825
Interest Paid on Debt	<u>(46,803)</u>
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>9,119,735</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition of Capital Assets	(8,605,925)
Maintenance Assessments	2,453,547
Intergovernmental Grants	569,037
Principal Payments on OWDA Loans	(48,995)
Principal Payments on Capital Leases	(164,947)
Interest Paid on Debt	<u>(49,840)</u>
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(5,847,123)</u>
Cash Flows from Investing Activities:	
Receipts of Interest	499,671
Payments for purchase of investments	(73,536,938)
Proceeds from Sale of Investments	<u>56,584,263</u>
<i>Net Cash used for Investing Activities</i>	<u>(16,453,004)</u>
<i>Net (Decrease) in Cash and Cash Equivalents</i>	83,073,302
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>31,467,845</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$ 114,541,147</u></u>
Reconciliation of Operating Income To Net Cash Provided by Operating Activities:	
Operating Income	\$ 94,502,180
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	1,675,492
(Increase) Decrease in Assets	
Capitalized Costs	(74,407)
Accounts Receivable	78,721
Prepays	(222,540)
Accrued Interest	(90)
Increase (Decrease) in Liabilities:	
Accounts Payable	157,770
Performance Bond Payable	(4,200)
Escrow Funds Payable	2,138
Advances	19,427
Claims Payable	(28,567)
Accrued Wages and Benefits	55,039
Accrued Life Insurance	(6,512)
Compensated Absences	101,287
Due to Other Governments	(2,044)
<i>Net Cash Provided by Operating Activities</i>	<u><u>\$ 96,253,694</u></u>
Reconciliation of cash and investments reported on the Statement of Net Position to cash and cash equivalents reported on the Statement of Cash Flows:	
Statement of Net Position cash and cash equivalents and investments	\$ 185,300,724
Investments included in balances above that are not cash equivalents	<u>(70,759,577)</u>
Cash and Cash equivalents reported on Statement of Cash Flows	<u>\$ 114,541,147</u>

See accompanying notes to the basic financial statements

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio

Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 1: NATURE OF BASIC OPERATIONS AND DESCRIPTION OF ENTITY

The Muskingum Watershed Conservancy District was created as a separate political subdivision by the Ohio Legislature in 1933. The Muskingum Watershed Conservancy District (the "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 2014 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 Conservancy District is a separate governmental entity within the eighteen county area served by the Conservancy District.

2014 Board of Directors:

- | | |
|-----------------------------------|------------------------|
| • Richard J. Pryce – President | Term Expires June 2017 |
| • Harry Horstman – Vice President | Term Expires June 2015 |
| • William P. Boyle, Jr. - Member | Term Expired June 2014 |
| • Joanne Limbach - Member | Term Expires June 2018 |
| • David Parham – Member | Term Expires June 2016 |
| • Gordon Maupin – Member | Term Expires June 2019 |

2014 Officers:

- John M. Hoopingarner – Executive Director/Secretary
- James B. Cugliari – Chief Financial Officer/Treasurer

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

- (A) Flood reduction
- (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 Conservancy District manages fourteen reservoirs and receives income from the following operations and other sources:

- (A) Park camping
- (B) Rental of sites for cottages
- (C) Sale of crops
- (D) Sale of timber and pulpwood
- (E) Boat marina rentals and docking
- (F) Assessment
- (G) Oil and Gas royalties
- (H) Water Sales

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 1: NATURE OF BASIC OPERATIONS AND DESCRIPTION OF ENTITY (continued)

Subdistricts:

Chippewa Subdistrict, Black Fork Subdistrict, Buffalo Subdistrict, Duck Creek Subdistrict, and Clear Fork Subdistrict are blended component units of Muskingum Watershed Conservancy District. Each subdistrict was formed in accordance with Chapter 6101.71 of the Ohio Revised Code; Organization of subdistricts. They 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 subdistricts are the Chippewa Subdistrict, Black Fork Subdistrict, and the Clear Fork Subdistrict. The current status of the Chippewa Subdistrict is to maintain and upgrade the dams and channels. In May of 2011, with work beginning in 2012, the Conservancy District Board of Directors, at the request of Shelby officials, re-activated the Black Fork Subdistrict for the purpose of preparing an Official Plan, as required by the Ohio Revised Code, to address flooding within the Black Fork watershed. Black Fork Subdistrict is still in progress in the development of an official plan. In June of 2014, the Conservancy Court established the Clear Fork Subdistrict based on the request by several municipalities and stakeholders along the Clear Fork. Work is beginning to create an official plan. Buffalo Creek Subdistrict and Duck Creek Subdistrict are inactive.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Conservancy District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the Conservancy District's accounting policies are described below.

A. Basis of Presentation

The Conservancy District uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The Conservancy District operates as a self-supporting governmental enterprise and uses accounting policies applicable to governmental enterprise funds.

B. Measurement Focus

The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Conservancy District are included on the statement of net position. The statement of changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Conservancy District finances and meets the cash flow needs of its enterprise activity.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Budgetary Process

Budget:

The Conservancy District's annual budget of revenues, expenses, and capital expenditures is prepared under the cash basis of accounting. The budget is adopted by resolution of the Board of Directors. The Conservancy District 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 Conservancy District's revenues and expenses 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 Conservancy District for the year.

Appropriations:

The annual appropriation measure is passed on or before 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 re-appropriation.

Encumbrances:

The Conservancy District 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.

D. Property Assets/Depreciation

Capital Assets are defined by the Conservancy District as assets with an initial, individual cost of more than \$5,000. The capitalization threshold for building improvements is \$10,000 and for infrastructure is \$25,000.

Property, plant and equipment acquired by the Conservancy District are stated at cost (or estimated historical cost), including architectural and engineering fees where applicable.

**Muskingum Watershed Conservancy District
Tuscarawas County, Ohio**

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

All reported capital assets are required to be depreciated except for land, construction in progress, and capitalized development costs. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	20 - 25 Years
Buildings	30 - 50 Years
Building Improvements	10 - 20 Years
Furniture, Fixtures and Equipment	3 - 15 Years
Vehicles	3 - 5 Years
Infrastructure	20 - 50 Years
Land	N/A
Construction in Progress	N/A
Capitalized Development Costs	N/A

E. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The Conservancy District records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the Conservancy District's past experience of making termination payments.

F. Pensions

The provision for pension costs are recorded when the related payroll is accrued and the obligation is incurred.

G. Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Restricted for maintenance assessment represents the net position of the maintenance assessment fund, which are restricted by the official plan as to how it can be used.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio

Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Revenue & Expenses

Operating revenues consist primarily of fees for services, rents and charges for use of Conservancy District facilities, oil and gas royalties, and other income. Operating expenses include the cost of providing these services, including administrative expenses and depreciation on capital assets.

Non-operating revenues and expenses are all revenues and expenses not meeting the definition of operating revenues and expenses. Non-operating revenues include intergovernmental grants, interest from investments and maintenance assessment. Non-operating expenses include interest expense on long-term debt.

I. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Directors and that are either unusual in nature or infrequent in occurrence. During 2014, the Conservancy District had no extraordinary or special items.

J. Implementation of New Accounting Policies

For the year ended December 31, 2014, the Conservancy District implemented Governmental Accounting Standards Board GASB Statement No. 69, *“Government Combinations and Disposals of Government Operations,”* and GASB Statement No. 70, *“Accounting and Financial Reporting for Nonexchange Financial Guarantees.”*

GASB Statement No. 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this statement, the term government combinations includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. Implementation of this GASB statement did not affect the presentation of the financial statements of the Conservancy District.

