

Sherman J. Preece  
Auditor

THE STATE OF UTAH  
Office of the State Auditor  
Salt Lake City, Utah

August 22, 1962

Mr. Wayne D. Criddle  
State Engineer  
State Capitol

Dear Mr. Criddle:

Re: River Distribution Trust Funds

The suggested plan for handling the deposit and disbursement of the River Distribution Trust Funds is to make the State Treasurer the depository of the money instead of a local bank. Your office would maintain all the necessary record-keeping for each river system as you do at present. The State Treasurer would be your banker.

Your office would make all purchases and hire all personnel so there would be no interference with the efficient operation of the various river systems in accord with the desires of the respective river committees.

Your office would make all deposits of assessments with the State Treasurer as your bank. You would have warrants printed in lieu of the checks you use now. These warrants would be drawn on the State Treasurer. You would pay the obligations and payrolls of the river systems with these documents, which as far as the recipient is concerned are checks and all banks cash them as they do the regular state warrants.

The banks will send these warrants through normal clearing channels for payment by the State Treasurer. For all practical operation there would be no difference except the Treasurer would be your banker.

Any assessment checks returned for nonpayment would have to be handled by your office as the bank would return them to the Treasurer and he would request their redemption. You probably would have to establish a small revolving fund for the purpose.

This method of handling your funds would be identical to that in use for many years for the State Insurance Fund, Firemen's Pension Fund, Combined Injury & Benefit Fund, and five different funds of the Department of Employment Security.

The State Treasurer will give you a statement at the end of each month showing funds received, warrants redeemed and his balance. He would surrender the paid warrants to you for your reconciliations.

Cordially,

SHERMAN J. PREECE  
State Auditor

SJP:dg

cc: The Honorable George D. Clyde, Governor  
The Honorable Sharp M. Larsen, State Treasurer  
Board of Examiners  
Commission of Finance, Attention: Mr. Clair R. Hopkins, Chairman

C O P Y