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Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2010

Open to Public Inspection

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

Header section containing organization name (MUD LAKE WATER USERS INC), EIN (82-0151745), address (TERRETON ID 83450), and other identifying information.

Part I Summary

Table with 19 rows detailing financial information: 1. Mission statement; 2-7. Governance & Activities; 8-12. Revenue; 13-19. Expenses; 20-22. Net assets and liabilities.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of officer: Gerald Messerli, Pres. Date: Mar 11 2011.

Paid Preparer Use Only: Print/Type preparer's name (Lyle M Simmons), Date (02-25-2011), Firm's name (SCHWENDIMAN SUTTON & SIMMONS PLLC), and Firm's EIN.

May the IRS discuss this return with the preparer shown above? (see instructions) Yes [ ] No [X]

SCANNED APR 01 2011

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**Part III** Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission:

MAINTAIN THE CANALS AND PROVIDE IRRIGATION WATER TO THE HOMES AND FARMS ALONG THE CANAL.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code ) (Expenses \$ 1,070,394 including grants of \$ ) (Revenue \$ 1,212,790 )

SEE ATTACHMENT #1

4b (Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4c (Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses ▶ \$ 1,070,394

Part IV Checklist of Required Schedules

Table with 3 columns: Question, Yes, No. Rows include questions about Schedule A, B, C, D, E, F, G, H and various organizational details. Includes 'N/A' entries for questions 4, 5, and 20b.

Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J		X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? N/A		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? N/A		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? N/A		
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I.		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1		X
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?		X
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

Table with columns for question number, description, sub-questions (1a-14b), Yes/No checkboxes, and numerical responses. Includes questions about Form 1096, Form W-2G, Form W-3, Form 8886-T, Form 8282, Form 8899, Form 990, Form 1041, and Form 720.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O See instructions

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

Table with columns for question number, description, and Yes/No checkboxes. Questions include: 1a Enter the number of voting members... 1b Enter the number of voting members included... 2 Did any officer, director, trustee, or key employee have a family relationship... 3 Did the organization delegate control over management duties... 4 Did the organization make any significant changes to its governing documents... 5 Did the organization become aware during the year of a significant diversion of the organization's assets... 6 Does the organization have members or stockholders... 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body... 7b Are any decisions of the governing body subject to approval... 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? b Each committee with authority to act on behalf of the governing body? 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with columns for question number, description, and Yes/No checkboxes. Questions include: 10a Does the organization have local chapters, branches, or affiliates? 10b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? 11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990. 12a Does the organization have a written conflict of interest policy? If "No," go to line 13 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done 13 Does the organization have a written whistleblower policy? 14 Does the organization have a written document retention and destruction policy? 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? 15a The organization's CEO, Executive Director, or top management official 15b Other officers or key employees of the organization 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed NONE
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available Check all that apply
Own website Another's website Upon request
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: SEE ATTACHMENT #2

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response to any question in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organizations compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		INDIVIDUAL	DIRECTOR	INSTITUTIONAL	OFFICER	KEY EMPLOYEE	HIGHEST COMPENSATED			
GERALD MESSERLI PRESIDENT	2.00				X			1,165	0	0
DALLAS FURNESS VICE PRESIDENT	1.00				X			0	0	0
KEITH SHULDBERG DIRECTOR	1.00	X						0	0	0
LYNN WOOD DIRECTOR	1.00	X						0	0	0
KEN HALL DIRECTOR	1.00	X						0	0	0
ROY YEARSLEY DIRECTOR	1.00	X						0	0	0
DAVID BURTEISHAW DIRECTOR	1.00	X						0	0	0
SHAUN GROVER MANAGER	40.00					X		41,439	0	0
PETER FISHER SECRETARY	40.00					X		17,565	0	0

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)							(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		I N D I V I D U A L	D I R E C T O R	T R U S T E E	O F F I C E R	K E Y E M P L O Y E E	H I G H E S T C O M P L O Y E E	F O R M E R			
<b>1b Sub-total</b>								60169	0	0	
<b>c Total from continuation sheets to Part VII, Section A</b>											
<b>d Total (add lines 1b and 1c)</b>								60169	0	0	