GASB Statement No. 70 improves accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. Implementation of this GASB statement did not affect the presentation of the financial statements of the Conservancy District.

K. Statement of Cash Flows

For the purposes of the statement of cash flows, cash and cash equivalents are defined as cash and any investment with an original maturity of 3 months or less. As of December 31, 2014 none of the Conservancy District’s investments qualified as a cash equivalent.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Capitalized Costs

The Conservancy District has a loan with the Ohio Water Development Authority (OWDA) to cover the costs associated with preparing the Official Plan for the Black Fork Subdistrict. The costs incurred with this project are accumulating until the plan is complete and the subdistrict has a maintenance assessment in place. Once the project is complete the charges will be amortized over the life of the loan with OWDA.

M. Prepaids

The Conservancy District has a loan with the Ohio Water Development Authority (OWDA) to cover costs associated with preparing the Official Plan for the Black Fork Subdistrict. In 2013, the Conservancy District was required to start making principal and interest payments on the loan based on the total amount of the approved debt, even though the entire amount of the loan had not been drawn down. As of December 31, 2014, the Conservancy District had paid more on the principal of the debt than they had drawn down. This amount of \$335,163 is shown as a prepaid.

N. Advances

The Conservancy District records advances when it has received moneys prior to having earned the revenue, or before all grant requirements have been met (other than time). At December 31, 2014 advances consisted of \$108,631 of moneys received in advance for reservations in our parks and marinas for 2015.

O. Assets held for Resale

The Conservancy District acquired assets during 2013 that are not currently being used in operation. The Conservancy District is currently analyzing the best use for this property and as such is classified as Assets held for Resale on the financial statements.

NOTE 3: DEPOSITS AND INVESTMENTS

State statutes classify monies held by the Conservancy District into three categories:

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the Conservancy District Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Conservancy District has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

**Muskingum Watershed Conservancy District
Tuscarawas County, Ohio**

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 3: DEPOSITS AND INVESTMENTS (continued)

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Protection of the Conservancy District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Bonds and other obligations of the State of Ohio;
4. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
5. The State Treasurer's investment pool (STAROhio).
6. Certain bankers' acceptances and commercial paper notes for a period not to exceed two hundred and seventy days in an amount not to exceed 40 percent of the interim moneys available for investment at any time, provided no more than 5% is invested in any one issuer.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Conservancy District, and must be purchased with the expectation that it will be held to maturity.

**Muskingum Watershed Conservancy District
Tuscarawas County, Ohio**

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 3: DEPOSITS AND INVESTMENTS (continued)

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

According to State law, public depositories must give security for all uninsured public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by FDIC, or may pledge a pool of government securities valued at least 105 percent of the total value of uninsured public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the Conservancy District's name. During 2014, the Conservancy District and public depositories complied with the provisions of these statutes.

Deposits with Financial Institutions

Custodial credit risk is the risk that, in the event of a bank failure, the Conservancy District's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as collateral against all of the uninsured public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Conservancy District.

At fiscal year-end, the carrying amount of the Conservancy District's deposits was \$114,538,297. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures," as of December 31, 2014, \$113,917,368 of the Conservancy District's bank balance of \$114,701,868 was exposed to custodial risk as discussed above, while \$784,500 was covered by Federal Deposit Insurance Corporation.

Cash on Hand

As of December 31, 2014, the Conservancy District had \$2,850 of cash on hand.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 3: DEPOSITS AND INVESTMENTS (continued)

Investments

As of December 31, 2014, the Conservancy District had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities			
		6 Months or Less	7 to 12 Months	13 to 24 Months	More than 24 Months
Federal Home Loan Mortgage Corporation	\$ 7,755,892	\$ -	\$ 721,506	\$ -	\$ 7,034,386
Federal National Mortgage Association	10,311,651	-	-	-	10,311,651
Federal Home Loan Bank	46,475,559	-	-	1,000,558	45,475,001
Bond Anticipation Notes	6,216,475	6,216,475	-	-	-
	<u>\$ 70,759,577</u>	<u>\$ 6,216,475</u>	<u>\$ 721,506</u>	<u>\$ 1,000,558</u>	<u>\$ 62,821,038</u>

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the Conservancy District's investment policy limits portfolio maturities to five years or less.

Credit Risk: The FHLMC, FNMA and FHLB all have Aaa or Aa ratings from Moody's. Nearly all of the securities (99%) carry the Aaa rating, which is the highest on the respective scales from Moody's. The municipal bond anticipation notes are not rated by Moody's.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Conservancy District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Conservancy District has no investment policy dealing with investment custodial risk beyond the requirement in the State statute that prohibits payment for the investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk: The Conservancy District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage to total of each investment type as of December 31, 2014.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 3: DEPOSITS AND INVESTMENTS (continued)

Investment Type	Fair Value	Percent of Total
Federal Home Loan Mortgage Corporatio	7,755,892	11%
Federal National Mortgage Association	10,311,651	15%
Federal Home Loan Bank	46,475,559	65%
Bond Anticipation Notes	6,216,475	9%
	<u>\$ 70,759,577</u>	<u>100%</u>

The following is the net increase in the fair value of investments during for year ending December 31, 2014.

Fair Value of Investments December 31, 2014	\$ 70,759,577
Add: Proceeds of investments sold in 2014	56,584,263
Less: Cost of investments purchased in 2014	(73,536,938)
Less: Fair value at December 31, 2013	<u>(53,698,627)</u>
Change in fair value of investments	<u>\$ 108,275</u>

NOTE 4: RECEIVABLES

Receivables at December 31, 2014 consisted of accounts (billed user charged services) and delinquent maintenance assessments. All receivables are deemed collectible in full.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio

Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 5: CAPITAL ASSETS

Proprietary capital assets – summary by category at December 31, 2014:

	Balance 12/31/2013	Additions	Deletions	Balance 12/31/2014
<i>Capital Assets Not Being Depreciated</i>				
Land	\$ 1,806,650	\$ 0	\$ 0	\$ 1,806,650
Construction in Progress	5,034,402	6,481,212	(10,089,152)	1,426,462
Capitalized Development Costs	1,189,495	0	0	1,189,495
<i>Total Capital Assets Not Being Depreciated</i>	8,030,547	6,481,212	(10,089,152)	4,422,607
<i>Capital Assets Being Depreciated</i>				
Land Improvements	4,693,957	2,325,164	0	7,019,121
Buildings	10,440,473	779,777	(567,902)	10,652,348
Building Improvements	2,466,053	59,357	0	2,525,410
Furniture, Fixtures and Equipment	4,907,738	640,910	(28,799)	5,519,849
Vehicles	1,905,050	207,095	(23,990)	2,088,155
Infrastructure	5,291,421	7,888,322	(45,584)	13,134,159
<i>Total Capital Assets Being Depreciated</i>	29,704,692	11,900,625	(666,275)	40,939,042
<i>Less Accumulated Depreciation:</i>				
Land Improvements	(779,486)	(294,501)	0	(1,073,987)
Buildings	(5,366,264)	(199,488)	567,902	(4,997,850)
Building Improvements	(850,748)	(73,934)	0	(924,682)
Furniture, Fixtures and Equipment	(3,624,781)	(376,329)	28,799	(3,972,311)
Vehicles	(1,175,131)	(237,573)	23,990	(1,388,714)
Infrastructure	(1,748,018)	(493,667)	45,584	(2,196,101)
<i>Total Accumulated Depreciation</i>	(13,544,428)	(1,675,492)	666,275	(14,553,645)
<i>Total Capital Assets Being Depreciated, Net</i>	16,160,264	10,225,133	0	26,385,397
<i>Capital Assets, Net</i>	\$ 24,190,811	\$ 16,706,345	\$ (10,089,152)	\$ 30,808,004

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio

Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 6: RISK MANAGEMENT

A. Comprehensive Liability Insurance

The Conservancy District maintains comprehensive insurance coverage with private carriers for the following:

- A. All risks (Building and contents 80% coinsurance)
- 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 year 2014.

