

2020 ANNUAL REPORT OF OPERATIONS



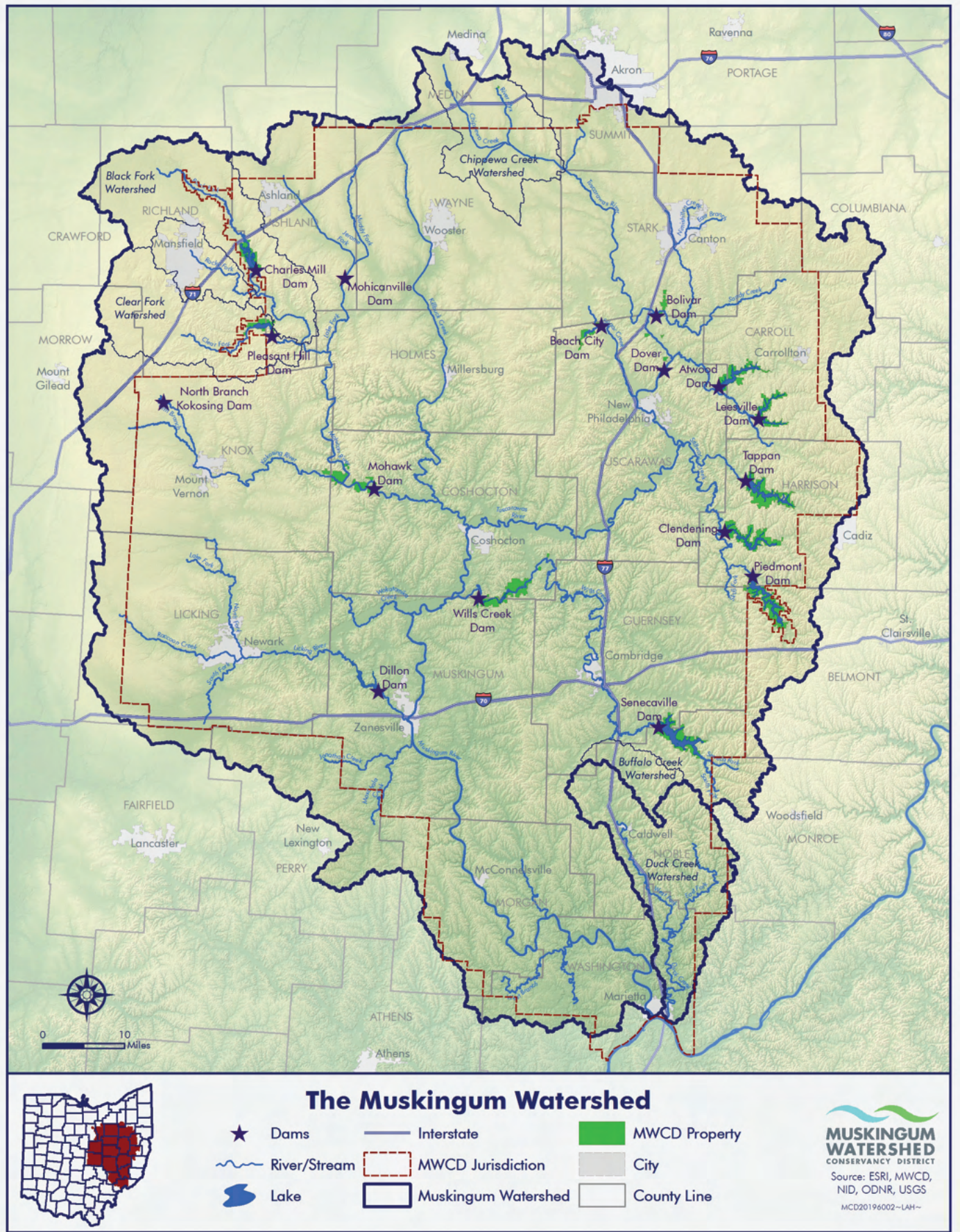




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OUR MISSION

Responsible stewards dedicated to providing the benefits of flood reduction, conservation and recreation in the Muskingum River Watershed.

OUR VISION

Respected and valued Leader, Employer, Provider and Partner in Flood Reduction, Conservation and Recreation.

OUR CORE VALUES



SERVICE

We take the extra step to understand the needs of our customers, external stakeholders and each other, focusing on solutions to provide the best experience possible.



TEAMWORK

We leverage our collective knowledge and work as a team together to advance our mission and improve the organization.



EXCELLENCE

What we do, we do well, keeping our standards of service and our work performance at a high level.



WITH INTEGRITY

We work with each other, our customers and partners openly and sincerely in an ethical and professional manner.



ACCOUNTABILITY

We do what we say we are going to do with a positive attitude and a willingness to grow, learn and challenge ourselves and each other.



RESPECT

We treat others with courtesy and dignity as we would like to be treated.



DEDICATION

We have passion for our mission and we are committed to our work and the role we play in our organization.



SAFETY

We foster a culture of safety to ensure protection of our customers, our partners and each other.





MESSAGE FROM THE EXECUTIVE DIRECTOR



Craig W. Butler
Executive Director

2020 was a new beginning for the Muskingum Watershed Conservancy District (MWCD)! After 30 excellent years of leading the Conservancy as Executive Director, John Hoopingarner retired. John was a true asset to the Watershed, and I am humbled to follow his leadership. As only the fourth Executive Director of MWCD, I feel like I am standing on the shoulders of giants. I do not take lightly the responsibility of leading the Conservancy into the future, and I appreciate the great foundation that has been left to me by the leadership of MWCD. What a thrill!

hiking. The ability to fly drones can now be added to that list. In 2020, the MWCD Board of Directors approved the use of drones at certain locations throughout the District. This will provide a safe place for campers and visitors to enjoy the use of their drones!

MWCD also led the effort to have the Tuscarawas River designated as a state water trail. On August 14, 2020, Ohio Department of Natural Resources Director Mary Mertz designated the Tuscarawas River as Ohio's 15th official water trail. The 112.5-mile Tuscarawas River Water Trail offers paddlers the opportunity to explore an additional 112 miles of waterway once it joins the Muskingum River Water Trail in Coshocton County, Ohio.

In early 2020, just as we were ready to open our doors to guests, COVID-19 rocked our foundation. With a normal season delayed,

Building partnerships is a critical component of our comprehensive strategy for monitoring the health of our lakes, beaches, and rivers.

I was recently told by a friend that MWCD is a quiet organization with a long reach. I could not have said it better. Let me share a few examples with you of our long reach.

MWCD is known and recognized as a recreational organization. For generations, we have opened our lakes, parks, campgrounds, and marinas to the public for boating, swimming, camping, and

we began working with health officials on plans to open safely and responsibly. Fortunately, the order allowing our parks and marinas to open came in early May. We quickly mobilized so campgrounds, cabins, and beaches could open to everyone in time for Memorial Day. I cannot give enough credit to the MWCD staff who worked tirelessly to adapt to new routines so that we could open in a way that made guests feel safe and comfortable. From mid-May through

November, we had record attendance at our parks and marinas, an estimated 380,000 more people than 2019. We thank you for your trust in knowing our parks and marinas were safe.

MWCD continues to invest in the watershed by promoting improved water quality. At over 8,000 square miles, the Muskingum Watershed is the largest wholly contained watershed in Ohio. Spanning five counties and portions of 22 others, the watershed is home to over 200 municipalities and vast stretches of some of the best farmland in Ohio, presenting an extensive canvas for us to promote water quality. MWCD has long supported working with other conservation partners, farmers, and the public to educate individuals on the importance of keeping soil, harmful nutrients, and other pollutants from washing into rivers leading to our lakes and spoiling our high-quality waters. MWCD invested over \$1.7 million through our Partners in Watershed Management Program, spanning 13 counties.

Building partnerships is a critical component of our comprehensive strategy for monitoring the health of our lakes, beaches, and rivers. Continual monitoring and sampling help us stay ahead of issues that could negatively impact the health of the watershed. In 2020, we expanded our monitoring efforts to include all 10 MWCD lakes. Water samples were taken weekly during the recreational season and around 200 water samples were analyzed and thousands of readings were taken with the help of many agencies, volunteer groups, and a network of instruments and satellite imagery. This information, and any warnings are managed by the Ohio Department of Health and are posted on MWCD.org. This should provide peace of mind that while you are boating, tubing, swimming, or, in some cases, drinking the water, it is safe, or if it is not, what precautions you should take.

