



## State of Idaho

# DEPARTMENT OF WATER RESOURCES

Southern Region, 1341 Fillmore Street, Suite 200 • Twin Falls, Idaho 83301-3380

Phone: (208) 736-3033 • Fax: (208) 736-3037 • Web Site: [www.idwr.idaho.gov](http://www.idwr.idaho.gov)

C. L. "BUTCH" OTTER  
Governor

DAVID R. TUTHILL, JR.  
Director

February 26, 2008

Don Gunderson  
1047 E 1000 S  
Albion, ID 83311

RE: Water District 45-F, Marsh Creek & Tributaries

Dear Don;

Now that I understand that the figures in Column 3 of your 2007 watermaster's report (adopted budget) are NOT from the adopted budget at all, but are in fact the adjusted-billing amounts from last spring, I at least know what I am looking at. Using Grant Clark as an example, it looks like his 2006 adopted-amount was \$481.35; but he used \$977.74 worth of water, leaving a debit of \$496.39. His 2007 adopted-budget amount was \$667.65; with his debit, he should have been billed \$1164.04. But Mr. Clark was billed \$1003.96, representing a loss of \$160.08 to your district.

I have no training as an accountant, so I certainly don't claim to be one. But if I understand what I am looking at, \$16,538.76 was due from your district water users last spring (plus a debit of \$2104.77 from 2006). So it appears that bills totaling \$18643.53 should have been sent out after last year's water meeting. But the approved budget billing sheet shows a total of \$15,258.79 due from the water users (not adjusted for \$80.05 in refunds). If I am thinking correctly, the users were underbilled by about \$3400! And now they owe another \$1738.27 above what was due under the adopted budget.

It appears that there is a major problem with the bookkeeping methods used by your district, as the water users are being charged much less than they have agreed to pay for watermaster services. It may be worth the expense to have your financial records formally audited in order to locate the problem. I am not suggesting that anything illegal is going on, as I am not qualified to make that determination. But something is just not adding up; I don't worry about a few cents here and there, but these discrepancies are too large to ignore.

I have checked your Total Cost figures based on the amounts of water delivered and your cost per unit delivered, and these amounts appear to be correct. If the district is going to take in all the money voted on at the 2007 water meeting, the users will end up with smaller credits and larger debits than would have been the case if the bills that were sent out last year had been based on the actual adopted budget. I still do not know what the bills were actually based on.

I hope I was correct in approving your 2007 report. I think we have both done all we could at this point in the process. Hopefully your district can resolve these issues before the next report is due.

Regards,

James E. Stanton  
Sr. Water Resource Agent