B. Self-insurance

Muskingum Watershed Conservancy District has a self-funded health insurance plan administered by third party administrator Aultcare. The plan year runs June 1 through May 31. The 2013 plan year ran June 1, 2013 through May 31, 2014. The 2014 plan year runs June 1, 2014 through May 31, 2015.

The monthly premium for the 2013 plan year for a single employee is \$743.10, \$1,166.60 for an employee plus 1, and for the family of an employee is \$1,763.26. The monthly premium for the 2014 plan year for a single employee is \$769.10, \$1,207.44 for an employee plus 1, and for the family of an employee is \$1,824.96.

The overall stop loss for the plan year 2013 is \$1,048,106 and for plan year 2014 is \$1,246,088.

The specific stop loss per occurrence was \$55,000 for plan years 2013 and 2014. For plan year 2013, there were two instances with a special specific deductible, one of which was \$75,000 and the other \$580,000. For the plan year 2014 there was one special specific deductible, which was \$600,000. There were four claims exceeding the limit for plan year 2013. When the Conservancy District pays claims or reimburses employees for medical bills in excess of the limits they are reimbursed by Excess Re-insurance Underwriters Agency, Inc for the 2013 plan year, and Arch Insurance Group for the 2014 plan year.

**Muskingum Watershed Conservancy District
Tuscarawas County, Ohio**

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 6: RISK MANAGEMENT (continued)

The claims liability of \$176,807 at December 31, 2014, is based on an estimate provided by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in claims liability for 2014 and 2013 are as follows:

	Balance Beginning of Year	Current Year Claims	Claims Payments	Balance End of Year
2013	\$ 167,576	\$ 1,047,509	\$ 1,009,711	\$ 205,374
2014	\$ 205,374	\$ 1,452,538	\$ 1,481,105	\$ 176,807

NOTE 7: DEFINED BENEFIT PENSION PLAN

Ohio Public Employees Retirement System

Plan Description - The Conservancy District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the traditional pension plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2014, member and employer contribution rates were consistent across all three plans. The 2014 members in State and local classifications contributed 10 percent of covered payroll. Law enforcement members contributed 13%.

The Conservancy District's contribution rate for 2014 was 14.0 percent of covered payroll. The law enforcement contribution rate was 18.1% of covered payroll.

**Muskingum Watershed Conservancy District
Tuscarawas County, Ohio**

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 7: DEFINED BENEFIT PENSION PLAN (continued)

The Conservancy District's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2014, 2013, and 2012 were \$899,728, \$774,477 and \$518,418, respectively; 93 percent has been contributed for 2013 and 100 percent for 2013 and 2012.

NOTE 8: POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

Plan Description – OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, for qualifying members of both the traditional and combined pension plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care.

To qualify for post-employment health care coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. The Ohio Revised Code permits, but does not require, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care coverage through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care coverage.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2014, local government employers contributed 14 percent of covered payroll and law enforcement employers contributed at 18.1%. These are the maximum employer contributions rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB plan.

OPERS' post employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care and benefits. The portion of the employer contributions allocated to health care for members in the traditional plan was 2% during calendar year 2014. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 8: POSTEMPLOYMENT BENEFITS (continued)

beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Conservancy District's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2014, 2013, and 2012 were \$128,533, \$59,551 and \$207,367, respectively; 93 percent has been contributed for 2014 and 100 percent for 2013 and 2012.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4% of the employer contributions toward the health care fund after the end of the transition period.

NOTE 9: LEGAL PROCEEDINGS

The Conservancy District 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 Conservancy District's financial position.

NOTE 10: LONG-TERM OBLIGATIONS

The changes in the Conservancy District's long-term obligations during the fiscal year 2014 were as follows:

	Principal Outstanding 12/31/2013	Additions	Reductions	Principal Outstanding 12/31/2014	Amount Due in One Year
OWDA Loan #2162 - 5.56%	\$ 323,089	\$ 0	\$ (23,392)	\$ 299,697	\$ 24,711
OWDA Loan #5413 - 0%	151,108	0	(9,444)	141,664	9,444
OWDA Loan #5575 - 3.25%	548,746	0	(25,603)	523,143	26,442
OWDA Loan #5558 - 3.25%	25,496	0	(1,238)	24,258	1,278
OWDA Loan #6104 - 3.99%	0	65,526	(65,526)	0	0
<i>Total</i>	<u>1,048,439</u>	<u>65,526</u>	<u>(125,203)</u>	<u>988,762</u>	<u>61,875</u>
Other Long-Term Obligations:					
Capital Leases	310,032	0	(164,947)	145,085	104,827
Compensated Absences	561,811	152,949	(51,662)	663,098	71,704
Total other long-term obligation	<u>871,843</u>	<u>152,949</u>	<u>(216,609)</u>	<u>808,183</u>	<u>176,531</u>
<i>Total Long-Term Liabilities</i>	<u>\$ 1,920,282</u>	<u>\$ 218,475</u>	<u>\$ (341,812)</u>	<u>\$ 1,796,945</u>	<u>\$ 238,406</u>

**Muskingum Watershed Conservancy District
Tuscarawas County, Ohio**

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 10: LONG-TERM OBLIGATIONS (continued)

Ohio Water Development Authority Loans

In 1999, the Conservancy District was awarded a loan from the Ohio Water Development Authority (OWDA) in the amount of \$550,692. The proceeds of this loan are for the construction of a 75,000 and 10,000 gallon water tank. Also, a 3,807 linear feet of 6" water line and 3,676 linear feet of 4" water line are being constructed with these proceeds. All construction is at Tappan Lake Park. This loan agreement has a term of twenty-five years and matures July 1, 2024. Principal and interest payments are due January 1 and July 1, annually.

In 2009 the Conservancy District was awarded a loan from OWDA in the amount of \$188,884. The proceeds of this loan were used for painting of a water tower. The loan is interest-free and matures on January 1, 2030.

In 2010, the Conservancy District was awarded a loan from OWDA in the amount of \$637,001 for improvements to the Sites Lake Cottage Area wastewater treatment plant. The loan has an interest rate of 3.25 percent and matures on July 1, 2030.

The Conservancy District was awarded a \$30,065 loan from OWDA in 2010 for an abandoned water well capping project. The loan has an interest rate of 3.25 percent and matures on January 1, 2030.

In 2012 the Conservancy District was awarded a \$1,500,000 loan from OWDA for studies to develop the Black Fork Subdistrict official plan. As of December 31, 2014, only \$229,811 had been drawn down. This loan required repayment beginning in 2013 based upon the full amount of the loan. During 2014, the Conservancy District repaid more than it had drawn down. \$335,163 is shown as a prepaid which represents the amount in excess of the amount drawn down that has been paid to OWDA. Since the full amount was not drawn down, the amortization schedule is not complete, so it is not reflected in the table below.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 10: LONG-TERM OBLIGATIONS (continued)

The annual requirements to retire debt are as follows:

	Ohio Water Development Authority Loans	
	Principal	Interest
2015	\$ 61,875	\$ 33,891
2016	64,176	31,560
2017	66,586	29,181
2018	69,109	26,658
2019	71,753	24,015
2020-2024	382,493	73,419
2025-2029	251,500	22,503
2030-2034	21,270	346
	<u>\$ 988,762</u>	<u>\$ 241,573</u>

NOTE 11: CAPITAL LEASES – LESSEE DISCLOSURE

The Conservancy District has entered into capitalized leases for the acquisition of vehicles and equipment. These leases meet the criteria of a capital lease as they transfer benefits and risks of ownership to the lessee.