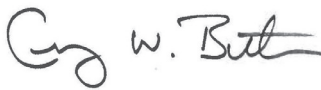
MWCD recently invested approximately \$1.2 million to build an area to store dredged materials at Seneca Lake and \$873,100 in the completion of shoreline stabilization projects at Leesville, Piedmont, and Seneca Lakes.

MWCD is blessed to own over 56,000 acres of land, mainly surrounding our lakes. These areas were once likely barren of trees and had very poor soil health due to poor farming and land

management. MWCD, through innovative techniques, planted over 11 million trees to begin the soil restoration process, keeping soil and silt from the newly constructed lakes. Today, our forestry program is sustainably harvesting these and other trees from some areas throughout the District. In 2020, we harvested approximately 580,000 bdft of hardwood saw timber and 860,000 bdft of pine pulpwood and logs to generate revenue for the Conservancy. In addition to sustainable harvesting, we also continue to plant trees and manage our forests to produce high-quality native trees such as bald cypress, sugar maple, red maple, paw paw, river birch, bitternut hickory, redbud, dogwood, persimmon, tulip poplar, black gum, sycamore, black cherry, white oak, swamp white oak, pin oak, chestnut oak, and black oak.

Since our inception in 1933, MWCD has partnered with the U.S. Army Corps of Engineers (USACE) to construct, manage, repair, and upgrade the 14 dams and two levees responsible for our lakes and reservoirs. We have weathered storms, floods, and other natural and unnatural disasters together to ensure the safety and protection of the thousands of people living in the watershed. To date, over \$7 billion worth of potential property damage from flooding has been prevented through our joint work which continued in 2020 with the start of the Zoar Levee and Mohawk Dam improvement projects. USACE invested \$17,328,999 and MWCD invested \$5,176,194 to ensure the structures will stand strong, protecting residents in times of flooding.

MWCD had a great and substantial new year, even during a time of significant transition and upheaval. I am proud to represent the staff of MWCD and I thank each one of them for their hard work and extraordinary efforts in 2020. I invite you to take a few moments to read this report and challenge yourself to learn something new about the organization. As my friend said, we are a quiet organization, with a long reach. We certainly are, and we are proud of it.



Craig W. Butler

Executive Director

Muskingum Watershed Conservancy District



CONSERVANCY COURT

Ashland County
Honorable Damian J. Vercillo

Belmont County
Honorable John A. Vavra

Carroll County
Honorable John S. Campbell

Coshocton County
Honorable Robert J. Batchelor

Guernsey County
Honorable Daniel G. Padden

Harrison County
Honorable T. Shawn Hervey

Holmes County
Honorable Robert D. Rinfret

Knox County
Honorable Richard D. Wetzel

Licking County
Honorable Thomas M. Marcelain

Morgan County
Honorable D. W. Favreau

Muskingum County
Honorable Mark Fleegle

Noble County
Honorable John W. Nau

Richland County
Honorable Philip Alan B. Mayer

Stark County
Honorable Jim D. James

Summit County
Honorable Amy Corrigan Jones

Tuscarawas County
Honorable Edward E. O'Farrell

Washington County
Honorable Mark Kerenyi

Wayne County
Honorable Latecia Wiles

BOARD OF DIRECTORS



James M. Gresh
Term Expires
2022



Joanne Limbach
Term Expires
2023



Gordon T. Maupin
Term Expires
2024



Robert S. Moorehead, Jr.
Term Expires
2021



Clark E. Sprang
Term Expires
2025

BOARD OF APPRAISERS



John F. Ginikos
Term Expires
2025



Tracy Reiss
Term Expires
2024



Mark J. Waltz
Term Expires
2023

EXECUTIVE STAFF



Craig W. Butler
Executive Director/
Secretary



Boris E. Slogar
Chief Engineer



James B. Cugliari
Chief Financial Officer/
Treasurer



J. Ryan McCleaster
Chief of Recreation



Bradley P. Janssen
Chief of Conservation



Mary C. Burley
Director of Human
Resources



Jonathan C. Mizer
Chief Legal Counsel



Adria L. Bergeron
Director of Marketing and
Communications

DEVELOPMENT ADVISORY COMMITTEE

Matthew D. Abbott
New Concord

Scott A. Arnold
Mansfield

Trevor Dunlap
Perrysville

Ronald Dziedzicki
Medina

Alfred J. Fearon
Bolivar

Karl R. Gebhardt
Westerville

Chris Jacobs
Scio

Marty Larsen, Jr.
Mansfield

Ed Lee
New Philadelphia

John L. Lofgren
Uniontown

Dana McDaniel
Dublin

Luke Messinger
Gahanna

Joy Padgett
Coshocton

David Pilcher, Sr.
New Philadelphia

A. Bruce Robinson
Scio

Jackie Stewart
Louisville

Steve Walker
Navarre

John R. Wirtz
Sherrodsville



ENGINEERING

The Muskingum Watershed Conservancy District is partnering with other agencies on projects that provide for flood reduction and water conservation in the watershed, as well as maintenance of the system of reservoirs and dams in the Muskingum River Watershed.

2020 GEOSPATIAL

The MWCD Surveying and Geographic Information System (GIS) staff aids Engineering, Conservation, and Recreation. The majority of 2020 was dedicated to Master Plan and Maintenance Assessment projects.

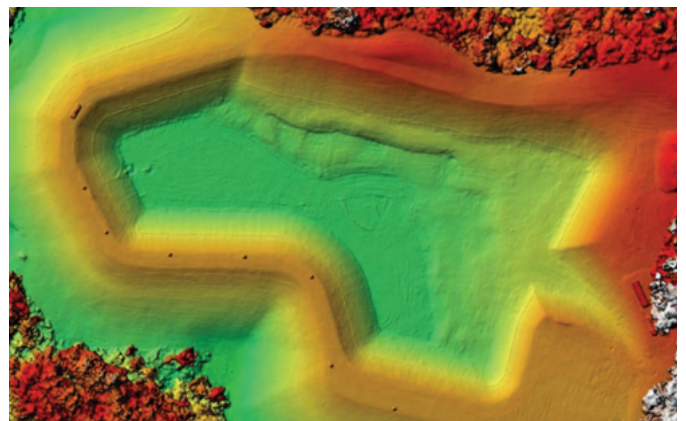
The Master Plan expansion required the mapping of many projects including utility work and locating campsites and additional amenities as constructed. In addition to infrastructure projects, GIS assisted Recreation with online kayak water trail maps. GIS and Conservation completed the mapping portion of the OnBase enterprise content management software. This will allow internal users access to cottage site data and associated mapping. GIS created various web maps for hunting access and viewing park utilities.

Surveying staff spent much of 2020 working on the Maintenance Assessment and Outer Boundary projects. MWCD recently acquired approximately 144 acres from the Buxton Farm at Tappan Lake and 1,827 acres of American Electric Power (AEP) land in Coshocton County, Ohio. Both properties consisted of nine miles of outer boundary that needed to be marked to delineate public and private lands. With the help of forestry staff, over 185 steel and 40 wooden posts were set along the outer boundary lines.

Surveying staff also surveyed and prepared the base mapping for the design of the shoreline projects and performed pre- and post-dredge maps for quantity verification for payment. This was done with both conventional methods and with an Unmanned Aerial Vehicle (UAV). The UAV was utilized in the creation of as-builts for the Seneca Dredge Material Relocation Area (DMRA) capable of holding 172,000 cubic yards.



UAV image of Seneca Dredge Material Relocation Area



Surface model of Seneca DMRA generated by UAV imagery

COTTAGE ROADS, MARINAS AND BOAT RAMPS

MWCD manages 1,204 cottage sites throughout the District and is responsible for maintenance of these sites. Revenue from cottage site leases was used for cottage roadway maintenance, marina

parking lot improvements and boat launch ramp repairs. The total cost of construction expended on the paving of cottage roads, marinas, and ramps in 2020 was \$293,495.94.

