



State of Idaho

DEPARTMENT OF WATER RESOURCES

900 N. Skyline Dr., Suite A, Idaho Falls, Idaho 83402-1718 - (208) 525-7161 - Fax (208) 525-7177

EASTERN REGION

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

JANUARY 11, 2001

ALETA M. JOHNSON
PO BOX 181
LEADORE ID 83464

WATER DISTRICT #74-W
STREAM: LITTLE TIMBER, BIG TIMBER, HAWLEY, TEXAS & CANYON CREEKS

Dear Mrs. Johnson:

Enclosed herewith is a copy of the watermaster's Annual Report for the past season.

The same has been prepared by the watermaster and approved by this Department in conformity with Sections 42-610, 42-614 and 42-615, Idaho Code.

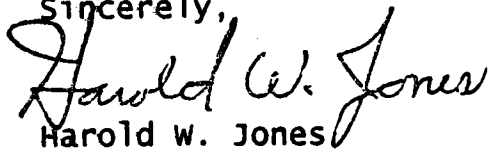
During the 1993 legislative session, the legislature enacted a new law which amends Section 42-619(9), Idaho Code and removes the independent financial audit requirement for most state water districts. The new law, referenced by Section 67-450B, Idaho Code (copy enclosed) identifies minimum audit requirements for all local government entities. Under the new statute, the governing body of any local government entity (i.e.; water district) whose annual budget does not exceed fifty thousand dollars (\$50,000) has no minimum audit requirements under this section. This means that any district which handles its own money and whose budget is fifty thousand dollars (\$50,000) or less does not have to have an independent public account firm conduct a financial audit every few years as previously required by Section 42-619(9).

Please note that only the statutory requirement regarding the independent financial audit has been changed. Districts handling their own fund (i.e.; districts who collect and/or disburse their own funds) must still submit their own statement of the water district's financial affairs at the end of each fiscal year. As recommended in the Department's February 16, 1993 letter and the 1993 watermaster Handbook, a copy of the financial statement may be

submitted either with the annual water masters report or with the minutes of the annual meeting for the ensuing year. An example of an annual financial statement may be found in Appendix C of the 1993 Watermaster Handbook.

The purpose of this letter is to remind all water districts that workers compensation insurance is required for all water district employees. This requirement applies to all water districts in Idaho, regardless of annual budget. Insurance should be applicable at least to all paid water district staff, including the watermaster as well as watermaster assistants, advisory committee, secretary and treasurer. The costs associated with workers compensation insurance is paid directly by the water district and should be considered an expense of the district. For information about obtaining insurance costs etc., please contact the Idaho State Insurance Fund. The State Insurance Fund has offices in Boise, Couer d'Alene, Idaho Falls, Pocatello and Twin Falls. Water Districts are also reminded that all paid water district staff may be subject to state and federal taxes. These tax requirements will vary depending on salaries and total income of each watermaster or employee. In many water districts, particularly smaller districts with part-time staff, payment of watermaster or each employee. Districts may wish to contact the State Tax Commission or the Internal Revenue Service for information about state and federal withholding taxes.

Sincerely,



Harold W. Jones
Water Right Supervisor

HWJ:dn

Enclosure

WATERMASTER'S REPORT

From APRIL 9, 2000 To Oct 31, 2000

RECEIVED
JAN 05 2001

Department of Water Resources
Eastern Region

Water District No. 74-W
Name of Watermaster Dan P. Smith
P.O. Address Box 22 Leadore Idaho 83464

AFFIDAVIT OF WATERMASTER

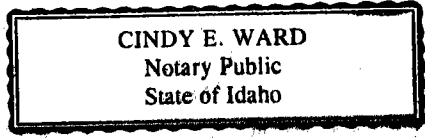
STATE OF IDAHO)
COUNTY OF Lemhi) ss.

Dan P. Smith, being first duly sworn, deposes and says that he is Watermaster of Water District 74 W, having been lawfully appointed by _____, Director, Idaho Department of Water Resources, and that the volumes of water, as stated in this report and prorated by him to the water right holders of the district are correct.

Dan P. Smith
(Deputy) Watermaster District No. 74 W

Subscribed and sworn to before me, this 3rd day of January, 2001

Cindy E. Ward
Notary Public
My Commission expires _____
COMMISSION EXPIRES
May 13, 2006
BOISED TUBI - NOTARY PUBLIC UNDERWRITERS



(SEAL)

Boise, Idaho, _____, 19____

I HEREBY CERTIFY, that Dan Smith was lawfully appointed by me as Water Master of Water District No. 74-W, and that the information contained in this report, as herein sworn to, is, to the best of my knowledge and belief, correct.

Karl Dreher
Director, Department of Water Resources

By [Signature]

	WATER RIGHT OWNER	IDWR WATER RIGHT IDENT No.	DIVERSION NAME / REMARKS
1	JAMES ELLSWORTH C/O CARL ELLSWORTH		
2	JAMES WHITAKER		
3	M.E. SLAVIN		
4	MOORE CREEK RANCH C/O MIKE OVERSAKER	TO KARL TYLER #18	
5	KERMIT PURCELL		
6	FLOYD CLARK C/O BEVA CLARK		
7	CHARLES ISOM	TO KARL TYLER #18	
8	SHIRLEY COLEMAN		
9	FLOYD NILSON C/O KENT BIRD		
10	BILL ROBISON	TO GUARDIAN LIMITED #13	
11	CALVIN J. WHITAKER		
12	MERRILE BEYELER		
13	ROGER BALL C/O GUARDIAN LIMITED		
14	KURT BIRD		
15	RICHARD FOSTER		
16	ALLAN PURCELL		
17	McFARLAND LIVESTOCK		
18	KARL TYLER		
19	RUTH SMITH C/O DAN SMITH		
20	RAY KAGEL		
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