The assets acquired by the leases have been capitalized in the amount of \$720,322, which is equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability is recorded and is reduced for each required principal payment.

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2014:

		Capital Leases
Year Ending December 31:	2015	\$ 110,943
	2016	41,586
Minimum lease payments		152,529
Less: amount representing interest at the Conservancy District's incremental borrowing rate of interest		(7,444)
Present value of minimum lease payments		<u>\$ 145,085</u>

**Muskingum Watershed Conservancy District
Tuscarawas County, Ohio**

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 12: OPERATING LEASE

On June 17, 2011, the Conservancy District (the “Lessor”) entered into a lease agreement with Gulfport Energy Corporation (the “Lessee”). The Conservancy District leased approximately 6,468 acres of land at Clendening Reservoir to the Lessee. The lease has a primary term of 5 years with options to extend beyond that. The Lessee will pay the Conservancy District lease royalty payments of 16.5% of the gross proceeds attributable to the applicable wells. In addition, the Conservancy District received a bonus payment in 2011 in the amount of \$ 2,400 per acre, or approximately \$15,565,896. This payment was recorded as mineral rights and royalties revenue.

On April 19, 2012, the Conservancy District (the “Lessor”) entered into a lease agreement with Chesapeake Exploration, L.L.C. (the “Lessee”). The Conservancy District leased approximately 3,600 acres of land at Leesville Reservoir to the Lessee. The lease has a primary term of 5 years with options to extend beyond that. The Lessee will pay the Conservancy District lease royalty payments of 20% of the gross proceeds attributable to the applicable wells. In addition, the Conservancy District received a bonus payment in 2012 in the amount of \$5,800 per acre, or approximately \$20,880,000. This payment was recorded as mineral rights and royalties revenue.

On February 15, 2013, the Conservancy District entered into a lease with Antero Resources of Colorado for more than 6,500 acres at Seneca Lake in Noble County. Antero’s lease included \$6,200 per acre, paid up rental, for a 5 year lease and 20% royalty payment on future production revenues. The Conservancy District received at the time of signing is \$40,630,702.

On April 22, 2014, the Conservancy District entered into a lease with Antero Resources of Colorado for all available acres at Piedmont Reservoir in Belmont, Harrison and Guernsey Counties. Antero’s lease included \$15,000 per acre paid up rental for a 5 year lease and 20% royalty payment on future production revenues. The Conservancy District received at the time of signing \$95,449,950 for 6,363.33 acres. An amendment and ratification of the Antero Resources lease at Piedmont was executed on September 8, 2014 for 135.43 additional acres, bringing total acres leased to 6,498.76. The second payment at \$15,000 per acre totaled \$2,031,450, resulting in an overall total of \$97,481,400. Approximately 146 additional acres which were defected pending future review could be added to the lease in the future.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 13: CONTRACTUAL COMMITMENTS

As of December 31, 2014, the Conservancy District had contractual commitments for the following projects:

	Contractual Commitment	Expended	Balance 12/31/2014
Bolivar Dam - Army Corps of Engineers	\$ 37,951,380	\$ 16,839,152	\$ 21,112,228
Dover Dam - Army Corps of Engineers	2,070,000	2,002,670	67,330
Atwood Wastewater Treatment Plant	4,897,307	4,344,727	552,580
Shoreline stabilization projects	946,715	-	946,715
Precast Restroom Facilities	505,138	482,638	22,500
Master Plan Implementation Program Mgt.	1,820,000	10,131	1,809,869
Stream Gages & Weather Stations - USGS	1,092,200	400,000	692,200
Reservoir Sediment Removal	624,307	159,307	465,000
Seneca Chestnut Grove WWTP	997,400	-	997,400

NOTE 14: SUBSEQUENT EVENTS

Effective January 1, 2015, the Conservancy District purchased and began operating Clendening Marina. The purchase price of the marina was \$1,275,000.

At the February 2015 board meeting, the Board of Directors approved entering into a contract for the construction of a welcome center at Atwood Lake Park. The contract was awarded for \$1,691,212.

NOTE 15: BLENDED COMPONENT UNITS

Black Fork, Buffalo Creek, Chippewa and Duck Creek Subdivisions are blended component units under criteria of GASB Statement 61. The following represents combining financial statements for the year ended 2014.

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 15: BLENDED COMPONENT UNITS (continued)

COMBINING STATEMENT OF NET POSITION

	Muskingum Watershed Conservancy District	Subdistricts				Eliminating Entries	Total
		Black Fork	Buffalo Creek	Chippewa	Duck Creek		
Assets							
<i>Current Assets:</i>							
Equity in Pooled Cash and Investments	\$ 183,922,383	\$ 0	\$ 0	\$ 1,369,924	\$ 8,417	\$ 0	\$ 185,300,724
Accrued Interest	668	0	0	0	0	0	668
Accounts Receivable	1,124,841	0	0	0	0	(21,871)	1,102,970
Assets held for resale	70,419	0	0	0	0	0	70,419
Prepays	335,163	0	0	0	0	0	335,163
Maintenance Assessments Receivable	1,341,583	0	0	7,658	0	0	1,349,241
<i>Total Current Assets</i>	<u>186,795,057</u>	<u>0</u>	<u>0</u>	<u>1,377,582</u>	<u>8,417</u>	<u>(21,871)</u>	<u>188,159,185</u>
<i>Non-Current Assets:</i>							
Capitalized Costs	246,203	0	0	0	0	0	246,203
Non-Depreciable Capital Assets	3,233,112	1,822	27,593	1,154,680	5,400	0	4,422,607
Depreciable Capital Assets, Net	<u>26,378,557</u>	<u>0</u>	<u>0</u>	<u>6,840</u>	<u>0</u>	<u>0</u>	<u>26,385,397</u>
<i>Total Non-Current Assets</i>	<u>29,857,872</u>	<u>1,822</u>	<u>27,593</u>	<u>1,161,520</u>	<u>5,400</u>	<u>0</u>	<u>31,054,207</u>
<i>Total Assets</i>	<u>216,652,929</u>	<u>1,822</u>	<u>27,593</u>	<u>2,539,102</u>	<u>13,817</u>	<u>(21,871)</u>	<u>219,213,392</u>
Liabilities							
<i>Current Liabilities:</i>							
Accounts Payable	356,251	1,822	27,593	7,584	6,037	(21,871)	377,416
Contracts Payable	551,836	0	0	0	0	0	551,836
Retainage Payable	59,859	0	0	0	0	0	59,859
Performance Bond Payable	38,550	0	0	0	0	0	38,550
Escrow Land Rentals	175	0	0	0	0	0	175
Escrow Funds Payable	2,140	0	0	0	0	0	2,140
Due to Other Governments	136,491	0	0	0	0	0	136,491
Accrued Wages and Benefits	202,018	0	0	0	0	0	202,018
Accrued Interest Payable	100	0	0	0	0	0	100
Accrued Life Insurance	6,621	0	0	0	0	0	6,621
Claims Payable	176,807	0	0	0	0	0	176,807
Advances	108,631	0	0	0	0	0	108,631
Compensated Absences	71,704	0	0	0	0	0	71,704
Capital Leases Payable	104,827	0	0	0	0	0	104,827
OWDA Loans Payable	61,875	0	0	0	0	0	61,875
<i>Total Current Liabilities</i>	<u>1,877,885</u>	<u>1,822</u>	<u>27,593</u>	<u>7,584</u>	<u>6,037</u>	<u>(21,871)</u>	<u>1,899,050</u>
<i>Long-Term Liabilities:</i>							
Compensated Absences - net of current portion	591,394	0	0	0	0	0	591,394
Capital Leases Payable - net of current portion	40,258	0	0	0	0	0	40,258
OWDA Loans Payable - net of current portion	<u>926,887</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>926,887</u>
<i>Total Long-Term Liabilities</i>	<u>1,558,539</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,558,539</u>
<i>Total Liabilities</i>	<u>3,436,424</u>	<u>1,822</u>	<u>27,593</u>	<u>7,584</u>	<u>6,037</u>	<u>(21,871)</u>	<u>3,457,589</u>
Net Position							
Net Investment in Capital Assets	28,032,049	1,822	27,593	1,161,520	5,400	0	29,228,384
Restricted for Maintenance Assessment	16,259,264	0	0	0	0	0	16,259,264
Unrestricted	<u>168,925,192</u>	<u>(1,822)</u>	<u>(27,593)</u>	<u>1,369,998</u>	<u>2,380</u>	<u>0</u>	<u>170,268,155</u>
<i>Total Net Position</i>	<u>\$ 213,216,505</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,531,518</u>	<u>\$ 7,780</u>	<u>\$ 0</u>	<u>\$ 215,755,803</u>