RESERVOIR MAINTENANCE

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

Dredging

The Long-Term Maintenance Dredging Program developed in 2014 continued in 2020 at Seneca Lake. The first phase of dredging at Seneca Lake was completed in 2018. In 2019, the design for a large settling basin for future dredge material was completed and the dam safety permit was received from the Ohio Department of Natural Resources. The settling basin, designed to

hold 170,000 cubic yards of dredged material with a total surface area of approximately 5.3 acres at the high water elevation, was completed in 2020. Dredging will resume in the spring of 2021, and once complete, the settling basin will still have more than 100,000 cubic yards of additional capacity for future dredging work.



Seneca Lake - Peninsula DMRA Settling Basin



In addition to sediment removal associated with the Long-Term Maintenance Dredging program, a small project at Leesville Lake was completed at the Hensel's Landing area in early 2020. Approximately 7,000 cubic yards of sediment were removed

through this project, which was completed by the MWCD heavy equipment crew. The crew also began preliminary work in December for a similar project in the North Shore Cottage Area of Atwood Lake.



Leesville Lake - Dredging at Hensel's Landing Dock Association



Shoreline Protection

In 2010, a study of the 300 miles of MWCD shoreline was conducted to identify shoreline stabilization needs at the 10 MWCD reservoirs. As a result of this study, over 9 miles of

shoreline stabilization work has been completed over the past 10 years at a cost of approximately \$11 million. The 4 projects below were completed in 2020.



Falcon Camp - Rock Riprap with Live Stake Plantings



Camp NEOSA - Rock Riprap



Piedmont Reynolds Road Project - Soil Encapsulated Lifts



Leesville Lake Dove Road - Soil Nails



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 MWCD's recreational facilities in a half century. Priorities of need were identified through public work sessions, gathering input from the customer base, and benchmarking national trends in recreation.

MWCD customers determined the greatest priority in capital improvements is to upgrade campsites and the infrastructure that serve the campers. In many instances the 50-year-old electrical, water and sewer systems at the MWCD campsites were not able to serve the larger and modern camping units. Modern camping units also require more space and parking for multiple vehicles and hard surfaces for leveling and ease of maintenance. The focus of engineering planning and design has been to upgrade the campsites to meet these camper driven priorities.

On July 19, 2019 the Board of Directors approved Phase 2 of the Master Plan. This consists of an additional \$65M with a funding distribution of approximately \$45M for park improvements, and \$20M for marina improvements.

The implementation strategy for this phase presents a vision for the future of MWCD which not only includes the continuation of upgraded camping facilities and rental cabins, but also the development of additional amenities which have been long awaited and requested by the public. These amenities may include additional playgrounds, spray grounds, sports courts, and fiber optic for improved communication, to name a few.

Phase 2 of the plan expands the program to include Clendenning Marina and Campground, Leesville North Fork Marina, Leesville South Fork Campground, and Tappan Marina which have all been acquired since the inception of the Master Plan. The implementation strategy for the Marinas in Phase 2 is to focus on infrastructure first, followed by camping and waterfront improvements.

Over \$195 million has been committed to this capital improvement program to upgrade the parks and campgrounds. Construction of these improvements are now well underway.

Funding for capital improvements and major maintenance is through revenues reserved from oil and gas leases. During 2020, MWCD delivered over \$31 million in capital projects. The following projects, shown at right, were constructed or under construction during 2020.



ATWOOD PARK

Camp Area 4 Restroom Upgrade

Main Campground Improvements – Phase 2

CHARLES MILL

Main Campground Redevelopment – Phase 3

LEESVILLE

North Fork Marina Dock Abutments

PIEDMONT

Campground Redevelopment – Phase 2

Water Treatment Plant

PLEASANT HILL

Cabins Phase 1

New Campground Area G

Horse Camp Electric Upgrades

SENECA

Marina Point Campground Redevelopment – Phase 2

TAPPAN

Marina Seawall

Marina Renovations

Marina Wastewater Treatment Plant and Sanitary Improvements



SUBDISTRICTS

Black Fork, Buffalo Creek, and Clear Fork Subdistricts

There is no present activity in the Black Fork, Buffalo Creek and Clear Fork Subdistricts. There is no cost involved in continuing the subdistricts as vehicles for their intended purpose. In the future should the need arise, their existence could save considerable time and expense in lieu of forming another subdistrict.

Chippewa Subdistrict

The Chippewa Subdistrict manages the Chippewa Creek Watershed Project as a flood-control program which includes eight dams and 33 miles of modified channels comprising of the Chippewa Creek, Little Chippewa Creek and the River Styx. The subdistrict encompasses 188 square miles in Wayne and 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.

MWCD serves as the business agent for the subdistrict. Maintenance work in the subdistrict is funded through an assessment of property owners as provided for in the Ohio Revised Code that governs conservancy districts. 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:

- Logjam, downed tree and brush, and debris removal to maintain channel capacity.
- Slip repairs.
- Hydraulic structure repairs and upgrades.
- Monitor/remove sedimentation.
- Ongoing maintenance.
- Mowing and maintaining dam slopes and surface.
- Mowing and maintaining channel berms, banks and access points.
- Maintaining spillway systems and clearing debris that clogs spillway inlets.

During 2020, subdistrict personnel completed numerous projects related to maintenance and operation needs, including:

- Repaired maintenance crossing on the River Styx.
- Installed drain tile system at Dam VIII-C.
- Reestablished a section of the maintenance berm and removed several obstructions on the River Styx.
- Replaced toe drain outlets on 7 of the Chippewa dams.
- Resurfaced access road on Dam III-A.


Duck Creek Subdistrict

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

METRICS

ENGINEERING BY THE NUMBERS



- Over **\$31 Million** in Master Plan Construction Projects
- Over **\$1.7 Million** Awarded in Grants
- **20 Partners** in Watershed Management Grants Awarded
- Over **\$2.7 Million** in Reservoir Maintenance
- **4 Shoreline Stabilization Projects Completed** at a Cost of Approximately **\$873,100**



CONSERVATION

Muskingum Watershed Conservancy District works for the preservation and enhancement of healthy sustainable forest and water, along with the conservation of natural resources in such a way that it can still be enjoyed for present and future use by the public.

MORE THAN 1,800 ACRES OF COSHOCTON FOREST PRESERVED

In 2020, American Electric Power (AEP), Western Reserve Land Conservancy (WRLC), Ohio Public Works Commission and MWCD worked together to permanently preserve 1,827 acres of forestland in Linton Township, Coshocton County, Ohio. This land, which had been open for public use for years as part of the Conesville Public Recreation Area, will forever remain open to the public. The permanent conservation of the forest will ensure recreational use for community members and visitors and will continue to contribute to the local economy with tourism revenue.

Utilizing Clean Ohio funding, MWCD and WRLC acquired the property from AEP. The vast natural area is currently open to the public for hiking, birdwatching, nature studies, fishing, hunting and more.

The acquisition of the Coshocton Forest preserved 86 acres of ponds, 161 acres of wetlands, and more than 28,000 linear feet of streams located on the property. The acquisition and preservation of the Coshocton Forest will continue to protect the integrity of these valuable natural resources and sustain their capacity to provide high-quality plant and animal habitat, stormwater mitigation, and water quality protection within the Muskingum River Watershed, among other benefits.

The Coshocton Forest possesses the mixed forest habitat features needed to support diverse wildlife, such as the Indiana bat, Northern long-eared bat, multiple migratory bird species, and a variety of avian focal species for the U.S. Fish and Wildlife Service, including the cerulean warbler, Henslow's sparrow,

bald eagle, and grasshopper sparrow. Hickory trees are one of several dominant hardwood varieties found on the property, as are ash, red and white oaks, cottonwood, aspen, elm, and sycamore.

MWCD will own and manage the property moving forward. The Coshocton Forest will be managed for the preservation and enhancement of healthy sustainable forests and waters, along with the conservation of valuable natural resources. At the same time, the property will be managed to provide and enhance outdoor recreational opportunities for the public to enjoy.



144 ACRES ACQUIRED ADJACENT TO TAPPAN LAKE

In 2020, MWCD completed the acquisition of approximately 144 acres in Stock Township, Harrison County, Ohio. The property is contiguous to currently owned and managed MWCD lands and shares over 1.5 miles of property line with MWCD. The acquisition offers strong water quality and conservation components since the watershed of the property drains into Tappan Lake directly upstream from the raw water intake for the Village of Cadiz.

