



**LNID
2821 - 18TH AVENUE NORTH
LETHBRIDGE, AB T1H 6T5**



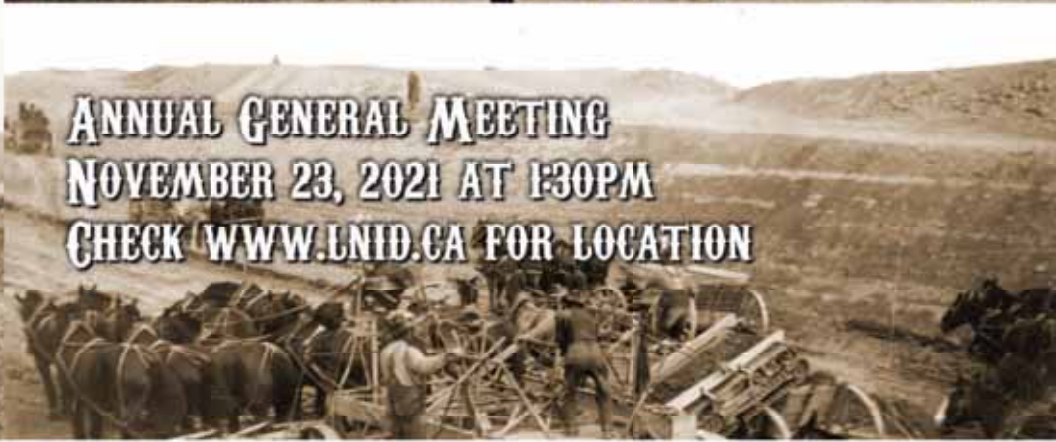
**LETHBRIDGE NORTHERN
IRRIGATION DISTRICT**



WWW.LNID.CA



**ONE HUNDREDTH
ANNUAL REPORT 2020**



**ANNUAL GENERAL MEETING
NOVEMBER 23, 2021 AT 1:30PM
CHECK WWW.LNID.CA FOR LOCATION**

THE BOARD OF DIRECTORS

JOHN VANDENBERG
CHAIRMAN



BOARD MEMBER SINCE MAY 4, 1993:
DIVISION 3: INCLUDES EAST OF PARK
LAKE, COALHURST, WEST LETHBRIDGE
TO SHAUGHNESSY & DIAMOND CITY.

MARTIN VAN DIEMEN
VICE CHAIRMAN



BOARD MEMBER SINCE JUNE 10, 2008:
DIVISION 2: INCLUDES EAST OF PIYAMI
COULEE / PICTURE BUTTE & WEST OF
IRON SPRINGS.

PETER BOS



BOARD MEMBER SINCE APRIL 20, 2015:
DIVISION 1: INCLUDES IRON SPRINGS
EAST TO TURIN.

CALVIN KONYNENBELT



BOARD MEMBER SINCE APRIL 28, 2020:
DIVISION 4: INCLUDES RANGE 23 EAST
TO PARK LAKE AND PART OF KEHO /
BARONS.

SONNY WIERENGA



BOARD MEMBER SINCE MAY 28, 2019:
DIVISION 5: INCLUDES FORT MACLEOD
EAST TO RANGE 24 AND PART OF
KEHO/ BARONS.

MISSION STATEMENT

TO PROVIDE THE BEST, MOST EFFICIENT WATER DELIVERY SYSTEM AT THE LOWEST POSSIBLE COST TO THE WATER USERS, WHILE ENSURING GOOD STEWARDSHIP FOR THE ENVIRONMENT AND OUR NATURAL RESOURCES.

WATER QUALITY DISCLAIMER

THE DISTRICT ADVISES THAT THE WATER IN THE IRRIGATION SYSTEM OF THE DISTRICT MAY NOT BE POTABLE OR MAY NOT BE SUITABLE FOR IRRIGATION OR OTHER PURPOSES, AND THE DISTRICT MAKES NO REPRESENTATION, WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED THAT THE WATER DELIVERED THROUGH ITS IRRIGATION SYSTEM IS POTABLE AND FIT FOR HUMAN CONSUMPTION OR SUITABLE FOR IRRIGATION PURPOSES, LIVESTOCK WATERING, RECREATIONAL USE OR OTHER PURPOSES.

THE DISTRICT ADVISES THE OWNERS THAT THE WATER DELIVERED IS IN THE CONDITION IN WHICH IT MAY BE FOUND IN THE IRRIGATION SYSTEM FROM TIME TO TIME AND THE OWNER IS TO PROVIDE SUCH ADDITIONAL TREATMENT OR FILTERING AS THE OWNER CONSIDERS NECESSARY, TO ENSURE THAT THE WATER IS OF USABLE QUALITY.

THE IRRIGATION SYSTEM OF THE DISTRICT IS AN OPEN DITCH SYSTEM SUBJECTING THE WATER THEREIN TO CONTAMINATION FROM ALL MANNER OF ENVIRONMENTAL, HUMAN AND ANIMAL FACTORS BEYOND THE CONTROL OF THE DISTRICT AND THE DISTRICT DOES NOT REGULATE, CONTROL OR MONITOR THE QUALITY OF THE WATER IN ITS SYSTEM.

STAFF

Lethbridge Northern Irrigation District Organization Effective January 4, 2021

ADMINISTRATION

Alan Harrold
Anita Wickersham, CPA, CMA
Janet Beck
Gary Burke
Kimberly Harris
Su-Jin Huxley
Joanne Pohl
Maritza Suarez

General Manager
Manager – Finance & Administration
Land Agent
Classification / Network Technician
Payroll & Benefits Administrator
Accounting Technician
Administrative Assistant
Accountant

ENGINEERING

Shane Eyre, P. Eng.
Jeremy Chiu, E.I.T.
Gary Cook
Glade Roberts

Acting District Engineer
Project Design Engineer
Survey Technician
Drafting Technologist

OPERATIONS AND MAINTENANCE

Brett Zielinski
Dan Kubik
Peter Peters
Bryce Schultz
Darcy Smith
Louie Tams

Construction & Maintenance Foreman
Equipment / Weed Control Operator
Equipment Operator
Equipment Operator
Equipment Operator / Lead Hand
Inventory / Purchasing & Safety Coordinator

WATER OPERATIONS

WEST

Garth Fischer Water Master West
Mike McCloud Assistant Water Master West
Shawn Graham Water District Supervisor
Zach Liska Water District Supervisor

EAST

Ryan Chogi Water Master East
Walter Engels Assistant Water Master East
John Degenstein Water District Supervisor
Dustin Gillies Water District Supervisor
Tysen Sushelnitski Water District Supervisor

HOURLY SEASONAL STAFF

Connor Butler
Jarryd Butler
Liam Damen
Kaiden Middleton
Chris Newton
Tim Sandham
Adam Matlock
Brad McNeill
Stuart Van Essen

Labourer
Labourer
Labourer
Labourer
Tandem Driver
Tandem Driver
Equipment Operator
Equipment Operator
Equipment Operator

CHAIRMAN'S REPORT

This is our 100th Annual Report. The Board had hoped to celebrate this year but like so many other things, due to COVID-19 we have had to postpone the Anniversary celebration until 2022.

