



State of Idaho

DEPARTMENT OF WATER RESOURCES

900 N. SKYLINE DR., SUITE A, IDAHO FALLS, ID 83402-1718

PHONE: (208) 525-7161 FAX: (208) 525-7177 WEB SITE: www.idwr.state.id.us

EASTERN REGION

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

January 12, 2006

Valerie Olson
151 Geertson Ct. Rd
Salmon, ID 83467

WATER DISTRICT #74-A

Dear Ms Olson:

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.

Page 2

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, Coeur 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,

A handwritten signature in cursive script that reads "Dennis M. Dunn". The signature is written in dark ink and is positioned above the printed name.

Dennis M Dunn
Senior Water Right Agent

DMD:jlk

Enclosure

WATERMASTER'S REPORT

From May 1, ~~19~~2006 To Oct 31, ~~19~~2006

Water District No. 74A

Name of Watermaster A. Verdel Olson

P.O. Address 151 Geertson Ct RD - Salmon ID.

RECEIVED

DEC 21 2006

Department of Water Resources
Eastern Region

AFFIDAVIT OF WATERMASTER

STATE OF IDAHO }
COUNTY OF Lemhi } ss.

A. Verdel Olson, being first duly sworn, deposes and says that he is Watermaster of Water District 74A, 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.

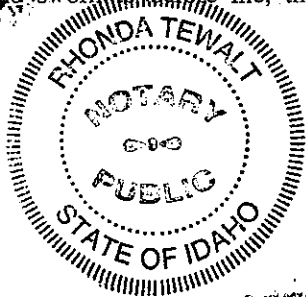
Verdel Olson

(Deputy) Watermaster District No. 74A

Subscribed and sworn to before me, this 18 day of December, ~~19~~2006

Rhonda Jewalt
Notary Public

(SEAL)



My Commission expires 8-25-08

Boise, Idaho, 16 January 2007, ~~19~~

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

Dax Tuttle

Director, Department of Water Resources

By Dennis M. Dunn

WATER RIGHT OWNER

IDWR
WATER RIGHT
IDENT No.

DIVERSION NAME / REMARKS

Joe Tonsmeire

74-00001-1805

Verdell Olson

74-00008B-10062-0833

Dave Antonelli

74-000084-00687

Dale Jolley

74-00002-00005-00845-01669

Dick Santols

74-00009-00515

Bert Jefferies

74-02200

Ramuldo Marten

74-00007-00006-02272-00624-00918

Vergil Olson

74-00003