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization ▶

	Yes	No
<b>3</b> Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
<b>4</b> For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual		X
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ▶

Part VIII		Statement of Revenue		(A)	(B)	(C)	(D)	
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514	
OTHER CONTRIBUTIONS SIMILAR AMOUNTS	1a	Federated campaigns . . . . .	1a					
	b	Membership dues . . . . .	1b					
	c	Fundraising events . . . . .	1c					
	d	Related organizations . . . . .	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, & similar amounts not included above . . . . .	1f					
	g	Noncash contributions included in lines 1a-1f	\$					
<b>h Total.</b> Add lines 1a-1f . . . . . ▶								
PROGRAM SERVICE REVENUE	2a ASSESSMENT CHARGES		Business Code	1,170,448	1,170,448			
	b STORAGE WATER			13,957	13,957			
	c							
	d							
	e							
	f All other program service revenue							
	<b>g Total.</b> Add lines 2a-2f . . . . . ▶				1,184,405			
OTHER REVENUE	3 Investment income (including dividends, interest, and other similar amounts) . . . . . ▶			1,058	1,058			
	4 Income from investment of tax-exempt bond proceeds . . . . . ▶							
	5 Royalties . . . . . ▶							
	6a Gross Rents . . . . .		(i) Real	(ii) Personal				
	b Less: rental expenses		3,000					
	c Rental income or (loss)		3,000					
	<b>d Net rental income or (loss)</b> . . . . . ▶			3,000	3,000			
	7a Gross amount from sales of assets other than inventory . . . . .		(i) Securities	(ii) Other				
	b Less cost or other basis and sales expenses . . . . .							
	c Gain or (loss) . . . . .							
	<b>d Net gain or (loss)</b> . . . . . ▶							
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .		a					
	b Less direct expenses . . . . .		b					
	<b>c Net income or (loss) from fundraising events</b> . . . . . ▶							
	9a Gross income from gaming activities. See Part IV, line 19 . . . . .		a					
b Less direct expenses . . . . .		b						
<b>c Net income or (loss) from gaming activities</b> . . . . . ▶								
10a Gross sales of inventory, less returns and allowances . . . . .		a						
b Less cost of goods sold . . . . .		b						
<b>c Net income or (loss) from sales of inventory</b> . . . . . ▶								
Miscellaneous Revenue			Business Code					
11a INSURANCE DIVIDENDS &				16,226	16,226			
b OTHER INCOME				8,101	8,101			
c								
d All other revenue . . . . .								
<b>e Total.</b> Add lines 11a-11d . . . . . ▶				24,327				
<b>12 Total revenue.</b> See instructions . . . . . ▶				1,212,790	1,212,790			

**Part IX** Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	59,004	59,004		
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	44,047	44,047		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,528		3,528	
9	Other employee benefits				
10	Payroll taxes	14,260	14,260		
11	Fees for services (non-employees):				
a	Management				
b	Legal	8,854		8,854	
c	Accounting	3,718		3,718	
d	Lobbying				
e	Professional fundraising services See Part IV, line 17				
f	Investment management fees				
g	Other				
12	Advertising and promotion	293		293	
13	Office expenses	8,123		8,123	
14	Information technology				
15	Royalties				
16	Occupancy				
17	Travel				
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization #3	56,322	56,322		
23	Insurance	62,736	62,736		
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a	PUMPING POWER	515,769	515,769		
b	WATER ASSESSMENTS	87,780	87,780		
c	CONTRACT LABOR	61,935	61,935		
d	SUPPLIES	60,549	60,549		
e	REPAIRS & MAINTENANCE	53,047	53,047		
f	All other expenses #4	77,731	54,945	22,786	
25	<b>Total functional expenses.</b> Add lines 1 through 24f	1,117,696	1,070,394	47,302	
26	<b>Joint costs.</b> Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