2020 was a year that will not soon be forgotten as the Corona Virus spread all over the world. Many people lost their jobs or their businesses and the end is not yet in sight.

Last year was a good crop year and the prices were strong.

In 2020, District staff completed the Lateral G11 & Lateral G12 pipelines with only a couple of leaks. Thanks to the construction crew for a job well done.

Last fall the District started construction of the Lateral H1 Phase 1 Pipeline Project which was almost completed by Christmas. In January 2021, a lot of maintenance was being done by District staff of which the main project was to repair a slough in the Lateral 62F Canal coming out of the Keho Reservoir. MPE Engineering Ltd. has provided the engineering on this project.

In the fall of 2021, District staff will commence construction of the Lateral H1 Phase 2 Pipeline south and east of Iron Springs. The spring of 2022 construction of the Lateral J1 Pipeline from Picture Butte camp towards Iron Springs will commence which is approximately 12.9 km of pipeline.

The 2020/2021 IRP Financing Agreement with Alberta Agriculture & Forestry provided a 75% share amounting to \$1,098,698 with the District's 25% contribution amounting to \$366,233 for a total of \$1,464,931. As well, during 2020, the Government of Alberta announced an \$815 million program for irrigation expansion within eight (8) irrigation districts. This funding arrangement for approved projects over a period of years involves 30% grant funding by the Alberta Government, a 20% cash contribution by the irrigation districts and a 50% funding loan from Canadian Infrastructure Bank (CIB) which must be paid back to CIB at a 1% interest rate over a thirty-five (35) year loan period.

The LNID is committed to four (4) modernization projects with an estimated total cost of \$15.8 million resulting in a \$7.9 million CIB loan. The construction on the first of the four (4) projects will commence in the fall of 2021 with the last project scheduled for completion in the spring of 2023.

As a result of the District continuing to replace open channel water delivery with buried pipelines and add automation to control structures, return flows continue to decrease which will eventually permit the District to add more irrigation acres in the future.

The District is in the process of completing a long term lease with PepsiCo Canada ULC for trailer storage on a portion of the District Office lot north of the office building.

At year end the Oldman River Dam was about 60% full with average snow packs in the mountains. January 2021 was very dry as well so we are in need of a lot more snow before water season to permit a full 17.5 inch water allocation per irrigation acre.

In 2020, Klaas Slomp retired from the Board. On behalf of the Board and staff, thanks to Klaas for the eleven (11) years he served. Calvin Konynenbelt was elected to take his place for Division #4.

On behalf of the Lethbridge Northern Irrigation District (LNID), I would like to thank the Alberta Government for funding through IRP each year. Without this funding support we could not do the construction we do to improve our water distribution infrastructure. In addition, thank you to all Alberta Government departments and Irrigation Council for the support that they provided to our District in 2020.

On behalf of the Board, I would like to thank Alan Harrold – General Manager, Anita Wickersham – Manager–Finance & Administration, Shane Eyre – Acting District Engineer, Brett Zielinski, Ryan Chogi and Garth Fischer – Field Supervisors, and all the staff for their hard work in 2020.

Last year was a very good crop year for most farmers in our District and may the Lord bless our labours in 2021 also.

Respectfully submitted on behalf of the Board of Directors

John Vandenberg
Chairman of the Board

GENERAL MANAGER'S REPORT



Alan Harrold
General Manager

In consideration that this is the 100th Annual Report of the Lethbridge Northern Irrigation District (LNID) since its formation, it is interesting to know that in 1924, the District's first full year of water delivery was entirely through earthen channels to 22,000 acres of irrigation on the *Assessment Roll*. In 2020, the District has evolved into having 194,173.7 acres of irrigation delivered through a water delivery system consisting of 107,477.0 acres (55.4%) by gravity pipelines and 15,678.3 acres (8.0%) by pump station pipelines totalling 123,155.3 acres (63.4%) by pipelines and 71,018.4 acres (36.6%) by open channel canals and ditches. All Board members, staff, and water users, both past and present, should be proud of what has been accomplished by working together to constantly improve the District over the first one hundred years in the LNID.

Today, the District's capital construction program is based on continuing to improve water delivery efficiency by converting open channel ditches to pipelines and reducing return flows.

The 2020 irrigation season started out with very little precipitation in April, improving in May before receiving approximately 50% of the total precipitation for the irrigation season in June, followed by receiving very little rain fall during the months of July to October inclusive. The rain fall received in May and June was very vital for crops and resulted in the District only diverting 48.5% of its Water Licenced volume, which when compared to the last 40 years was less than the average of 50.7% of licenced diversion. The average water delivery to the farm turnout in 2020 was 8.1" per irrigation acre compared to 10.8" in 2019 and 12.0" in 2018.

District Expansion:

The November 2018 Board Moratorium on the District accepting applications for irrigation acres (water rights) remained in effect during 2020. The Board will be reviewing the status of previously approved applications and will decide on a process to follow sometime during 2021 in consideration of the remaining expansion acres that may be available.

In 2020, the District added 3,384.5 irrigation acres of expansion to the *Assessment Roll*, with approximately 3,000 irrigation acres of expansion to be added in 2021.

A major component in the District's 2010 Expansion By-Law, is increased efficiency and reduction to the District's return flow. Only when this is achieved to the By-Law pre-determined levels can the Board consider allowing more irrigation acres for expansion. Placing your water orders for all turn-ons and turn-offs in a timely manner with the required 24 hour notice will help to improve District efficiencies and the possibility of more irrigation acres becoming available for expansion as a result of saved water.

Canal Bank: Sprinkling & Heavy Loads:

The District's canal banks are becoming a significant cost to maintain due to landowner irrigation systems watering the canal banks, which is causing saturation of the banks and potential sloughing. In addition, landowner heavy equipment and trucks are driving on the canal banks which were not designed to support these heavy loads.

The Board and Management are asking all landowners to make changes to their irrigation system designs to prevent the irrigation of canal banks and to also not drive heavy farm equipment and trucks on the District canal banks. Landowner cooperation in helping the District to avoid these large repair and maintenance costs and to respect the District infrastructure is appreciated.

On-Farm Water Storage:

In consideration of the climate change that the District has been experiencing during the last few years with longer periods of warmer weather and less precipitation, I encourage landowners to develop more on-farm water storage as additional insurance to help protect your farming operations against water delivery delays or shortages.

Staffing:

During 2020, the District encountered a few staff changes:

- On February 27th, Brett Schafer, Construction & Maintenance Foreman, left District employment.
- On April 1st, Jim Eaves, was hired as Construction & Maintenance Foreman and left District employment on August 26th.
- On April 1st, Zach Liska was hired as Water District Supervisor – Macleod Unit.
- On June 1st, Jeremy Chiu was hired as an Engineer in Training (E.I.T.).
- On July 6th, Trent Webster, District Engineer, left District employment.
- On July 8th, Shane Eyre was promoted to Acting District Engineer.
- On November 2nd, Brett Zielinski, was hired as Construction & Maintenance Foreman.