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 15: BLENDED COMPONENT UNITS (continued)

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Muskingum Watershed Conservancy District	Subdistricts				Eliminating Entries	Total
		Black Fork	Buffalo Creek	Chippewa	Duck Creek		
Operating Revenues							
Water Sales	\$ 843,090	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 843,090
Water and sewer systems	136,569	0	0	0	0	0	136,569
Timber Sales	398,276	0	0	0	0	0	398,276
Pine/Pulpwood Sales	139,656	0	0	0	0	0	139,656
Mineral rights and royalties	109,566,548	0	0	0	0	0	109,566,548
Share Crop	200,311	0	0	0	0	0	200,311
Cottage Sites and Clubs	2,698,286	0	0	0	0	0	2,698,286
Marina operations	1,305,279	0	0	0	0	0	1,305,279
Marina camping	227,986	0	0	0	0	0	227,986
Fishing rights	62,648	0	0	0	0	0	62,648
Easements/Right of Ways	228,619	0	0	0	0	0	228,619
Beach facilities	138,064	0	0	0	0	0	138,064
Vacation cabin	438,523	0	0	0	0	0	438,523
Park camping	4,669,495	0	0	0	0	0	4,669,495
Parks - Special Events	135,712	0	0	0	0	0	135,712
Admissions - park facilities	138,189	0	0	0	0	0	138,189
Miscellaneous income	56,917	0	0	0	0	0	56,917
Total Operating Revenues	121,384,168	0	0	0	0	0	121,384,168
Operating Expenses							
Water Sales	80,949	0	0	0	0	0	80,949
Water Quality	126,636	0	0	0	0	0	126,636
Vehicles and equipment	380,317	0	0	0	0	0	380,317
Dam safety/upgrades	8,091,449	0	0	627,842	0	0	8,719,291
Boundary survey	57,914	0	0	0	0	0	57,914
Conservation	173,959	0	0	0	0	0	173,959
Reservoir Maintenance	17,516	0	0	0	0	0	17,516
Information Systems/Technology	341,328	0	0	0	0	0	341,328
Shoreline Protection	197,476	0	0	0	0	0	197,476
Share crop	310,145	0	0	0	0	0	310,145
Mineral operation	544,738	0	0	0	0	0	544,738
Watershed management	493,055	0	0	0	0	0	493,055
Beach facilities	241,248	0	0	0	0	0	241,248
Office building	281,407	0	0	0	0	0	281,407
Administrative and finance	1,913,227	0	0	0	0	0	1,913,227
Engineering	414,598	0	0	0	0	0	414,598
Planning and development	283,576	0	0	0	0	0	283,576
GIS and Parcel Development	241,517	0	0	0	0	0	241,517
Forestry maintenance	166,409	0	0	0	0	0	166,409
Park camping	2,668,278	0	0	0	0	0	2,668,278
Park Master Planning	88,693	0	0	0	0	0	88,693
Cottage sites and clubs	988,424	0	0	0	0	0	988,424
General park facilities	2,770,621	0	0	0	0	0	2,770,621
Vacation cabin	94,321	0	0	0	0	0	94,321
Marina operation	991,297	0	0	0	0	0	991,297

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 15: BLENDED COMPONENT UNITS (continued)

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Muskingum Watershed Conservancy District	Subdistricts				Eliminating Entries	Total
		Black Fork	Buffalo Creek	Chippewa	Duck Creek		
							(Continued)
Water and sewer system	\$ 658,158	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 658,158
Lake patrol operation	351,958	0	0	0	0	0	351,958
Education and public information	329,210	0	0	0	0	0	329,210
Safety expenses	150,136	0	0	0	0	0	150,136
Recreation maintenance	110,723	0	0	0	0	0	110,723
Parks - special events	124,865	0	0	0	0	0	124,865
PWM	513,286	0	0	0	0	0	513,286
Sediment Removal	381,220	0	0	0	0	0	381,220
Depreciation	1,674,732	0	0	760	0	0	1,675,492
<i>Total Operating Expenses</i>	<u>26,253,386</u>	<u>0</u>	<u>0</u>	<u>628,602</u>	<u>0</u>	<u>0</u>	<u>26,881,988</u>
<i>Operating Income</i>	95,130,782	0	0	(628,602)	0	0	94,502,180
Non-Operating Revenues (Expenses)							
Maintenance assessments	11,261,347	0	0	373,170	0	0	11,634,517
Grants	649,282	0	0	0	0	0	649,282
Interest on investments	607,367	0	0	572	7	0	607,946
Debt retirement - Interest	(96,643)	0	0	0	0	0	(96,643)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>12,421,353</u>	<u>0</u>	<u>0</u>	<u>373,742</u>	<u>7</u>	<u>0</u>	<u>12,795,102</u>
<i>Change in Net Position</i>	107,552,135	0	0	(254,860)	7	0	107,297,282
Net Position - Beginning of Year	<u>105,664,370</u>	<u>0</u>	<u>0</u>	<u>2,786,378</u>	<u>7,773</u>	<u>0</u>	<u>108,458,521</u>
Net Position - End of Year	<u>\$ 213,216,505</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,531,518</u>	<u>\$ 7,780</u>	<u>\$ 0</u>	<u>\$ 215,755,803</u>

Muskingum Watershed Conservancy District
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

NOTE 15: BLENDED COMPONENT UNITS (continued)