MWCD has multiple opportunities to implement conservation and recreation measures in line with MWCD's mission, that will further enhance the property for the benefit of the public, enhance source water protection for the raw water intake, and help to protect the overall water quality of Tappan Lake.

MWCD has multiple opportunities to implement conservation and recreation measures in line with MWCD's mission.

MWCD plans to develop a management and restoration plan for the property, which will identify opportunities for the enhancement of healthy sustainable soils, forests, and waters, along with the conservation of valuable natural resources. Additionally, the plan will include opportunities to provide and enhance outdoor recreational opportunities for the public to enjoy.



CONSERVATION PARTNERSHIP

In 2020, MWCD, in partnership with the United States Fish and Wildlife Service (USFWS), completed a wetland restoration project in Mohican Township, Ashland County, Ohio. This project is within the Walhonding Watershed Focus Area which was approved by the Board of Directors through a Memorandum of Understanding in 2019. This high priority project was the product of partnership efforts between the USFWS Partners for Fish and Wildlife Program (USFWS-PFW), MWCD, and the landowner.

This project involved the restoration of 46 acres of wetland in Central Ohio. Prior to restoration, the site was composed primarily of floodplain agricultural land and mature floodplain forest adjacent to the Jerome Fork of the Mohican River. This site is immediately adjacent to Ohio Department of Natural Resources' (ODNR) 1,536-acre Funk Bottoms Wildlife Area, and Ashland County Park District Hopkins Landing Park.

Restoration on this site will provide increased connectivity between habitats in this area and contribute toward a large, landscape-scale restoration effort in the area. Restored, this site will provide tremendous habitat for migratory birds seasonally including countless species of migratory shorebirds and waterfowl.

This restored wetland complex will significantly increase water quality in the river by absorbing excess nutrients and sediment and will provide flood protection during high flow events. The restored wetland includes in-line water control structures to facilitate seasonal water level management, which will provide diverse habitat and critical food resources for waterfowl and shorebirds as they migrate through the area. This site falls within the Walhonding River Watershed, a USFWS-PFW defined focus area for critical habitat restoration.

As part of this project, USFWS-PFW worked with the landowner, MWCD, and other partners to restore hydrology on most of the agricultural acres. This was completed through the construction of two low-level earthen berms and incorporation of multiple in-line water control structures. Additionally, several nesting mounds and associated micro pools were constructed to increase habitat diversity on the site, providing resources for nesting and loafing waterfowl, as well as reptiles and amphibians using the site.

PARTNERSHIP CONTINUES TO BE SUCCESSFUL

Partnership continues to be successful with cover crop implementation and other best management practices. Through the Cooperative Working Agreement between MWCD and the Ohio Department of Agriculture and partnering with the Soil and Water Conservation Districts within the watershed, approximately

255 landowners were approved for over 27,000 acres of cover crops, totaling approximately \$385,000 of assistance.

Other best management practices under this partnership initiated in 2020 were livestock exclusion fencing implementation as well as education opportunities.

WATER QUALITY SAMPLING

In 2020, recreational water quality sampling occurred at MWCD beaches by MWCD Water Quality staff and the Ohio Lake Management Society – Citizen Lake Awareness and Monitoring program. Approximately 100 sampling events for E. coli and

32 sampling events for HAB/toxin were analyzed during the recreational season. In addition, 22 sampling events were analyzed for HAB/toxin at MWCD lakes without beaches, expanding routine monitoring efforts to include all 10 MWCD Lakes.

CONVENTIONAL OIL & GAS WELLS

In 2020, MWCD, in partnership with the ODNR's Division of Oil and Gas Resources Management completed the plugging of an orphan gas well at Seneca Lake Park. The high priority orphan well, located in the lake, was successfully plugged and abandoned utilizing funding under the ODNR's Orphan Well plugging program.

The MWCD owned Judge James gas well also located at Seneca Lake Park was successfully plugged in early 2020.

In the fall of 2020, a conventional oil and gas well located on the recently acquired 144-acre property in Harrison County was plugged and abandoned. The plugging operation, which was overseen by ODNR was successful. MWCD staff worked in conjunction with the plugging operator regarding reclamation efforts. This is the first of multiple restoration opportunities for this property, enhancing the water quality flowing into Tappan Lake.

CONSERVATION BY THE NUMBERS



- **1,971** Acres of Public Lands Added
- **4** Reforestation Projects Completed
- **2** Water Quality Modeling Efforts Funded
- **3** Oil and Gas Well Plugging Projects Completed
- Over **650** Acres of Timber Stand Improvement Projects Completed
- Approximately **2,000** Trees Planted
- Over **50** Miles of Outer Boundary Marking Completed





RECREATION

Recreation is an activity done for enjoyment when one is not working. Even during this challenging time, Muskingum Watershed Conservancy District staff worked steadfastly to offer different activities, new programs and trails within our district for the public's recreational entertainment.

RECREATION: A YEAR IN REVIEW

Despite the limitations to holding events set by COVID-19 safety guidelines, many activities were offered throughout the District. Staff worked diligently to ensure that programs followed the appropriate guidelines. In 2020, staff planned and implemented 37 guided kayak tours, 20 day camps for kids, and 10 Movies at the Lake, plus many more smaller activities each weekend following the campground reopening.

Ranger Day was a new event that took place at four locations in 2020. Ranger Days provided an opportunity for MWCD Rangers and partner law enforcement agencies to engage with the community and build positive relationships. The events were successful with an estimated attendance of 400 people. Children were treated to sticker badges, candy, coloring books, home fingerprint kits, and the opportunity to engage in several activities including an obstacle course wearing drunk goggles to highlight the difficulty of maneuvering while impaired. Local police departments and County Sheriff Offices, including a few K-9s joined the fun.

New hiking trails were added at Clendening and Pleasant Hill Lakes. The Eagle Bay Trail, near Clendening Lake Marina, is a 1.35-mile natural surface trail that follows an old road along the shoreline and offers spectacular views of the water. The Sycamore Trail, at Pleasant Hill Lake Park, is a 1.12-mile natural surface trail that winds through the sycamore and white pine forests offering the park's first hiking only trail sections.

The Ohio Parks and Recreation Association recognized MWCD with its 1st place award in the Natural Resources & Conservation category for the Tuscarawas River Water Trail project.

The Tuscarawas River Water Trail was officially designated by the Ohio Department of Natural Resources on August 14, 2020. The water trail begins in Summit County and flows south through Stark, Tuscarawas, and Coshocton Counties before joining the Walhonding River near the City of Coshocton to form the Muskingum River. The Tuscarawas River Water Trail is a 112.5-mile-long stretch of the river which takes paddlers through the center of urban living to the peaceful rural escapes while passing historical sites and natural landscapes along the way. The Tuscarawas River Water Trail meets up with the 112-mile-long Muskingum River Water Trail in the City of Coshocton, for a total of 224.5 miles of designated water trail. The Tuscarawas River is a community resource and tourist destination, attracting paddlers from around the region and state.

Continued



During 2020, MWCD Rangers issued 183 citations for a variety of violations and completed 147 Criminal Incident Reports and 83 Non-Criminal Incident Reports. The Rangers stayed extremely busy throughout the year and limited their enforcement efforts to reactive enforcement due to the COVID pandemic. The Rangers were making contacts for immediate public safety or security issues for most of the camping season.

MWCD Rangers received a Silver Recognition Award by the Lexipol Connect Recognition Program for their implementation of key metrics that have contributed to effective public safety

policy management techniques. A new program, the Connect Recognition Program is designed to help public safety agencies address the critical need to achieve excellence in policy and training management procedures.

MWCD Ranger Specialist Matt Mayer received a Lifetime Achievement Award by Ohio Attorney General Dave Yost in September of 2020 for more than 30 years of service. Prior to joining MWCD, Ranger Mayer spent nearly three decades working for the Richland County Sheriff's Office.