I would like to thank the Board of Directors for their continued commitment to improving the District and for the support they have provided for all management and support staff. I would also like to express my gratitude to all staff for their continued contribution and commitment to improving all areas of operation and efficiency of the District.

On behalf of the District staff and water users, I would like to also thank the staff of Alberta Agriculture & Forestry and Alberta Environment & Parks for their assistance that they provided to the District staff and water users throughout 2020.

Respectfully submitted

Alan Harrold
General Manager

DISTRICT ENGINEER'S REPORT

The Engineering Department is tasked with designing and monitoring construction projects. This includes rehabilitation of existing irrigation works, expansion projects, future planning, and providing technical support for operations and maintenance.

The Alberta Government provided funding for infrastructure rehabilitation in 2020 through the Irrigation Rehabilitation Program (IRP). Under this program the Provincial Government funds 75% of the cost of approved projects, with the remaining 25% contributed from the District. The 2020 contribution from the Province was \$1,098,698. The District's contribution of \$366,233 brought the total contribution to the IRP Cost-Sharing account to \$1,464,931.

The LNID maintains an Irrigation Works Reserve (IWR), which is used to fund the majority of construction projects. This account is funded primarily from District capital assessments and budget allocations. Contributions from the landowners benefitting from projects also help extend the amount of capital work that can be accomplished in the District.

A new source of funding is being made available through the Alberta Agriculture & Forestry / Canada Infrastructure Bank / Irrigation Consortium Modernization Projects Program. This funding will be utilized in conjunction with the District's IWR capital to fund projects starting in 2021.

Thank you to all who have been involved in the implementation of District projects. Each project improves water delivery to District water users and increases the efficiency of the District as a whole. The District appreciates the assistance of the Provincial Government and landowners in the cost sharing of these works.

2020 IRRIGATION WORKS RESERVE PROGRAM (IWR)

IWR #916 KEHO BARONS UPGRADE SECTIONS 25-12-24-4; 30, 31, 32-12-23-4

This multi-year project is intended to improve the reliability of the Keho Barons pipeline system through upgraded cross drains, new isolation valves and replacement of turnout risers. The 2020 (third project year) expenditures equaled \$103,833, with \$636,425 spent to December 31, 2020 from an overall \$1,100,000 budget.

IWR #912 LATERAL 61C (Meadowscape – Subdivision)
SW 15-9-22-4

This water conveyance project involved the installation of an over 500m long 54 inch “Weholite” open pipeline to replace an existing portion of Lateral 61C canal, for a new subdivision development. Final completion was achieved in the spring of 2020 for its first operational season. Total project cost to December 31, 2020 equals \$512,359.



IWR #919 LATERAL G11 / G12
SECTIONS 14, 20, 21, 22, 23, 24, 25, 27, 28, 33, 34-12-21-4; 3, 4-13-21-4

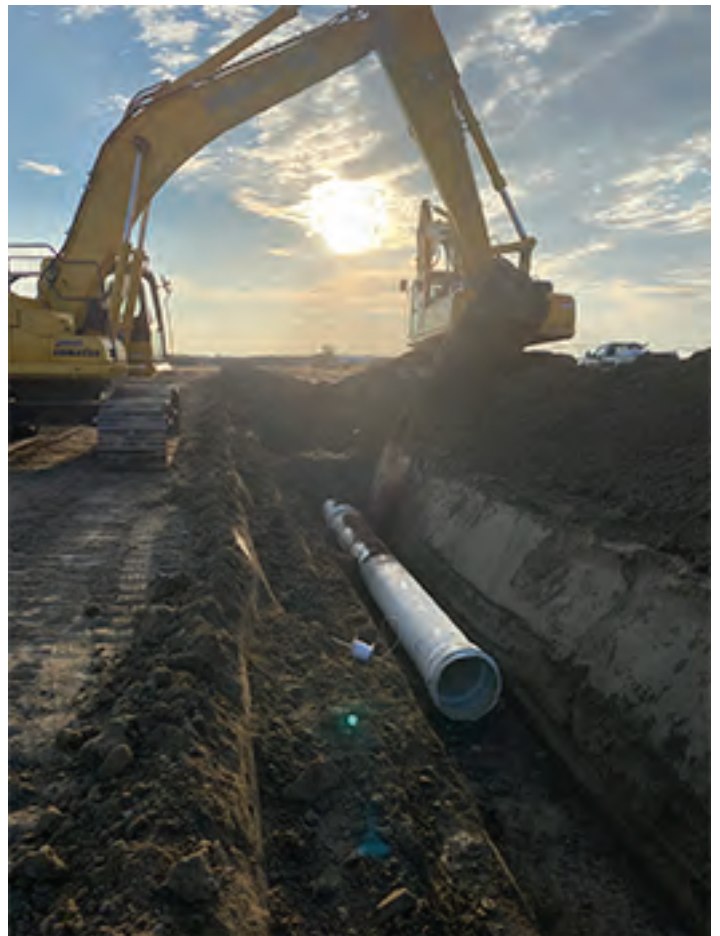
This project consisted of the installation of just over 15.7km of PVC pipe, incorporated an automated spill and saw the construction of a new outlet structure and control gate on the Larsen Reservoir. 2020 was its first operating season delivering water to 2,859 irrigated acres off this closed pipeline that had previously been serviced by the Albion Drain, Lateral G11 & G12 canals, and north portion of the Lateral 62G canal. Expenditures on the project in 2020 were \$2,858,791, for a total project cost to December 31, 2020 of \$6,070,510 of a budgeted \$7,000,000.



2020 IRRIGATION REHABILITATION PROGRAM (IRP)

IRP #2335 LATERAL H1 LNID PROJECT #371-08 SECTIONS 16, 17, 18, 19, 20, 21-11-20-4; 13, 14, 15-11-21-4 (Phase 1)

This two (2) phase project saw the majority of Phase 1 built in the fall of 2020. Phase 1 included the construction of the inlet & screen box structures, roughly 18.1km of PVC pipe in various sizes up to 54", a 36" isolation valve, and a manual drain valve & outlet structure. Phase 1 will service 3,411.2 acres from this closed gravity system with the majority of deliveries capable of eliminating on-farm pumping systems to utilize the gravity pressure of this pipeline to run irrigation systems. Deliveries will be removed from the Lateral 62J pipeline and canal, the Laterals 62J, J7, and J9 ditches for a total of 11,548m of earthen and concrete lined canals capable of being backfilled as part of Phase 1. Expenditures on the project in 2020 were \$8,121,817, for a total project cost to December 31, 2020 of \$8,121,817 of a budgeted \$11,250,000.



2021 PROPOSED IRRIGATION DISTRICT CONSORTIUM (IDC)

LNID #971-08 LATERAL H1 SECTIONS 13, 14, 15, 21, 22, 23, 27, 28-11-20-4 (Phase 2)

Planning is under way for the Lateral H1 Phase 2 portion of this gravity pipeline, with Phase 2 servicing 3,186.4 acres out of the 6,597.6 acre Lateral H1 project total. This phase of the project will remove deliveries from the Lateral J12 canal and see its 11,935m length of open canal backfilled. All deliveries off of this portion of the project are expected to be able to eliminate on-farm pumping systems and utilize the gravity pressure of the pipeline to operate irrigation systems.