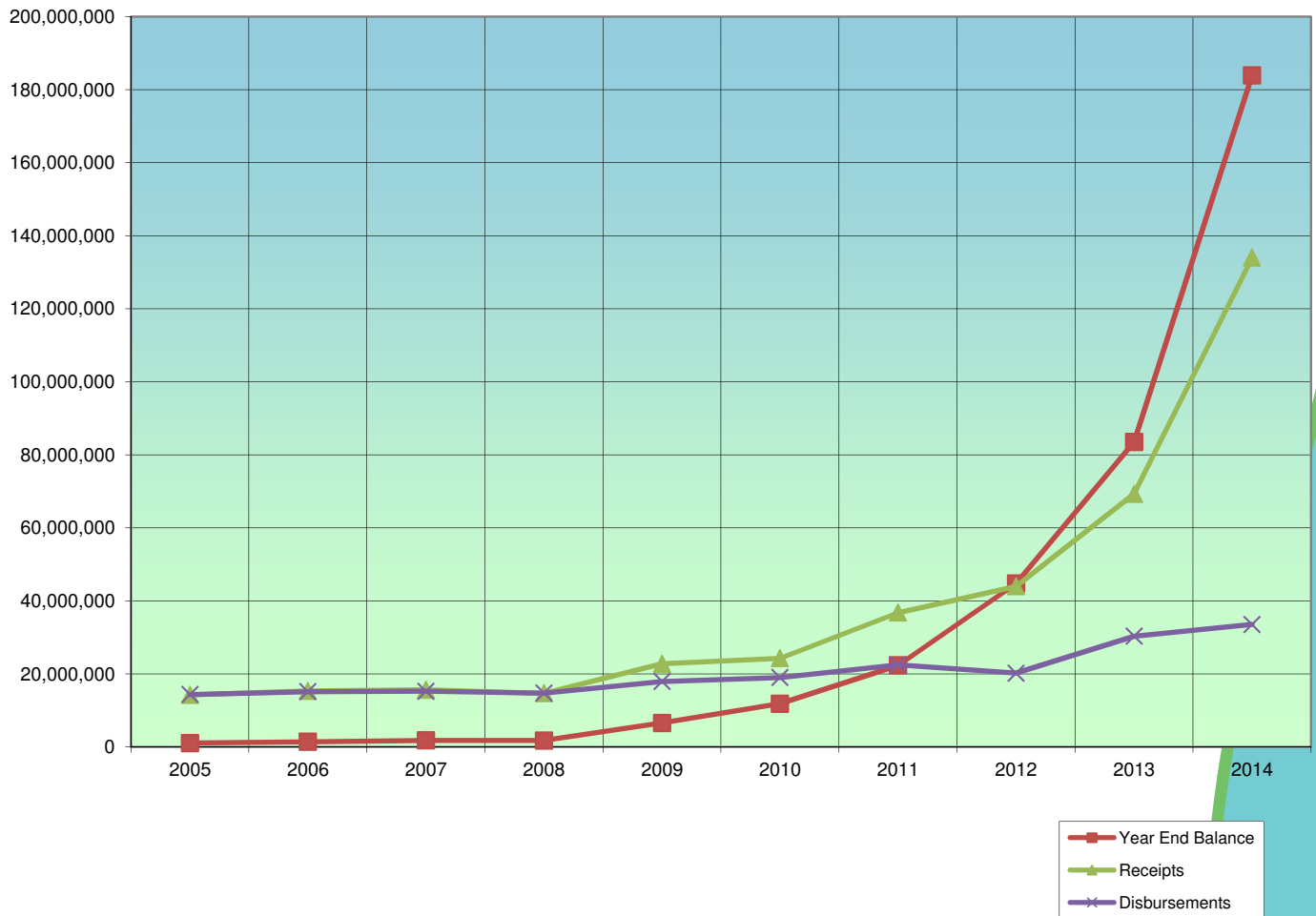
COMBINING STATEMENT OF CASH FLOWS

	Muskingum Watershed Conservancy District	Subdistricts				Eliminating Entries	Total
		Black Fork	Buffalo Creek	Chippewa	Duck Creek		
Cash flows from Operating Activities:							
Cash Received from Customers	\$ 121,462,889	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 121,462,889
Cash Payments to Suppliers for Goods and Services	(16,306,464)	0	0	(528,428)	0	0	(16,834,892)
Cash Payments for Employees Services and Benefits	(8,271,031)	0	0	(103,272)	0	0	(8,374,303)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>96,885,394</u>	<u>0</u>	<u>0</u>	<u>(631,700)</u>	<u>0</u>	<u>0</u>	<u>96,253,694</u>
Cash Flows from Noncapital Financing Activities:							
Proceeds from OWDA Loans	65,526	0	0	0	0	0	65,526
Principal Payments on OWDA Loans	(76,208)	0	0	0	0	0	(76,208)
Intergovernmental Grants	50,395	0	0	0	0	0	50,395
Maintenance Assessments	8,761,313	0	0	365,512	0	0	9,126,825
Interest Paid on Debt	(46,803)	0	0	0	0	0	(46,803)
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>8,754,223</u>	<u>0</u>	<u>0</u>	<u>365,512</u>	<u>0</u>	<u>0</u>	<u>9,119,735</u>
Cash Flows from Capital and Related Financing Activities:							
Acquisition of Capital Assets	(8,598,325)	0	0	(7,600)	0	0	(8,605,925)
Maintenance Assessments	2,453,547	0	0	0	0	0	2,453,547
Intergovernmental Grants	569,037	0	0	0	0	0	569,037
Principal Payments on OWDA Loans	(48,995)	0	0	0	0	0	(48,995)
Principal Payments on Capital Leases	(164,947)	0	0	0	0	0	(164,947)
Interest Paid on Debt	(49,840)	0	0	0	0	0	(49,840)
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(5,839,523)</u>	<u>0</u>	<u>0</u>	<u>(7,600)</u>	<u>0</u>	<u>0</u>	<u>(5,847,123)</u>
Cash Flows from Investing Activities:							
Receipts of Interest	499,092	0	0	572	7	0	499,671
Payments for Purchase of Investments	(73,536,938)	0	0	0	0	0	(73,536,938)
Proceeds from Sale of Investments	56,584,263	0	0	0	0	0	56,584,263
<i>Net Cash Provided by (Used for) Investing Activities</i>	<u>(16,453,583)</u>	<u>0</u>	<u>0</u>	<u>572</u>	<u>7</u>	<u>0</u>	<u>(16,453,004)</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	<u>83,346,511</u>	<u>0</u>	<u>0</u>	<u>(273,216)</u>	<u>7</u>	<u>0</u>	<u>83,073,302</u>
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>29,816,295</u>	<u>0</u>	<u>0</u>	<u>1,643,140</u>	<u>8,410</u>	<u>0</u>	<u>31,467,845</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 113,162,806</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,369,924</u>	<u>\$ 8,417</u>	<u>\$ 0</u>	<u>\$ 114,541,147</u>
Reconciliation of Operating Income To Net Cash Provided by Operating Activities:							
Operating Income	\$ 95,130,782	\$ 0	\$ 0	\$ (628,602)	\$ 0	\$ 0	\$ 94,502,180
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:							
Depreciation	1,674,732	0	0	760	0	0	1,675,492
(Increase) Decrease in Assets:							
Capitalized Costs	(74,407)	0	0	0	0	0	(74,407)
Accounts Receivable	78,721	0	0	0	0	0	78,721
Prepays	(222,540)	0	0	0	0	0	(222,540)
Accrued Interest	(90)	0	0	0	0	0	(90)
Increase (Decrease) in Liabilities:							
Accounts Payable	161,628	0	0	(3,858)	0	0	157,770
Performance Bonds payable	(4,200)	0	0	0	0	0	(4,200)
Escrow Funds Payable	2,138	0	0	0	0	0	2,138
Advances	19,427	0	0	0	0	0	19,427
Claims Payable	(28,567)	0	0	0	0	0	(28,567)
Accrued Wages and Benefits	55,039	0	0	0	0	0	55,039
Accrued Life Insurance	(6,512)	0	0	0	0	0	(6,512)
Compensated Absences	101,287	0	0	0	0	0	101,287
Due to other governments	(2,044)	0	0	0	0	0	(2,044)
<i>Net Cash Provided by Operating Activities</i>	<u>\$ 96,885,394</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (631,700)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 96,253,694</u>
Reconciliation of cash and investments reported on the Statement of Net Position to cash and cash equivalents reported on the Statement of Cash Flows:							
Statement of Net Position cash and cash equivalents and investments	\$ 183,922,383	\$ 0	\$ 0	\$ 1,369,924	\$ 8,417	\$ 0	\$ 185,300,724
Investments included in balances above that are not cash equivalents	(70,759,577)	0	0	0	0	0	(70,759,577)
Cash and Cash equivalents reported on Statement of Cash Flows	<u>\$ 113,162,806</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,369,924</u>	<u>\$ 8,417</u>	<u>\$ 0</u>	<u>\$ 114,541,147</u>