METRICS

RECREATION BY THE NUMBERS



- **10.8% Increase in Attendance**
- **3,925,287 Total Attendance**
- **3,685,726 Individuals Attended MWCD Parks**
- **239,561 Individuals Attended MWCD Marinas**
- **27,210 Reservations**
- **\$10,005,710.71 in Revenue**

COTTAGE SITE LEASE PROGRAM BY THE NUMBERS

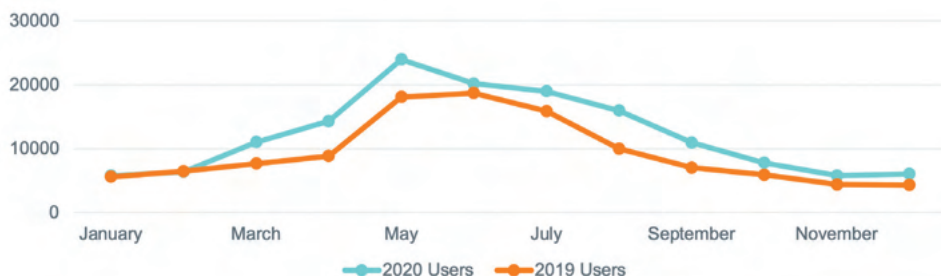


- **1,204 Cottage Sites**
- **Over 300 Construction Permits**
- **Over 200 Tree Permits**
- **Over 90 Inspections**
- **More than 100 Docking Construction Permits**
- **Over 3,500 Docking Decals Processed**

2020 MARKETING – WEBSITE DATA

AUDIENCE OVERVIEW 2020 vs 2019

USERS



SESSIONS, PAGEVIEWS AND BOUNCE RATE COMPARISON

Bounce Rate compared to industry standard – 55% Average

SESSIONS

↑ 12.23%

215,700 vs 192,189

PAGEVIEWS

↑ 14.84%

425,313 vs 370,352

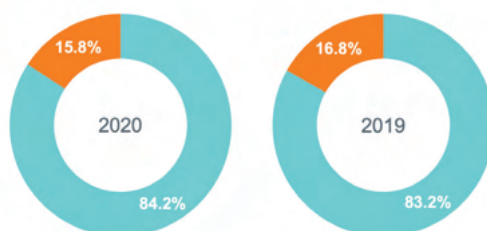
BOUNCE RATE

↓ -2.46%

67.38% vs 69.09%

NEW VS RETURNING VISITORS

■ New Visitor ■ Returning Visitor



LOCATION

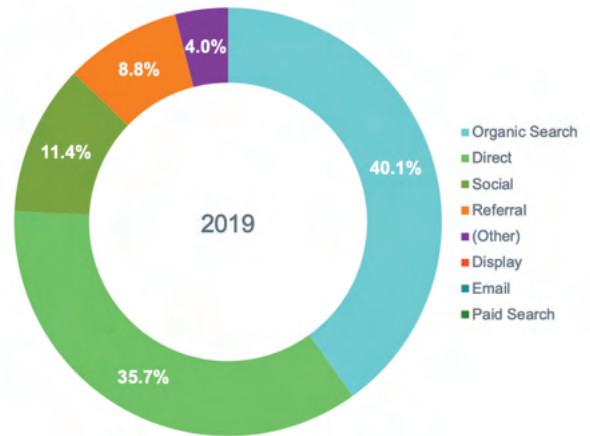
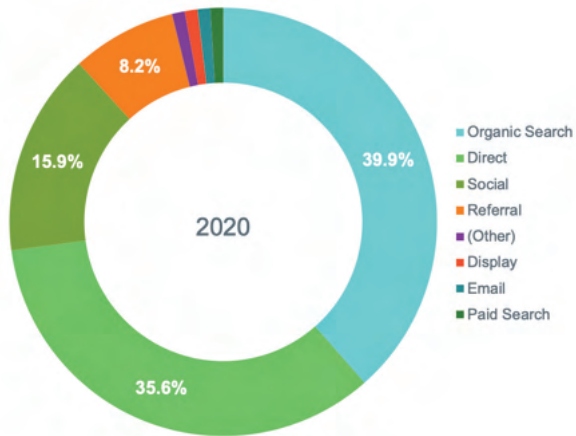
CITY 2020 vs 2019

	% Change	2020 Users	2019 Users
Columbus	↑ 1.81%	10,841	10,648
Not Set	↑ 52.14%	10,779	7,085
Cleveland	↑ 341.69%	7,173	1,624
Pittsburgh	↓ -1.71%	4,190	4,263
New Philadelphia	↓ -3.25%	4,106	4,244
Cincinnati	↓ -3.93%	3,866	4,024
Mansfield	↑ 67.39%	3,105	1,855
Massillon	↑ 74.52%	2,829	1,621
Canton	↑ 17.30%	2,814	2,399
Dover	↑ 16.90%	2,698	2,308

STATE 2020 vs 2019

	% Change	2020 Users	2019 Users
Ohio	↑ 42.73%	89,898	62,986
Pennsylvania	↑ 24.11%	13,941	11,233
Michigan	↑ 78.47%	3,962	2,220
West Virginia	↑ 31.51%	3,339	2,539
New York	↑ 14.30%	2,614	2,287
Massachusetts	↑ 911.72%	2,418	239
Illinois	↓ -53.87%	2,166	4,695
Virginia	↑ 20.19%	1,911	1,590
Not Set	↑ 196.02%	1,489	503
Florida	↑ 30.20%	1,233	947

ACQUISITION



RECAP 2020

SESSION - PAGE VIEWS - BOUNCE RATE

SESSIONS

↑12.23%

215,700 vs 192,189

PAGEVIEWS

↑14.84%

425,313 vs 370,352

BOUNCE RATE

↓-2.46%

67.38% vs 69.09%

ACQUISITIONS

TOP CHANNEL

39.90%

ORGANIC SEARCH

TOP REFERRAL

↑29,569.49%

M.FACEBOOK.COM

MOBILE

↑48.16%

79,856 vs 53,897

NEW VISITOR

↑34.18%

131,313 vs 97,861

RETURNING VISITOR

↑25.46%

24,714 vs 19,699

OHIO LAKES | CAMPING | WATER CONSERVATION | MUSKINGUM WATERSHED

↑32.58%

112,721 vs 85,018

METRICS

MARKETING BY THE NUMBERS

- 7 Televised News Segments and Features
- 58,367 Facebook Likes
- 59,000 Facebook Followers
- 2 Awards
- 18 Affiliated Organizations

RANGERS BY THE NUMBERS

- 15,023 Call Records Entered
- 4,321 Campground Checks
- 2,819 Cottage Area Checks
- 102 Calls to Assist Other Agencies
- Only 4 Critical Incidents
- 12 Missing Persons Searches
- 6 Injured Persons Assistances
- 35 Medical Assistance Cases





HUMAN RESOURCES

As valued assets, Muskingum Watershed Conservancy District employees continue to go above and beyond their normal duties to ensure the safety of their counterparts, our campers and guests as well.

HUMAN RESOURCES: A YEAR IN REVIEW

MWCD employed 118 full-time team members in 14 different facilities located in 8 different counties throughout Ohio during 2020. Another 179 seasonal/variable employees worked at our facilities during the summer months to serve our customers during the recreational season. The impacts of COVID-19 required all MWCD employees to go above and beyond their normal job duties to ensure the safety of not only MWCD employees, but our guests and campers as well. The Human Resources (HR) group includes HR staff, Information Technology, Safety, the Main Office Building, Front Desk and Fleet.

During 2020, a wellness nurse conducted monthly visits to

each MWCD park, marina, and office to meet with employees and discuss ways to improve their health and well-being. New for 2020, most of these visits were virtual or telephonic due to COVID-19. Although employees missed the in-person interaction, participation was equal or higher than previous years at most locations.

Two in-person health fairs were held in October that served as the kickoff of the new wellness year. Both 2020 health fair days were hosted at the MWCD Main Office Annex location and employees from the Main Offices, parks and marinas were invited to participate on either day that aligned with their schedule.

METRICS

HUMAN RESOURCES BY THE NUMBERS



- 8 Locations with No Recordable Incidents
- 0 COVID-19 Cases Recorded as Work Related
- 45 Staff Trained in CPR and AED
- 14 Full-Time Positions Filled
- 1,936 New IT Support Tickets Opened
- 1,953 IT Support Tickets Closed





FINANCIAL

The discussion and analysis of the Muskingum Watershed Conservancy District's financial performance provides an overall review of MWCD's financial activities for the year ended December 31, 2020.