LNID #972-08 LATERAL J1 SECTIONS 19, 20-11-20-4; 22, 23, 24-11-21-4

Planning is under way for the Lateral J1 gravity pipeline project, anticipated to service a minimum of 1,995 acres currently receiving water from the Lateral 62J pipeline and canal, and the Lateral J6 canal. The majority of deliveries off this pipeline will be able to eliminate on-farm pumping systems and utilize the gravity pressure of this pipeline to run irrigation systems.

LNID #937-08 AUTOMATION CONTROLS UPGRADE ENTIRE DISTRICT

An Infrastructure Evaluation study was completed in November 2019. Inefficiencies, repairs and upgrades were identified and a scheduled plan was created for these upgrades. The changes to the SCADA system will allow for better communication and control of water throughout the LNID system. The end goal is to bring total canal control to the system.

The construction projects undertaken in 2020 were primarily completed by LNID labour and equipment. The District wishes to acknowledge the contractors who assisted the LNID as well. The District appreciates everyone's efforts this past year and looks forward to another construction season.

Shane Eyre, P. Eng.
Acting District Engineer

IRRIGATION REHABILITATION PROGRAM

EXPENDITURES FROM IRRIGATION REHABILITATION PROGRAM (IRP)
DECEMBER 31, 2020

PROJECT NUMBER	PROJECT NAME	TOTAL TO DEC. 31/19	2020 EXPENDITURES	TOTAL TO DEC. 31/20
370-08/2330	Completed Capital Project Costs	\$ 138,671,413		\$ 138,671,413
371-08/2335	Lateral B9	2,396,611	9,695	2,406,306
	Lateral H1 - Phase 1	-	8,121,817	8,121,817
Less permanent difference - Aerial Photography				(32,350)
Write-Off of Irrigation Works				-
		\$ 141,068,024	\$ 8,131,512	\$ 149,167,186

The following is a summary of the Alberta Government and District contributions to the IRP over the past five (5) years:

	2016	2017	2018	2019	2020
Government Grant 75%	\$ 2,076,151	\$ 2,082,255	\$ 1,536,631	\$ 1,529,362	\$ 1,098,698
LNID 25%	692,050	694,085	512,210	509,787	366,233
TOTAL	\$ 2,768,201	\$ 2,776,340	\$ 2,048,841	\$ 2,039,149	\$ 1,464,931

PROPOSED IRP 3 YEAR PLAN

YEAR	PROJECT	BUDGET
2020	Lateral B9 Pipeline (Nobleford)	\$ 104,000
	Lateral H1 Pipeline Phase 1 (Picture Butte)	8,000,000
	Lateral J1 Pipeline (Picture Butte)	400,000
2021	Lateral H1 Pipeline Phase 1 (Picture Butte)	\$ 4,000,000
	Lateral H1 Pipeline Phase 2 (Picture Butte)	3,500,000
	Lateral J1 Pipeline (Picture Butte)	3,000,000
2022	Lateral H1 Pipeline Phase 2 (Picture Butte)	\$ 500,000
	Lateral J1 Pipeline (Picture Butte)	500,000

IRRIGATION WORKS RESERVE

EXPENDITURES FROM IRRIGATION WORKS RESERVE (IWR) PROGRAM DECEMBER 31, 2020

PROJECT NUMBER	PROJECT NAME	TOTAL TO DEC. 31/19	2020 EXPENDITURES	TOTAL TO DEC. 31/20
	Completed Capital Project Costs	\$ 39,442,869		\$ 39,442,869
905-08	Lateral K1 North	1,818,204	\$ 24,649	1,842,853
912-01	Lateral 61 C Meadowscares	504,908	7,451	512,359
917-08	Keho Barons Upgrade	532,592	103,833	636,425
918-08	Lateral B6	5,949,704	101,012	6,050,716
920-08	Lateral G11 & G12	3,211,719	2,858,791	6,070,510
929-08	Barons West 2	-	3,106,029	3,106,029
930-08	Lateral G8	-	244,194	244,194
931-08	Albion 62G Canal Upgrades	-	304,774	304,774
932-08	Leroy Gates Upgrade	-	58,588	58,588
933-08	SCADA Upgrades	-	47,148	47,148
986-08	Lateral B1/B3	1,598,813	1,656	1,600,469
	Sale of Land		(148)	(148)
	Write-Off of Irrigation Works		(239,850)	(239,850)
	Permanent difference - Aerial Photography			32,350
		\$ 53,058,809	\$ 6,618,127	\$ 59,709,286

The following is a summary of IRP and IWR Expenditures over the past five (5) years:

Funding Type	2016	2017	2018	2019	2020
Alberta (IRP) Cost-Sharing	\$ 4,347,718	\$ 6,349,404	\$ 739,332	\$ 55,933	\$ 8,131,513
District (IWR)	2,364,373	735,633	3,524,268	9,316,354	6,858,125
TOTAL	\$ 6,712,091	\$ 7,085,037	\$ 4,263,600	\$ 9,372,287	\$ 14,989,638

SEEPAGE CONTROL PLAN

A Seepage Control Plan for the years 2019-2024 (inclusive) was filed with Irrigation Secretariat on December 31, 2018, which included the following seepage control projects to be addressed over the next five (5) years:

		Scheduled	Proposed Rehabilitation	Status
Project 1	Lateral B9 NE 9, Section 16, NE 17, SE, NW & NE 20, Section 21, SW 22, SW 28-10-23-4;	2017	Pipeline	Complete
Project 2	Lateral B6 N ½ 34-9-23-4, S ½ 3, Sections 4, 5, SE & NW 7, S ½ 8, SW 9, S ½ 18-10-23-4; NE 12, E ½ 13-10-24-4;	2018	Pipeline	Complete
Project 3	Lateral K1 North Sections 17, 18, 19, S ½ 30-12-19-4;	2018	Pipeline	Complete
Project 4	Lateral H1 Phase 1 Section 18, SE, SW & NW 19-11-20-4; N ½ 13, N ½ 14, NE 15, SE, NW & NE 22, S ½ 23, Section 24-11-21-4;	2019	Pipeline	In Progress
Project 5	Lateral H1 Phase 2 Sections 13, 14, 15, 16, 17, SE, SW & NE 20, Sections 21, 22, 23, SE, SW & NE 27, SE 28-11-20-4;	2020	Pipeline	Pending

OPERATIONS & MAINTENANCE REPORT

Ryan Chogi, Water Master East
Garth Fischer, Water Master West
Brett Zielinski, Construction & Maintenance Foreman

Alberta Environment & Parks (AEP) began water diversion from the Oldman River Headworks on May 8, 2020. The main gates were closed on October 7, 2020.

The Board of Directors allocated 17.5" of water for the 2020 water season.