Appendix

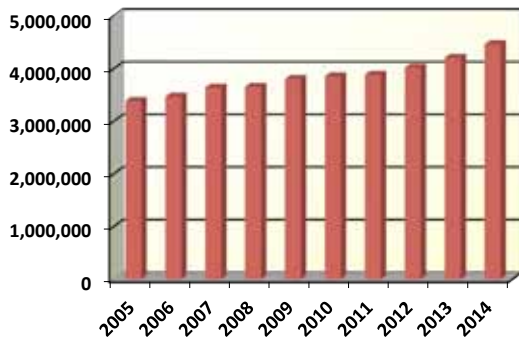


Year End Cash Balance/Receipts and Disbursements From 2005-2014

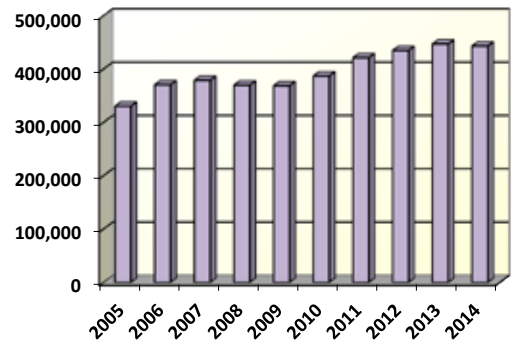


Major Revenue Sources

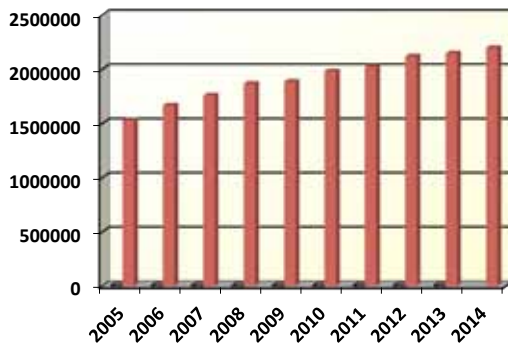
Park Camping



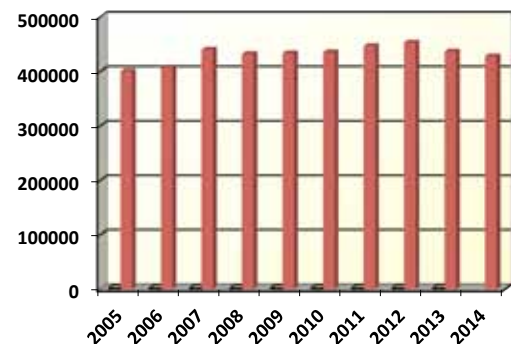
Vacation Cabins



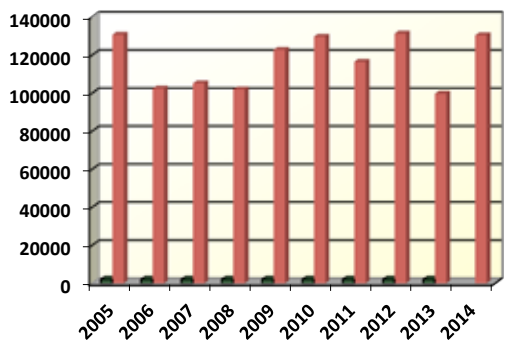
Cottages



Docking

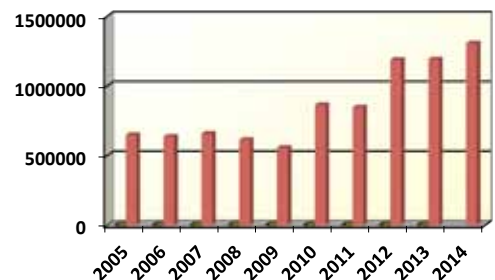


Park Gate Admissions

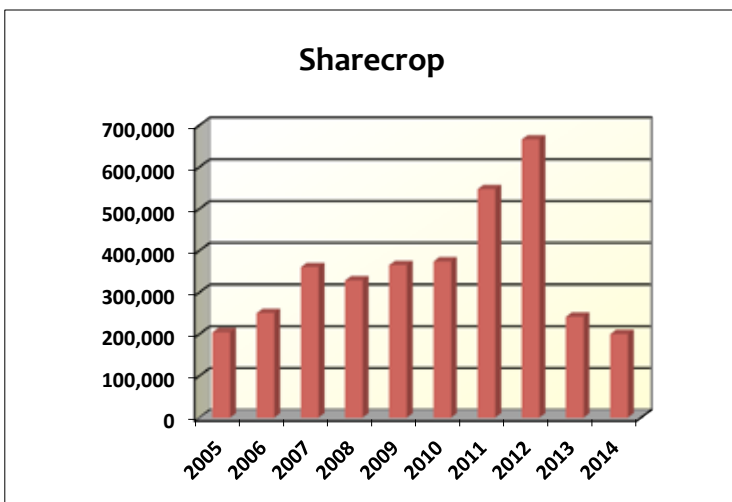
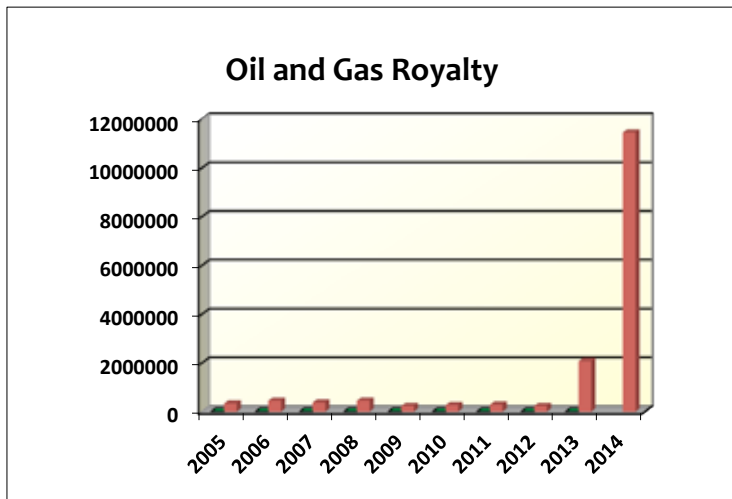
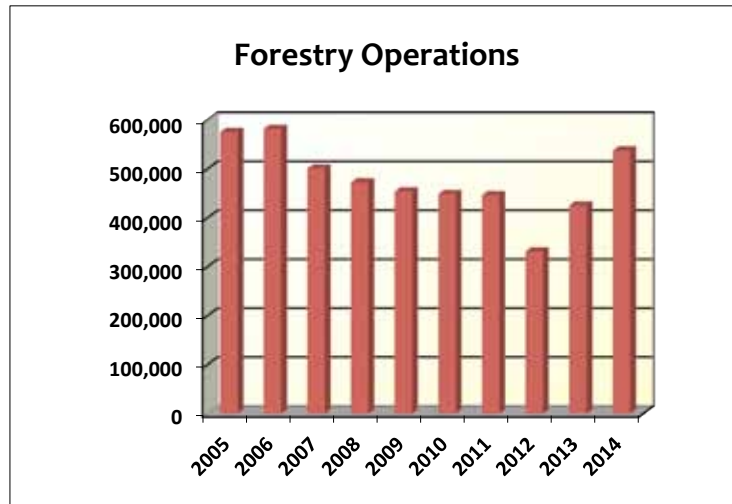