The intent of this discussion and analysis is to look at MWCD'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 MWCD's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2020 are as follows:

- Net position increased \$5,026,679 as a result of current year operations.
- Outstanding debt decreased from \$655,264 to \$580,744 through principal payments.
- Capital Assets increased \$30,697,597 as a result of an increase in Park Master Plan projects.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – required supplementary information, 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 MWCD. The statement of net position represents the basic statement of position for MWCD. 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 MWCD 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. To see the complete financial report which includes the notes to the financial statements, go to www.mwcd.org, or the Auditor of State website at www.ohioauditor.gov.



MUSKINGUM WATERSHED CONSERVANCY DISTRICT

Tuscarawas County, Ohio Management's Discussion and Analysis For the Year Ended December 31, 2020

FINANCIAL ANALYSIS OF THE CONSERVANCY DISTRICT AS A WHOLE

MWCD is not required to present government-wide financial statements as MWCD 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 MWCD's condensed financial information for 2020 and 2019 derived from the statement of net position and the statement of revenues, expenses, and changes in net position.

	2020	2019
Assets		
Current and Other Assets	\$ 75,848,891	\$ 102,883,037
Capital Assets, Net	184,149,609	153,452,012
Total Assets	\$ 259,998,500	\$ 256,335,049
Deferred Outflows of Resources		
OPEB	\$ 1,195,451	\$ 609,790
Pensions	1,658,426	4,567,033
Total Deferred Outflows of Resources	\$ 2,853,877	\$ 5,176,823
Liabilities		
Current Liabilities	\$ 3,165,887	\$ 5,805,030
Long-Term Liabilities	19,848,231	24,378,237
Total Liabilities	\$ 23,014,118	\$ 30,183,267
Deferred Inflows of Resources		
OPEB	\$ 1,231,635	\$ 82,993
Pensions	2,626,745	292,412
Total Deferred Inflows of Resources	\$ 3,858,380	\$ 375,405
Net Position		
Net Investment in Capital Assets	\$ 182,228,174	\$ 148,796,292
Restricted	11,557,807	12,309,677
Unrestricted	42,193,898	69,847,231
Total Net Position	\$ 235,979,879	\$ 230,953,200

The net pension liability (NPL) is the largest single liability reported by MWCD at December 31, 2020 and is reported pursuant to GASB Statement 68, Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27. The net other postemployment benefits (OPEB) liability is reported pursuant

to GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of MWCD's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability or net OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal MWCD's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service.
2. Minus plan assets available to pay these benefits.

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, MWCD is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and

MUSKINGUM WATERSHED CONSERVANCY DISTRICT

Tuscarawas County, Ohio

Management's Discussion and Analysis For the Year Ended December 31, 2020

approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan as against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, MWCD's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's change in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

During 2020, net position increased \$5,026,679 which is attributable to increases in the capital assets resulting from the Park Master Plan implementation. The decrease in current

and other assets is mainly attributable to a decrease in cash and investments due to capital asset projects and Park Master Plan.

Capital assets increased due to a number of ongoing and completed construction projects. Over 50 projects were completed during 2020, the largest of which were Seneca Marina Point Campground Phase 1, Pleasant Hill Cabins, Charles Mill Campground Phase 2, Piedmont Campground Phase 2, and Tappan Campground Phase 2. Park Master Plan projects continued at a similar pace to 2019, and as such construction in progress totaled approximately \$27.5 million as of December 31, 2020. Major projects are on-going at each major park.

Short term liabilities decreased as of December 31, 2020 as a direct relation to the timing of the payments on Park Master Plan projects. Contracts payable decreased approximately \$2.4 million from the prior year.

In order to further understand what makes up the changes in net position for the current year, the table on the following page gives readers further details regarding the results of activities for 2020 and 2019.



MUSKINGUM WATERSHED CONSERVANCY DISTRICT

Tuscarawas County, Ohio Management's Discussion and Analysis For the Year Ended December 31, 2020

	2020	2019
Operating Revenue		
Timber Sales	\$ 301,058	\$ 363,081
Pine-Pulpwood Sales	104,765	35,859
Mineral Rights and Royalties	9,357,536	20,531,831
Share Crop Lease	164,483	77,692
Cottage Sites	3,081,380	2,997,224
Marina Operations	2,636,003	2,368,442
Fishing Rights	62,646	62,647
Marina Camping	476,289	380,662
Water Sales	288,074	31,427
Beach Facilities	172,433	153,775
Water and Sewer Systems	111,498	107,168
Vacation Cabin	629,099	472,730
Park Camping	6,412,511	5,576,922
Admissions - Park Facilities	275,180	189,110
Special Events	9,814	148,142
Miscellaneous Income	401,695	224,114
TOTAL OPERATING REVENUES	\$ 24,484,464	\$ 33,720,826

Operating Expenses		
Water Sales	\$ 67,500	\$ 161,491
Water Quality	581,772	698,199
Vehicles and Equipment	361,898	508,840
Dam Safety/Upgrades	490,610	4,289,605
Boundary Survey	93,196	91,141
Conservation	174,259	172,700
Reservoir Maintenance	43,830	90,014
Information Systems/Technology	703,375	685,541
Shoreline Protection	263,646	125,617
Share Crop	42,556	41,508
Mineral Operation	284,627	346,748
Watershed Management	525,043	495,061
Beach Facilities	127,688	235,639
Office Building	253,557	284,385

Continued

	2020	2019
Administrative and Finance	\$ 2,762,078	\$ 2,578,618
Engineering	300,079	423,773
Planning and Development	220,195	302,373
GIS and Parcel Development	240,954	258,982
Forestry Maintenance	265,449	289,508
Park Camping	2,904,894	2,992,654
Park Master Planning	2,177,095	2,301,419
Cottage Sites and Clubs	1,444,585	1,507,737
General Park Facilities	3,951,472	4,437,194
Vacation Cabin	215,686	110,591
Marina Operation	1,954,931	2,361,512
Water and Sewer System	760,595	941,968
Lake Patrol Operation	716,404	663,629
Education and Public Information	109,942	187,748
Safety	181,558	221,097
Recreation Maintenance	16,899	55,466
Parks - Special Events	53,354	179,651
Partners in Watershed Management	1,968,247	503,453
Sediment Removal	67,968	21,211
Depreciation	7,480,891	5,706,944
TOTAL OPERATING EXPENSES	\$ 31,806,833	\$ 34,272,017

OPERATING INCOME (LOSS)	\$ (7,322,369)	\$ (551,191)
--------------------------------	-----------------------	---------------------

Non-Operating Revenues (Expenses)		
Maintenance Assessments	\$ 5,986,634	\$ 6,156,949
Grants	4,379,378	1,263,146
Interest on Investments	2,029,896	3,572,264
Debt Retirement - Interest	(46,860)	(50,391)
TOTAL NON-OPERATING REVENUES (EXPENSES)	\$ 12,349,048	\$ 10,941,968
CHANGE IN NET POSITION	\$ 5,026,679	\$ 10,390,777

MUSKINGUM WATERSHED CONSERVANCY DISTRICT

Tuscarawas County, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2020

The decrease in operating revenue is mainly the result of decreases in oil and gas activity in 2020. The oil and gas activity decreased by approximately \$11.1 million or 54%, in 2020. The decrease in oil and gas activity is a result of declining commodity prices due in part to COVID shutdowns and global economic conditions in the oil and gas market. Included in the oil and gas revenue in 2020 is the third of three payments for the undeveloped land at Seneca Reservoir totaling approximately \$2.3 million. While COVID affected oil and gas activity negatively, park and marina revenue were strong in 2020 and was led by park camping, which increased 15% over the prior year. Once the parks and marinas were permitted to be open, we saw high demand for our services and all line items with the exception of special events surpassed prior year numbers. Due to COVID, all of the firework shows were cancelled, as well as the Alive Music Festival, which led to the special event revenue being significantly lower in 2020. Reservations for the 2021 season are strong; it is evident that there is continued demand for our renovated camp sites and amenities.

Most operating expenses trended down in 2020. Management response to the COVID pandemic was to put cost control measures in place including a hiring freeze, a freeze on capital spending and travel along with other operational considerations; the following highlight some of the main changes:

- Dam safety/upgrades decreased approximately \$3.8 million in 2020 which was due to no payment request on the two active projects with the U.S. Army Corps of Engineers, those projects are the Zoar Levee and Mohawk Dam. Payments were made on these projects in 2019.
- Partners in Watershed Management (PWM) increased approximately \$1.4 million or 291% during 2020 and is a result of the timing of requests for reimbursement through this program. PWM grants are awarded approximately \$500,000 per year, however, payment requests are not always received along the same schedule.
- Depreciation expenses increased approximately \$1.7 million in 2020 due to the completion of several large Park Master Plan projects totaling almost \$35 million.