New infrastructure was added to the District's system, Lateral G11 & G12 pipeline and new automation and drain line. The Keho Barons Upgrade Project in 2020 resulted in the replacement of six (6) risers. Five (5) new automated gates were installed with one (1) new turnout and one (1) turnout that was re-purposed for expansion acres along the Albion Main Canal. Five (5) new turnouts were added along the Alberta Environment & Parks Main Canal.

It was more of an average season for the eastern portion of the District. There were no significant storm events during the 2020 water season. On June 30, 2020, 6" of rain fell in the west portion of the District which resulted in some damage to the Lateral A20 holding pond and screeners. On August 6, 2020, 130 km/hr winds were recorded around the Nobleford area. There was minimal damage done to pivots and wheel lines. A couple of trees ended up in the Lateral 61B Canal.

Much of the District was seeded a second time for forage crops, and some alfalfa crops were cut multiple times. LNID Management and staff strongly encourage landowners who plan these practices to expand their water storage or construct new storage ponds in strategic locations, allowing for early and late irrigation. Those water users with specialty crops should also consider this as well. Feed yards could benefit from having larger reservoirs as they expand their operations. Larger reservoirs would be beneficial if there was a delay to water start-up in the spring.

In order to control water flow throughout the District and working with Alberta Environment & Parks, it is important to order water on and off with plenty of lead time, especially with ditches being replaced by pipelines. The District is encouraging water conservation. As the level of water fluctuates yearly, this is becoming increasingly important.

Please go to the LNID Website (www.lnid.ca) to confirm the name of the Water District Supervisor and contact information for each of the District Units.

SYSTEM WATER DELIVERY SUMMARY FOR 2020

WATER SUPERVISOR UNITS	ASSESSED ACRES	OTHER USE AC.FT.	WATER DELIVERED AC.FT.
Albion	29,027	1,510	23,021
Battersea	22,105	1,176	20,191
Butte	6,351	729	4,969
Macleod	20,985	1,170	11,985
Monarch/Keho	28,404	3,692	14,600
Nobleford	12,421	1,071	3,877
Park Lake	25,860	1,931	14,273
Piyami	29,450	2,069	22,354
Turin	19,571	1,055	15,328
Total Assessed Acres:	194,174	Total Water Delivered:	130,597 ac.ft.
		Total Other Use Volume:	14,403 ac.ft.
		Return Flow & Losses:	22,486 ac.ft.
		Total Water Diverted:	167,486 ac.ft.
		Average Irrigation (Inches):	8.1

Maintenance

DESCRIPTION	2020
Canal Cleaning	7 km
Canal Erosion / Sloughing Repair	200 m
Canal & Access Roads Graveling	7 km
Canal & Access Roads Grading	20 km
Canal Banks Mowing	50 km
Canal Banks Weed Spraying	45 km
Aquatic Weed Control	14 km
Pipeline Repairs (Air Vents)	20
Pipeline Repairs (Valves)	15
Pipeline Repairs (Pipe Leaks)	6
Replacement of Road Crossings	8
Repairs to Gates & Hoists	3
Repairs to Pumps	1
Repairs / Maintenance to Water Meters	22
Repairs / Maintenance to Hydrometric Stations	1
Screener Rehabilitation	1

Precipitation Recorded

PRECIPITATION FOR 2020 (mm)				
MONTH	AGCM Fort Macleod Station	AGCM Barons Station	IMCIN Lethbridge Demo Farm Station	IMCIN Iron Springs Station
APRIL	21.7	17.5	20.7	17.8
MAY	69.8	75.8	68.3	68.9
JUNE	165.3	138.3	122.3	110.0
JULY	17.8	24.7	24.9	13.5
AUGUST	10.2	23.2	6.7	25.8
SEPTEMBER	30.2	34.2	26.7	29.9
OCTOBER	20.6	16.9	21.5	23.0
Total	335.6	330.6	291.1	288.9

Weed Control

TYPE	2020 (litres)	WEEDS SPRAYED
Start-Up	199	Non-Selective
2,4-D Amine 600	20	Broadleaf
Magnacide H	2,747	Aquatics

CROP CLASSIFICATION INFORMATION

WEST

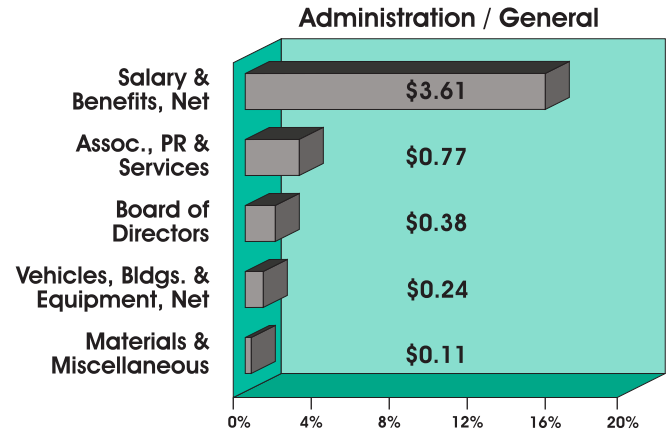
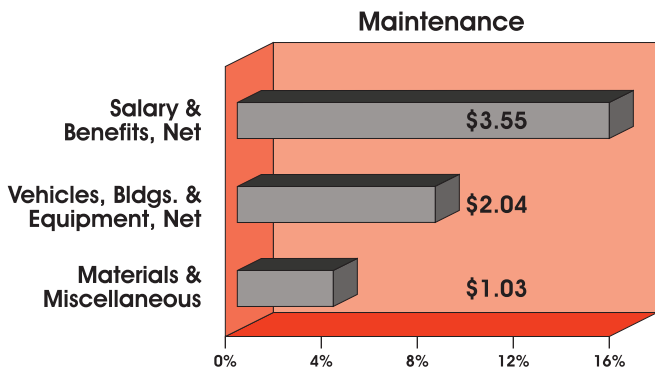
CROP TYPE	MACLEOD	MONARCH/KEHO	NOBLEFORD	PARK LAKE	PIYAMI
- CEREALS -					
Barley	2,144	1,949	2,441	3,117	4,489
CPS Wheat	129	140		236	
Durum Wheat	385	930	273	99	1,850
Hard Spring Wheat	86	133	279	544	950
Oats	250	78		225	
Soft Wheat	1,324	255	103		1,713
Triticale		139		1,189	
Miscellaneous	238			230	
Subtotal of Cereals	4,556	3,624	3,096	5,640	9,002
- FORAGE -					
Alfalfa Hay	1,100	2,034	1,870	705	1,554
Alfalfa Silage	2,291	3,863	397	2,418	2,433
Barley Silage	2,465	4,117	2,594	6,585	6,239
Brome Hay		100		142	
Corn Silage	645	1,748	1,081	2,970	6,046
Grass Hay	1,078	478	202	518	1,154
Native Pasture			30		
Tame Pasture	621	371	90	922	165
Timothy Hay	3,713	501	490	116	291
Miscellaneous				76	
Subtotal of Forage	11,913	13,212	6,754	14,452	17,882
- OILS -					
Canola	2,751	6,773	2,084	3,605	1,033
Flax	221	571			
Hyola					
Mustard					
Subtotal of Oils	2,972	7,344	2,084	3,605	1,033
- OTHER -					
Dry Peas	135	159		80	455
Hemp				1,037	
Market Gardens				38	
Nursery					7
Potato		302			
Sugar Beets				378	278
Turf Sod		13		262	185
Miscellaneous	1,409	3,750	487	368	608
Subtotal of Other	1,544	4,224	487	2,163	1,533
TOTAL	20,985	28,404	12,421	25,860	29,450