**Part X** Balance Sheet

		(A)		(B)
		Beginning of year		End of year
<b>A S S E T S</b>	1 Cash -- non-interest bearing . . . . .	109,897	1	265,565
	2 Savings and temporary cash investments . . . . .		2	
	3 Pledges and grants receivable, net . . . . .		3	
	4 Accounts receivable, net . . . . .		4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501 (c)(9) voluntary employees' beneficiary organizations (see instructions) . . . . .		6	
	7 Notes and loans receivable, net . . . . .		7	
	8 Inventories for sale or use . . . . .		8	
	9 Prepaid expenses and deferred charges . . . . .		9	
	10a Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D. . . . .	10a 2,471,738		
	b Less: accumulated depreciation . . . . .	10b 1,513,049	993,011	10c 958,689
	11 Investments -- publicly traded securities . . . . .		11	
	12 Investments -- other securities See Part IV, line 11 . . . . .		12	
	13 Investments -- program-related. See Part IV, line 11 . . . . .		13	
	14 Intangible assets . . . . .		14	
	15 Other assets See Part IV, line 11 . . . . .		15	
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .		1,102,908	16	1,224,254
<b>L I A B I L I T I E S</b>	17 Accounts payable and accrued expenses . . . . .	29,651	17	55,903
	18 Grants payable . . . . .		18	
	19 Deferred revenue . . . . .		19	
	20 Tax-exempt bond liabilities . . . . .		20	
	21 Escrow or custodial account liability Complete Part IV of Schedule D. . . . .		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L . . . . .		22	
	23 Secured mortgages and notes payable to unrelated third parties . . . . .		23	
	24 Unsecured notes and loans payable to unrelated third parties . . . . .		24	
	25 Other liabilities Complete Part X of Schedule D. . . . .		25	
	26 <b>Total liabilities.</b> Add lines 17 through 25 . . . . .		29,651	26
<b>F U N D A S S E T S  B A L A N C E S</b>	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	27 Unrestricted net assets . . . . .	1,073,257	27	1,168,351
	28 Temporarily restricted net assets . . . . .		28	
	29 Permanently restricted net assets . . . . .		29	
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	30 Capital stock or trust principal, or current funds . . . . .		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund . . . . .		31	
	32 Retained earnings, endowment, accumulated income, or other funds . . . . .		32	
	33 <b>Total net assets or fund balances . . . . .</b>	1,073,257	33	1,168,351
34 <b>Total liabilities and net assets/fund balances . . . . .</b>	1,102,908	34	1,224,254	

**Part XI** Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,212,790
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,117,696
3	Revenue less expenses Subtract line 2 from line 1	3	95,094
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,073,257
5	Other changes in net assets or fund balances (explain in Schedule O)	5	
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	1,168,351

**Part XII** Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	X	
2b	Were the organization's financial statements audited by an independent accountant?		X
2c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits N/A		

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Attach to Form 990. See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization: MUD LAKE WATER USERS INC; Employer identification number: 82-0151745

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, grants, value, and questions about donor advisement.

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Form for Part II with multiple questions (1-9) regarding conservation easements, including purpose, monitoring, and reporting requirements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8

Form for Part III with questions (1a, 1b, 2, 2a, 2b) regarding reporting requirements for art and historical treasures.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply).

- a Public exhibition, b Scholarly research, c Preservation for future generations, d Loan or exchange programs, e Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

Table with columns for Amount and rows for 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

Table with columns (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back and rows for 1a-1g: Beginning of year balance, Contributions, Net investment earnings, gains, and losses, Grants or scholarships, Other expenditures for facilities and programs, Administrative expenses, End of year balance

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment %
b Permanent endowment %
c Term endowment %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

Table with columns Yes No and rows 3a(I) unrelated organizations, 3a(II) related organizations, 3b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Table with columns (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value and rows for 1a Land, 1b Buildings, 1c Leasehold improvements, 1d Equipment, 1e Other

Total. Add lines 1a through 1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) 958,689

**Part VII** Investments -- Other Securities. See Form 990, Part X, line 12

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation. Cost or end-of-year market value
(1) Financial derivatives . . . . .		
(2) Closely-held equity interests . . . . .		
(3) Other		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII** Investments -- Program Related. See Form 990, Part X, line 13

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX** Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

**Part X** Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
Federal income taxes	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	