Grant Revenue increased \$3.1 million which was the result of a large Clean Ohio grant in the amount of \$4,000,000 for the purchase of land at Wills Creek Reservoir. Interest revenue decreased approximately \$1.5 million due to declining interest rates and declining cash balance throughout 2020.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2020, MWCD had \$184,149,649 of capital assets net of accumulated depreciation. The following table shows 2020 balances compared with 2019:

	2020	2019
Land	\$ 8,797,691	\$ 3,952,538
Capitalized Development Costs	1,189,496	1,189,495
Construction in Progress	27,540,659	28,597,918
Land Improvements	60,532,284	49,499,533
Buildings	29,643,262	21,596,515
Building Improvements	2,983,201	3,148,478
Furniture, Fixtures and Equipment	2,797,753	2,730,343
Vehicles	293,234	421,933
Infrastructure	50,372,029	42,315,259
TOTALS	\$ 184,149,609	\$ 153,452,012

Debt

The outstanding debt for MWCD as of December 31, 2020 was \$580,744 with \$77,419 due within one year. The following table summarizes MWCD's debt outstanding as of December 31, 2020 and 2019:

	2020	2019
OWDA #2162 - 5.56%	\$ 128,897	\$ 161,404
OWDA #5413 - 0%	85,000	94,444
OWDA #5575 - 3.25%	350,914	381,981
OWDA #5558 - 3.25%	15,933	17,435
TOTALS	\$ 580,744	\$ 655,264

CURRENT ISSUES

COVID19 was the potential game changer in 2020. With the pandemic hitting in the first quarter of the year and the Governor of the State of Ohio ordering a temporary shutdown of the state, MWCD was forced to temporarily shut down most of its operations, including the parks and marinas. The potential financial and operational impacts of this shut down were reviewed to determine the appropriate actions that may be necessary for

MUSKINGUM WATERSHED CONSERVANCY DISTRICT

Tuscarawas County, Ohio

Management's Discussion and Analysis For the Year Ended December 31, 2020

the organization to take. The initial action was to determine the potential revenue impact based off various scenarios of when facilities may be able to open. More importantly, MWCD was able to implement some cost control measures to reduce spending such as: a hiring freeze, equipment and vehicle acquisitions, travel, and other operational and capital expenses. The initial loss revenue projections for park and marina operations were nearly \$2 million. In addition, the impact of the Oil and Gas – Utica Shale royalty revenue was nearly \$3 million. As things began to open back up in the State in early May, MWCD was able to begin opening its park campgrounds and marina facilities. As the year wrapped up, the potential loss revenue that was projected early on did not materialize, however, the impact of the Utica Shale was approximately \$2.3 million. So, overall, financially, MWCD fared well in its recreational revenue stream for 2020 while being able to control and maintain expenses.

The Utica Shale activity in Ohio has presented MWCD with opportunities to utilize its natural resources. As of December 31, 2020, MWCD received royalties from 92 producing Utica wells and further income in the form of delay rental payments for non-producing acreage. Oil and gas leases covering Leesville, Clendening, and Seneca reservoirs currently have producing wells and development around these reservoirs is expected to continue into 2021 and beyond. With over 15,000 additional acres available for lease in key areas of the Utica Shale, MWCD will continue to evaluate and analyze future opportunities to participate in responsible development and recovery of its resources.

Phase 1 of the \$130 million Park and Marina Master Plan continued in 2020 with over \$32 million spent as it neared completion. The significant projects that were included in 2020 which touched each of the major parks and marinas included Atwood Main Campground – Phase 2, area 9; Charles Mill Main Campground Redevelopment – Phase 3, Area C, Pleasant Hill – Vacation Cabins, Seneca Park, Marina Point Campground Redevelopment Phase 2, and Piedmont Marina – Wastewater Treatment Plant, just to name a few.

Phase 2 of the Master Plan, with an allocation of \$65 million, is kicking off with a scaled back \$13.5 million budget for 2021. Projects included are continued campground improvements, infrastructure improvements, and a considerable emphasis being placed on park amenities. One of those amenities is a contract with Empire Recreation Management, LLC to provide Aqua Parks

at Atwood and Pleasant Hill Lake Parks. Phase 2 will continue at a similar annual allocation of funds over the next 4+ years.

Also of significance in 2020 was the partnership with the Western Reserve Land Conservancy to acquire 1,827 contiguous acres of land at Wills Creek Reservoir. This acquisition was accomplished as Western Reserve applied, on behalf of MWCD, for Clean Ohio Funding Green Space Conservation Program administered through the Ohio Public Works Commission. This land will continue to be used for numerous conservation, recreation and public use benefits.

Beginning with the 2015 collection year, the Board of Directors approved a 50% reduction in the maintenance assessment collections. This continued again for the 2020 collection year and into 2021. This assessment generates nearly \$6 million to be reinvested into projects and initiatives outlined in the Amendment to the Official Plan. Projects of significance in 2020 were MWCD's continued local sponsorship to the United States Army Corp of Engineers for projects at Mohawk Dam and Zoar Levee. In addition, the dredge project at Seneca Reservoir continued, and nearly \$1.9 million was spent in the Partners in Watershed Management program administered and funded by MWCD to support local community projects. For fiscal year 2021, \$7.1 million has been allocated in the budget in the Maintenance Assessment fund.

Looking into 2021, specifically the first quarter, MWCD has entered into an agreement with the Ohio Water Development Authority (OWDA) to provide financial assistance in the form of interest payments (Interest Subsidy Program) on an OWDA Fresh Water Loan for construction of wastewater projects to OWDA borrowers located within the jurisdictional boundary of MWCD. In addition, there are some financial goals for 2021 including the process to develop a five-year financial forecast for the financial sustainability of the district, while a review of all current revenue streams and the potential for new revenue sources are evaluated. There will also be an overall review of cost efficiencies with an emphasis on centralized and coordinated purchasing, while reviewing all operational costs.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, investors and creditors with a general overview of MWCD's finances and to show MWCD'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 For the Year Ended December 31, 2020

ASSETS	
Current Assets	
Equity in Pooled Cash and Investments	\$ 73,241,463
Accrued Interest	2,428
Accounts Receivable	881,768
Prepays	40,100
Maintenance Assessments Receivable	1,095,847
TOTAL CURRENT ASSETS	\$ 75,261,606

Non-Current Assets	
Capitalized Costs	\$ 587,285
Non-Depreciable Capital Assets	37,527,846
Depreciable Capital Assets, Net	146,621,763
TOTAL NON-CURRENT ASSETS	\$ 184,736,894

TOTAL ASSETS	\$ 259,998,500
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Deferred Outflows of Resources	
OPEB	\$ 1,195,451
Pension	1,658,426
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 2,853,877

LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 481,441
Contracts Payable	221,678
Retainage Payable	1,015,288
Performance Bond Payable	115,163
Due to Other Governments	81,144
Accrued Wages and Benefits	133,582
Accrued Interest Payable	100
Accrued Life Insurance	4,258
Claims Payable	236,000
Advances	598,866
Compensated Absences	111,616
Capital Leases Payable	89,332
OWDA Loans Payable	77,419
TOTAL CURRENT LIABILITIES	\$ 3,165,887

Long-Term Liabilities:	
Compensated Absences - net of current portion	\$ 1,016,150
Capital Leases Payable - net of current portion	115,324
OWDA Loans Payable - net of current portion	503,326
Net OPEB Liability	7,432,835
Net Pension Liability	10,780,596

TOTAL LONG-TERM LIABILITIES	\$ 19,848,231
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TOTAL LIABILITIES	\$ 23,014,118
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DEFERRED INFLOWS OF RESOURCES	
OPEB	\$ 1,231,635
Pension	2,626,745

TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 3,858,380
--	---------------------

NET POSITION	
Net Investment in Capital Assets	\$ 182,228,174
Restricted for Maintenance Assessment	11,557,807
Unrestricted	42,193,898
TOTAL NET POSITION	\$ 235,979,879