Marinas

NOTE: MWCD began self-operation of Piedmont Marina in 2010 and Seneca Marina in 2012



Major Revenue Sources



Land and Forestry Operations: Total Cash Receipts by Reservoir

For the year ending December 31, 2014

	Agricultural, Building, and Lot- Acres Leased	Land and Building Rentals	Gas, Oil, Stone, Coal	Cash Rent and Sharecrops	Timber	Pulpwood	Totals
Atwood		750	84,964		141,468		227,182
Beach City	60.3 acres		24,695	6,332			31,027
Bolivar			10,618		12,020	8,619	31,257
Charles Mill	24.5 acres	935	10,849	2,400		2,368	16,552
Clendening			2,797,006		72,570	-	2,869,576
Dover			57,183		7,272	2,364	66,819
Leesville			462,550		55,517	73,208	591,275
Mohawk	915.33 acres		17,021	596			17,617
Mohicanville			56				56
Piedmont			97,659,465		45,724	16,573	97,721,762
Pleasant Hill	150.7 acres	75	5,553	40,862		11,566	58,056
Seneca	8.036 acres	9,150	8,428,043		1,049		8,438,242
Tappan	127.84 acres	3,270	1,207	2,950	46,656	24,958	79,041
Wills Creek	534.25 acres	7,836	7,334	147,171	16,000		178,341
Totals	1,820.96	\$ 22,016.00	\$ 109,566,544.00	\$ 200,311.00	\$ 398,276.00	\$ 139,656.00	\$ 110,326,803.00

Recreation Operations: Total Cash Receipts by Reservoir

For the year ending December 31, 2014

	ODNR Division of Watercraft	Lake Patrol	Cottages, Clubs, and Dock Sites	Road, Water and Sewer Maintenance	Marina Operations	Park Operations	Total Recreation
Atwood	8,733	4,000	842,981		225,129	1,398,990	2,479,833
Beach City	1,103						1,103
Bolivar			2,130				2,130
Charles Mill	4,313	4,000	389,336	43,636.00	74,433	657,847	1,173,565
Clendening	4,195	4,000	3,986		81,504		93,685
Dover							0
Leesville	10,203	4,000	273,409		81,875	93,561	463,048
Kokosing						60,404	60,404
Mohicanville							0
Piedmont	6,135	4,000	228,486		510,023		748,644
Pleasant Hill	10,736	4,000	181,398		58,709	681,257	936,100
Seneca	7,034	4,000	458,644	57,251.00	459,676	1,486,587	2,473,192
Tappan	9,133	4,000	298,006		45,053	1,198,670	1,554,862
Wills Creek	1,063		19,910				20,973
Totals	\$ 62,648.00	\$ 32,000.00	\$ 2,698,286.00	\$ 100,887.00	\$ 1,536,402.00	\$ 5,577,316.00	\$ 10,007,539.00

Note: Piedmont Marina was operated by MWCD beginning in 2010 and Seneca Marina was operated by MWCD beginning in 2012.

Summary of District Owned Land by Counties

COUNTY	Reservoir	Acres	Total Acres	Total Lots
Ashland	Charles Mill	1810.7294	2576.1623	199
	Mohicanville	40.7540		
	Pleasant Hill	7246.789		
Belmont	Piedmont	5859.9680	5859.9680	
Carroll	Atwood	2911.7050	6620.9380	20
	Leesville	3709.2330		
Coshocton	Mohawk	3374.7738	7262.4848	3
	Wills Creek	3887.7110		
Guernsey	Piedmont	130.3010	1712.8761	11
	Senecaville	1461.3291		
	Wills Creek	121.2460		
Harrison	Clendening	6601.6080	14890.26	58
	Piedmont	695.7800		
	Tappan	7592.872		
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
Richland	Charles Mill	1539.8400	3008.9790	63
	Pleasant Hill	1469.1390		
Stark	Beach City	64.0200	879.2315	2
	Bolivar	815.2115		
Tuscarawas	Atwood	1142.2500	2933.1074	75.5
	Beach City	1286.3780		
	Bolivar	19.9600		
	Dover	484.5194		
TOTALS		54049.7271	54049.7271	432.5

Summary of District Owned Land by Reservoirs

RESERVOIR	County	Acres	Total Acres	Total Lots
Atwood	Carroll	2911.7050	4053.9550	19
	Tuscarawas	1142.2500		
Beach City	Stark	64.0200	1350.3980	2
	Tuscarawas	1286.3780		
Bolivar	Stark	815.2115	835.1715	23.5
	Tuscarawas	19.9600		
Charles Mill	Ashland	1810.7294	3350.5694	199
	Richland	1539.8400		
Clendening	Harrison	6601.6080	6601.6080	
Dover	Tuscarawas	484.5194	484.5194	52
Leesville	Carroll	3709.2330	3709.2330	1
Mohawk	Coshocton	3374.7738	3740.1538	
	Holmes	8.5900		
	Knox	356.7900		
Mohicanville	Ashland	40.7540	40.7540	
Piedmont	Belmont	5859.9680	6686.0490	
	Guernsey	130.3010		
	Harrison	695.7800		
Pleasant Hill	Ashland	724.6789	2193.8179	63
	Richland	1469.1390		
Senecaville	Guernsey	1461.3291	7615.7691	1
	Noble	6154.4400		
Tappan	Harrison	7592.872	7592.872	58
Wills Creek	Coshocton	3887.7110	5794.8570	14
	Guernsey	121.2460		
	Muskingum	1785.9000		
TOTALS		54049.7271	54049.7271	432.5

MWCD Facilities at a Glance

Description	Atwood	Beach City	Charles Mill	Clendenen	Leesville	Piedmont	Pleasant Hill	Seneca	Tappan	Wills Creek
Horsepower limit	25	10	10	10	10	10	unlimited	399	399	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
Park										
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										
Resort										
Park vacation cabins										
Marina motel/cabins										
Camper cabins										
*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.										

Fish Species of the MWCD Lakes

Description	Atwood	Beach City	Charles Mill	Clendenning	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.										

Cooperating Agencies



US Army
Corps of Engineers



Natural Resources Conservation Service



Ohio Department of
Natural Resources



Ohio Environmental Protection Agency



US Geological Survey



Ohio Department of Transportation



Ohio Water Development Authority



Ohio Department of Agriculture



US Department of Agriculture
Forest Service



Ohio Agricultural Research
and Development Center



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