EAST

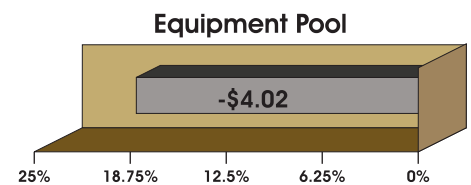
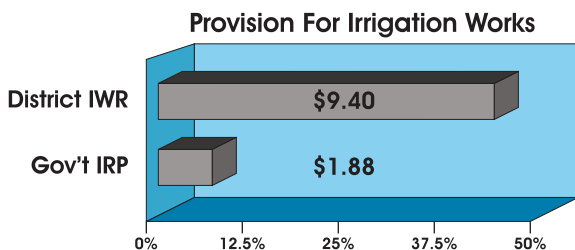
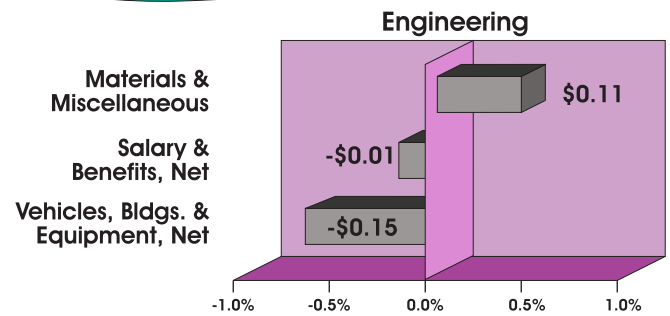
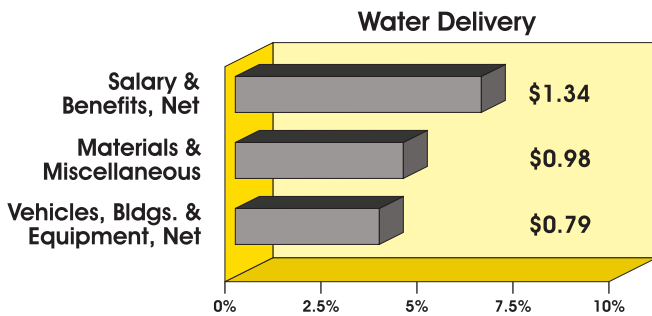
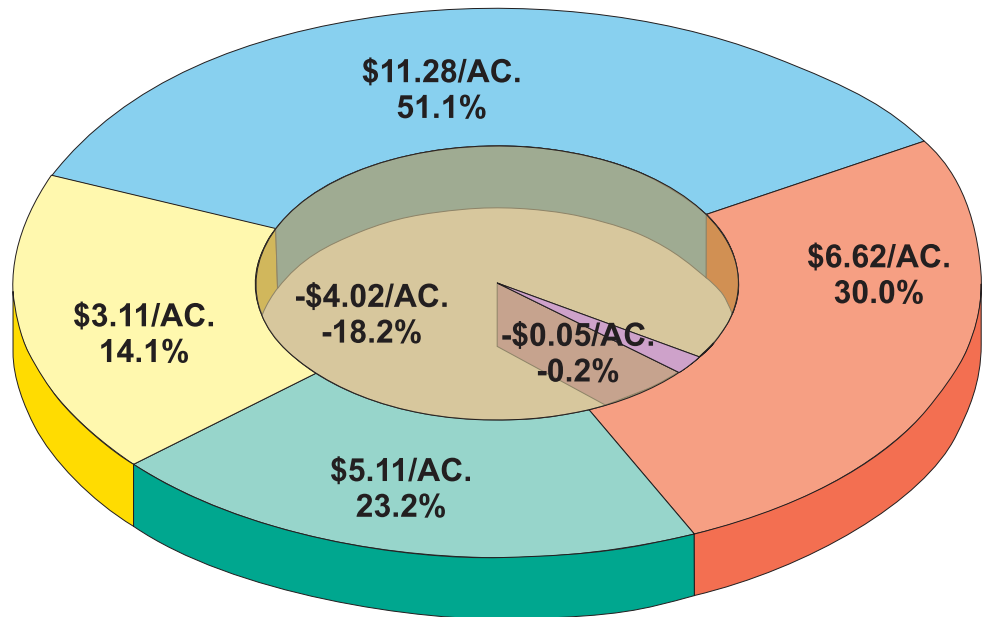
CROP TYPE	ALBION	BATTERSEA	BUTTE	TURIN	TOTAL
- CEREALS -					
Barley	1,142	776	700	1,802	18,560
CPS Wheat					505
Durum Wheat	3,312			1,268	8,117
Hard Spring Wheat	310	1,305	101		3,708
Oats					553
Soft Wheat	2,911	3,947	154	316	10,723
Triticale					1,328
Miscellaneous	710	1,750	145	149	3,222
Subtotal of Cereals	8,385	7,778	1,100	3,535	46,716
- FORAGE -					
Alfalfa Hay	1,901	451	309	1,599	11,523
Alfalfa Silage	3,198	2,038	350	1,509	18,497
Barley Silage	5,354	2,483	475	2,845	33,157
Brome Hay		92	68		402
Corn Silage	4,938	2,503	1,751	5,259	26,941
Grass Hay	207	883		632	5,152
Native Pasture				214	244
Tame Pasture	339	575		980	4,063
Timothy Hay		446		150	5,707
Miscellaneous		139			215
Subtotal of Forage	15,937	9,610	2,953	13,188	105,901
- OILS -					
Canola	2,085	685	2,000	2,086	23,102
Flax				66	858
Hyola					0
Mustard					0
Subtotal of Oils	2,085	685	2,000	2,152	23,960
- OTHER -					
Dry Peas	160				989
Hemp				148	1,185
Market Gardens	10				48
Nursery					7
Potato		1,458		156	1,916
Sugar Beets	903	203	259	157	2,178
Turf Sod		220			680
Miscellaneous	1,547	2,151	39	235	10,594
Subtotal of Other	2,620	4,032	298	696	17,597
TOTAL	29,027	22,105	6,351	19,571	194,174

OPERATIONAL COST / ACRE

Based on Total of Classified, Terminable, and Annual Agreement Acres Assessed (195,063.3 Acres)