Continued



MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Tuscarawas County, Ohio
Statement of Revenues, Expenses and Changes in Net Position • Proprietary Fund
For the Year Ended December 31, 2020

OPERATING REVENUES	
Water Sales	\$ 288,074
Water and Sewer Systems	111,498
Timber Sales	301,058
Pine/Pulpwood Sales	104,765
Mineral Rights and Royalties	9,357,536
Share Crop Lease	164,483
Cottage Sites	3,081,380
Marina Operations	2,636,003
Marina Camping	476,289
Fishing Rights	62,646
Beach Facilities	172,433
Vacation Cabin	629,099
Park Camping	6,412,511
Parks - Special Events	9,814
Admissions - Park Facilities	275,180
Miscellaneous Income	401,695
TOTAL OPERATING REVENUES	\$ 24,484,464

OPERATING EXPENSES	
Water Sales	\$ 67,500
Water Quality	581,772
Vehicles and Equipment	361,898
Dam Safety/Upgrades	490,610
Boundary Survey	93,196
Conservation	174,259
Reservoir Maintenance	43,830
Information Systems/Technology	703,375
Shoreline Protection	263,646
Share Crop	42,556
Mineral Operation	284,627
Watershed Management	525,043
Beach Facilities	127,688
Office Building	253,557
Administrative and Finance	2,762,078
Engineering	300,079

Continued

Planning and Development	\$ 220,195
GIS and Parcel Development	240,954
Forestry Maintenance	265,449
Park Camping Expense	2,904,894
Park Master Planning	2,177,095
Cottage Sites and Clubs	1,444,585
General Park Facilities	3,951,472
Vacation Cabin	215,686
Marina Operation	1,954,931
Water and Sewer System	760,595
Lake Patrol Operation	716,404
Education and Public Information	109,942
Safety	181,558
Recreation Maintenance	16,899
Parks - Special Events	53,354
Partners in Watershed Management (PWM)	1,968,247
Sediment Removal	67,968
Depreciation	7,480,891
TOTAL OPERATING EXPENSES	\$ 31,806,833

OPERATING (LOSS)	\$ (7,322,369)
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NON-OPERATING REVENUES (EXPENSES)	
Maintenance Assessments	\$ 5,986,634
Grants	4,379,378
Interest on Investments	2,029,896
Debt Retirement - Interest	(46,860)
TOTAL NON-OPERATING REVENUES (EXPENSES)	\$ 12,349,048

CHANGE IN NET POSITION	\$ 5,026,679
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NET POSITION - BEGINNING OF YEAR	\$ 230,953,200
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NET POSITION - END OF YEAR	\$ 235,979,879
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MUSKINGUM WATERSHED CONSERVANCY DISTRICT

Tuscarawas County, Ohio

Statement of Cash Flows • Proprietary Fund

For the Year Ended December 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Received from Customers	\$ 24,504,116
Cash Payments to Suppliers for Goods and Services	(11,760,921)
Cash Payments for Employees Services and Benefits	(11,275,212)

NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES **\$ 1,467,983**

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Principal Payments on OWDA Loans	\$ (10,945)
Intergovernmental Grants	8,921
Maintenance Assessments	3,587,008
Interest Paid on Debt	(513)

NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES **\$ 3,584,471**

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Acquisition of Capital Assets	\$ (40,720,381)
Maintenance Assessments	2,429,743
Intergovernmental Grants	4,370,454
Principal Payments on OWDA Loans	(63,574)
Principal Payments on Capital Leases	(128,815)
Interest Paid on Debt	(46,347)

NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES **\$ (34,158,920)**

CASH FLOWS FROM INVESTING ACTIVITIES:

Receipts of Interest	\$ 1,591,536
Payments for purchase of investments	(43,827,868)
Proceeds from Sale of Investments	69,087,134

NET CASH PROVIDED (USED) FOR INVESTING ACTIVITIES **\$ 26,850,802**

Net Increase (Decrease) in Cash and Cash Equivalents \$ (2,255,664)

Cash and Cash Equivalents Beginning of Year \$ 9,224,781

Cash and Cash Equivalents End of Year \$ 6,969,117

Continued

RECONCILIATION OF OPERATING GAIN TO NET CASH USED BY OPERATING ACTIVITIES:

Operating Income	\$ (7,322,369)
<i>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:</i>	
Depreciation	7,480,891
(Increase) Decrease in Assets and Deferred Outflows:	
Capitalized Costs	(80,998)
Accounts Receivable	19,652
Prepays	(40,100)
Deferred Outflows	2,322,946
<i>Increase (Decrease) in Liabilities and Deferred Inflows:</i>	
Accounts Payable	(158,653)
Performance Bond Payable	65,062
Advances	287,943
Claims Payable	41,198
Accrued Wages and Benefits	(254,943)
Accrued Life Insurance	214
Compensated Absences	190,280
Due to Other Governments	(7,082)
Net OPEB Liability	127,455
Net Pension Liability	(4,686,488)
Deferred Inflows	3,482,975

NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES **\$ 1,467,983**

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	\$ 73,241,463
Investments included in balances above that are not cash equivalents	\$ (66,272,346)
Cash and Cash equivalents reported on Statement of Cash Flows	\$ 6,969,117

NONCASH CAPITAL FINANCING ACTIVITIES:

- During 2020, \$71,328 of capital assets were acquired on capital leases.
- At December 31, 2020, the Conservancy District purchased \$1,236,966 in capital assets on account.
- At December 31, 2019, the Conservancy District purchased \$3,850,187 in capital assets on account.

MUSKINGUM WATERSHED CONSERVANCY DISTRICT

Tuscarawas County, Ohio

Total Cash Receipts by Reservoir - 2020

RECREATION OPERATIONS

Total Cash Receipts by Reservoir - 2020

	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	\$ 981,555	\$	\$ 249,662	\$ 2,415,043	\$ 3,658,993
Beach City	1,102						1,102
Bolivar			2,323				2,323
Charles Mill	4,313	4,000	455,457	43,380	97,217	851,229	1,455,596
Clendening	4,195	4,000	4,348		599,418		611,961
Dover							0
Leesville	10,203	4,000	286,973		112,975	105,809	519,960
Kokosing							0
Mohicanville							0
Piedmont	6,135	4,000	253,619		726,053		989,807
Pleasant Hill	10,736	4,000	206,115		68,972	1,426,358	1,716,181
Seneca	7,034	4,000	527,829	31,980	676,031	1,507,128	2,754,002
Tappan	9,133	4,000	342,200		579,560	1,484,190	2,419,083
Wills Creek	1,063		20,961				22,024
TOTALS	\$ 62,647	\$ 32,000	\$ 3,081,380	\$ 75,360	\$ 3,109,888	\$ 7,789,757	\$ 14,151,032

Note: Piedmont Marina, Seneca Marina, Clendening Marina, and Tappan Marina are operated by MWCD.

LAND AND FORESTRY OPERATIONS

Total Cash Receipts by Reservoir - 2020

	Agricultural, Building and Lot-Acres Leased	Land and Building Rentals	Gas, Oil, Stone, Coal	Cash Rent and Sharecrops	Timber	Pulpwood	Totals
Atwood	\$	\$ 18,000	\$ 52,578	\$	\$ 242	\$	\$ 70,820
Beach City	60.35 acres		6,776	7,552			14,328
Bolivar			3,393				3,393
Charles Mill	20 acres	0	10,716	1,300			12,016
Clendening			2,404,279		82,750		2,487,029
Dover			8,459		1,793		10,252
Leesville			1,343,058		136,503	104,765	1,584,326
Mohawk	915.33 acres		9,167	68,281			77,448
Mohicanville							0
Piedmont			22,132				22,132
Pleasant Hill	165.7 acres	4,763	8,070	36,670	77,696		127,199
Seneca		7,300	5,486,468				5,493,768
Tappan	112.78 acres	10	776	2,572			3,358
Wills Creek	551.7 acres	0	1,663	48,107			49,770
TOTALS	\$ 1,825.86	\$ 30,073	\$ 9,357,535	\$ 164,482	\$ 298,984	\$ 104,765	\$ 9,955,839



MAIN OFFICE

1319 Third Street NW
New Philadelphia, OH 44663

MAIN OFFICE ANNEX

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