2. FIN 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

<b>Part XI</b>		<b>Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements</b>	
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net) Add lines 4 through 8	9	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	

<b>Part XII</b>		<b>Reconciliation of Revenue per Audited Financial Statements With Revenue per Return</b>	
1	Total revenue, gains, and other support per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	

<b>Part XIII</b>		<b>Reconciliation of Expenses per Audited Financial Statements With Expenses per Return</b>	
1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	

**Part XIV** **Supplemental Information**  
 Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4; Part X, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

**2010**

Open to Public  
Inspection

Name of the organization

MUD LAKE WATER USERS INC

Employer identification number

82-0151745

THE GOVERNING BODY IS GIVEN A COPY OF THE 990 TO BE REVIEWED. ONCE  
REVIEWED THE 990 IS THEN SIGNED BY THE PRESIDENT AND SUBMITTED TO THE  
IRS.

THE GOVERNING DOCUMENTS, FINANCIAL STATEMENTS, AND 990 ARE MADE  
AVAILABLE TO THE PUBLIC UPON REQUEST TO ONE OF THE BOARD MEMBERS.

**990 PART III - STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENT**

ATTACHMENT 1: FORM 990 PAGE 2, PART III

OPEN TO PUBLIC INSPECTION For calendar year 2010, or tax period beginning , and ending

Name of Organization MUD LAKE WATER USERS INC Employer Identification Number 82-0151745

**Part III - Statement of Program Service Accomplishments**

Code Expenses 1,070,394 including Grants of Revenue 1,212,790 Exempt Purpose Achievements

THE IRRIGATION DISTRICT MAINTAINED THE CANALS AND PROVIDED WATER TO THE HOMES AND FARMS ALONG THE CANAL IN THE MUD LAKE IDAHO AREA.

990 BOOKS ARE IN CARE OF

ATTACHMENT 2: FORM 990 PAGE 6, PART VI, SECTION C, LINE 20

OPEN TO PUBLIC  
INSPECTION

For calendar year 2010 or tax period beginning , and ending

Name of Organization

MUD LAKE WATER USERS INC

Employer Identification Number

82-0151745

Part VI - Line 20

Individual Name

SCHWENDIMAN, SUTTON, & SIMMONS

or

Business Name.

Street Address

39 PROFESSIONAL PLAZA REXBURG ID

U.S. Address:

Zip code 83440

City REXBURG

State ID

or

Foreign Address

City

Province or State

Country

Postal code

Phone Number

(208) 356-3452

Fax Number

**990 SCHEDULE OF DEPRECIATION AND DEPLETION**

ATTACHMENT 3: FORM 990 PAGE 10, PART IX, LINE 22

OPEN TO PUBLIC  
INSPECTION

For Calendar year 2010, or tax year period beginning

and ending

Name of Organization

MUD LAKE WATER USERS INC

Employer Identification Number

82-0151745

Description of Property	Date Acquired	Cost or Other Basis	Prior Year Depreciation	Method of Computation	Rate (%) or Life (Years)	Depreciation This Year
EQUIPMENT & CANAL ASSETS		1,862,299	1,456,727	STRAIGHT LINE		56,322
<b>Total:</b>		1,862,299	1,456,727			56,322

**709 SCHEDULE OF OTHER EXPENSES**

ATTACHMENT 4: FORM 990 PAGE 10, LINE 24 - OTHER EXPENSES

OPEN TO PUBLIC INSPECTION For calendar year 2010 or tax period beginning \_\_\_\_\_, and ending \_\_\_\_\_

Name of Organization: MUD LAKE WATER USERS INC  
 Employer Identification Number: 82-0151745

Other Expenses	(A) Total	(B) Program Services	(C) Management and General	(D) Fundraising
CHEMICALS	27,807	27,807		
FUEL	24,601	24,601		
UTILITIES	11,536		11,536	
TELEPHONE	8,995		8,995	
TAXES & LICENSES	2,537	2,537		
DIRECTOR EXPENSE	2,015		2,015	
OTHER	240		240	
<b>Total:</b>	<b>77,731</b>	<b>54,945</b>	<b>22,786</b>	