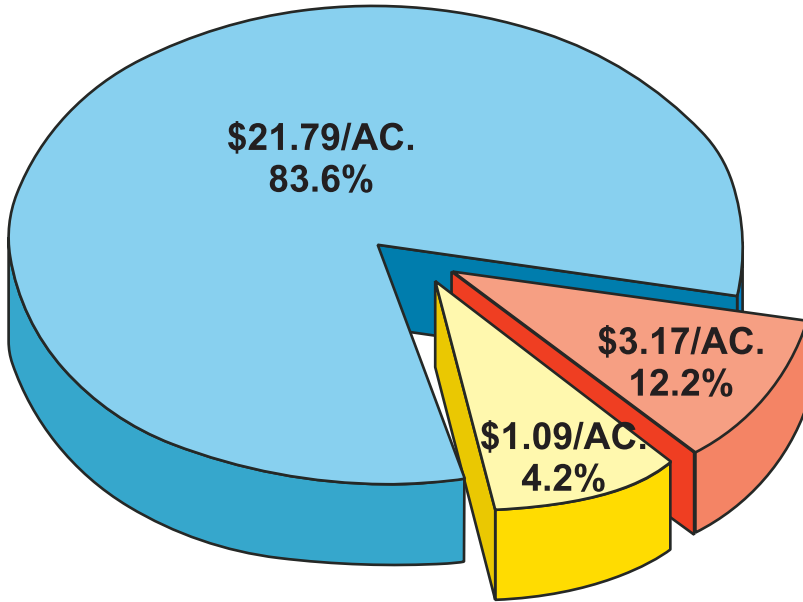


Provision	\$11.28
Maintenance	6.62
Admin. / General	5.11
Water Delivery	3.11
Engineering	-0.05
Equipment Pool	-4.02
Cost / Acre	<u>\$22.05</u>

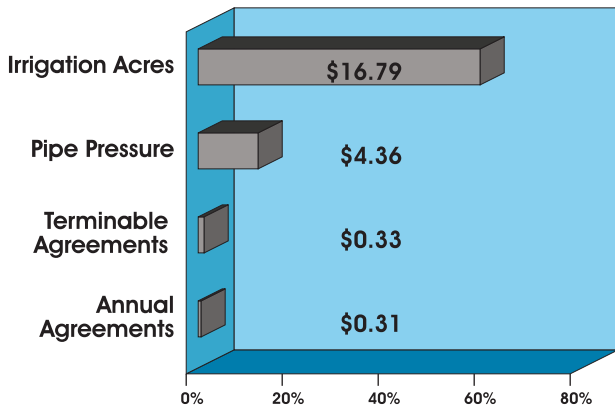


NET REVENUE / ACRE

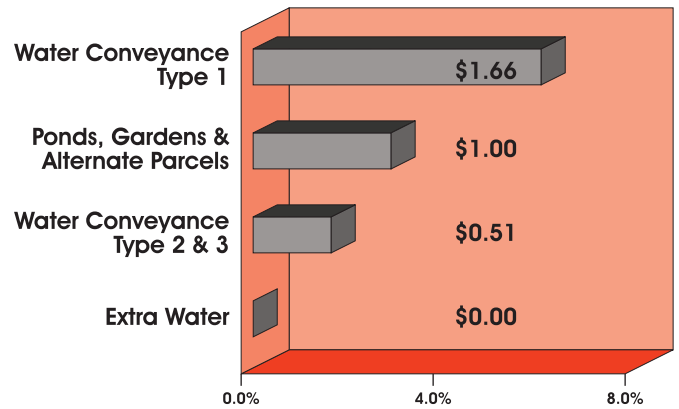
Based on Total of Classified, Terminable, and Annual Agreement Acres Assessed (195,063.3 Acres)



Irrigation Rates, Net

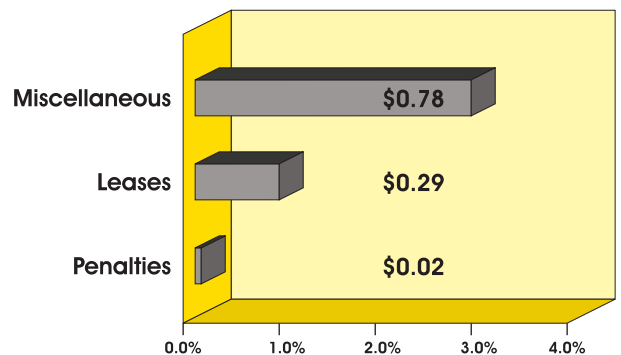


Water Agreements



Irrigation Rates, Net of Discounts	\$21.79
Water Agreements	3.17
Miscellaneous Income	<u>1.09</u>
Operating Revenue	26.05
Less: District Expense	<u>-22.05</u>
Surplus	<u><u>\$4.00</u></u>

Miscellaneous Income



ASSESSED ACRES	2019	2020
Irrigation Acres	188,465.0	191,880.3
Terminable Water Agreements - Dryland Parcels	328.0	328.0
Terminable Water Agreements - Restricted	1,965.4	1,965.4
Subtotal	190,758.4	194,173.7
Annual Irrigation	787.9	889.6
TOTAL ASSESSED ACRES	191,546.3	195,063.3

IRRIGATION ACRE EXPANSION				
YEAR	ACRES APPLIED	ACRES APPROVED	ACRES WITHDRAWN	ADDED TO THE DISTRICT
2010	2,534.5	1,729.5	1,121.0	143.5
2011	1,866.8	1,478.8	311.0	37.6
2012	4,442.5	1,771.5	2,573.9	1,544.9
2013	428.1	415.6	0.0	1,514.8
2014	731.0	731.0	0.0	721.5
2015	259.8	259.8	0.0	259.8
2016	2,667.9	2,667.9	0.0	2,569.9
2017	2,095.4	2,095.4	25.1	2,070.3
2018	9,495.9	4,965.9	0.0	2,783.2
2019	13,316.4	8,361.4	1,695.0	3,518.6
2020	6,037.0	6,037.0	3,890.0	3,384.5
TOTAL	43,875.3	30,513.8	9,616.0	18,548.6

PARCELS ADDED TO THE DISTRICT IN 2020					
SE	17-12-20-4	SW	17-12-20-4	SW	28-11-21-4
SE	27-12-21-4	NW	27-12-21-4	SE	03-13-21-4
SE	04-13-21-4	SE	08-11-23-4	SW	08-11-23-4
NE	08-11-23-4	SE	17-11-23-4	NW	08-11-23-4
SW	08-11-24-4	SE	14-11-24-4	NW	05-11-24-4
NW	05-10-25-4	SE	16-11-25-4	SW	17-11-23-4
S 1/2	22-09-27-4	N 1/2	22-09-27-4	SW	14-11-24-4
				NW	16-11-25-4

FINANCIAL STATEMENTS

Anita Wickersham, CPA, CMA
Manager - Finance & Administration



DECEMBER 31, 2020

Independent Auditors' Report
Statement of Financial Position
Statement of Operations and Fund Balances
Statement of Cash Flows
Notes to the Financial Statements
Schedule of Operating Expenses
Schedule of Irrigation Works Capital Expenditures



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Lethbridge AB T1K 7T5
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Lethbridge Northern Irrigation District

Opinion

We have audited the accompanying financial statements of Lethbridge Northern Irrigation District (the "District"), which comprise:

- the statement of financial position as at December 31, 2020
- the statement of operations and fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes and schedules to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as at December 31, 2020, and its results of operations, and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditors' report thereon, included in the *Annual Report*. The *Annual Report* is expected to be made available to us after the date of the auditors' report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

When we read the *Annual Report*, if we conclude that there is a material misstatement of this other information, we are required to report the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the District's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the District's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Lethbridge, Canada

March 15, 2021

**LETHBRIDGE NORTHERN IRRIGATION DISTRICT
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020**

	GENERAL OPERATIONS	IRRIGATION WORKS	2020 TOTAL	2019 TOTAL
CURRENT ASSETS				
Cash	\$ 3,121,058	\$ 178,028	\$ 3,299,086	\$ 4,641,517
Short term investments (Note 3)	9,365,750	460,429	9,826,179	5,949,740
Accounts receivable (Note 4)	49,775	80,770	130,545	1,669,735
Prepaid expenses and deposits	222,034	-	222,034	246,252
Inventory	395,258	-	395,258	515,782
Due from general operations	-	10,929,339	10,929,339	7,811,760
	<u>13,153,875</u>	<u>11,648,566</u>	<u>24,802,441</u>	<u>20,834,786</u>
Long term investments (Note 5)	-	26,607,022	26,607,022	23,950,703
Capital assets (Note 8)	<u>2,770,260</u>	<u>125,681,137</u>	<u>128,451,397</u>	<u>118,296,526</u>
	<u><u>\$ 15,924,135</u></u>	<u><u>\$ 163,936,725</u></u>	<u><u>\$ 179,860,860</u></u>	<u><u>\$ 163,082,015</u></u>
CURRENT LIABILITIES				
Accounts payable and accrued liabilities (Note 6)	\$ 453,578	\$ 3,497,115	\$ 3,950,693	\$ 790,807
Deferred revenue (Note 13)	48,250	31,800	80,050	102,584
Construction costs and holdbacks payable (Note 14)	-	86,113	86,113	32,847
Water right deposits (Note 15)	-	2,911,310	2,911,310	6,167,454
Construction contributions (Note 15)	-	4,857,529	4,857,529	721,640
Due to irrigation works	10,929,339	-	10,929,339	7,811,760
	<u>11,431,167</u>	<u>11,383,867</u>	<u>22,815,034</u>	<u>15,627,092</u>
FUND BALANCES				
Capital (Note 8)	2,770,260	125,681,137	128,451,397	118,296,526
General Fund operating (Note 10)	1,722,708	-	1,722,708	2,420,884
Irrigation Works Fund: (Note 9)				
District Irrigation Works fund	-	37,948,683	37,948,683	31,691,030
Alberta (IRP) Cost-Sharing	-	(11,610,062)	(11,610,062)	(5,453,532)
District pump fund	-	533,100	533,100	500,015
	<u>4,492,968</u>	<u>152,552,858</u>	<u>157,045,826</u>	<u>147,454,923</u>
	<u><u>\$ 15,924,135</u></u>	<u><u>\$ 163,936,725</u></u>	<u><u>\$ 179,860,860</u></u>	<u><u>\$ 163,082,015</u></u>

The accompanying notes and supporting schedules are an integral part of these financial statements.

COMMITMENTS (Note 16)

**LETHBRIDGE NORTHERN IRRIGATION DISTRICT
STATEMENT OF OPERATIONS AND FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>GENERAL OPERATIONS</u>	<u>IRRIGATION WORKS</u>	<u>2020 TOTAL</u>	<u>2019 TOTAL</u>
REVENUE				
Water earnings:				
Irrigation rates (Note 11)	\$ 4,353,252	\$ -	\$ 4,353,252	\$ 4,153,253
Conveyance of excess and domestic water	617,546	-	617,546	578,277
Penalties	3,714	-	3,714	2,136
	<u>4,974,512</u>	<u>-</u>	<u>4,974,512</u>	<u>4,733,666</u>
Less: Discounts	102,038	-	102,038	95,095
	<u>4,872,474</u>	<u>-</u>	<u>4,872,474</u>	<u>4,638,571</u>
Lease revenue, net	56,101	-	56,101	55,889
Interest earnings	145,298	-	145,298	134,095
Miscellaneous	8,058	-	8,058	344,837
Pump fund revenues (Note 9)	-	397,562	397,562	448,742
Irrigation works fund revenues (Note 9)	-	9,938,460	9,938,460	8,624,369
Unrealized gain (loss) on financial instruments	-	1,931,129	1,931,129	1,787,483
	<u>5,081,931</u>	<u>12,267,151</u>	<u>17,349,082</u>	<u>16,033,986</u>
EXPENSES				
Operating expenses (Schedule 1)	2,101,643	-	2,101,643	1,888,740
Pump fund expenses (Note 9)	-	364,477	364,477	408,289
Consulting fees (recovered), net (Note 9)	-	214,419	214,419	(17,681)
Cost of land and buildings sold (Note 8)	-	148	148	35
Amortization of irrigation works (Note 8)	-	4,785,225	4,785,225	4,612,316
Write off of irrigation works (Note 8)	-	227,858	227,858	698,144
Non-capital irrigation works expenses (Note 9)	-	64,409	64,409	157,340
	<u>2,101,643</u>	<u>5,656,536</u>	<u>7,758,179</u>	<u>7,747,183</u>
Excess of revenue over expenses	2,980,288	6,610,615	9,590,903	8,286,803
Interfund transfer - Provision for irrigation works	(2,200,000)	2,200,000	-	-
Fund surplus	780,288	8,810,615	9,590,903	8,286,803
Interfund transfer - Allocation for irrigation works	(1,300,000)	1,300,000	-	-
Fund balances, beginning of year	5,012,680	142,442,243	147,454,923	139,168,120
Fund balances, end of year	<u>\$ 4,492,968</u>	<u>\$ 152,552,858</u>	<u>\$ 157,045,826</u>	<u>\$ 147,454,923</u>

The accompanying notes and supporting schedules are an integral part of these financial statements.

**LETHBRIDGE NORTHERN IRRIGATION DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	GENERAL OPERATIONS	IRRIGATION WORKS	2020 TOTAL	2019 TOTAL
Cash provided by (used for) the following activities:				
Operating activities:				
Excess of revenue over expenses	\$ 2,980,288	\$ 6,610,615	\$ 9,590,903	\$ 8,286,803
Items not involving cash:				
Unrealized (gain) loss on financial instruments	-	(1,931,129)	(1,931,129)	(1,787,483)
Amortization (Note 8, Schedule 1)	458,696	4,785,225	5,243,921	5,081,929
Loss on disposal of capital assets	11,747	-	11,747	13,731
Loss on disposal of land and building	-	148	148	35
Write off of irrigation works (Note 8)	-	227,858	227,858	698,144
	<u>3,450,731</u>	<u>9,692,717</u>	<u>13,143,448</u>	<u>12,293,159</u>
Change in non-cash working capital balances:				
Accounts receivable	3,347	1,535,843	1,539,190	(1,579,359)
Prepaid expenses and deposits	24,218	-	24,218	(3,157)
Inventory	120,524	-	120,524	102,782
Accounts payable and accrued liabilities	63,338	3,096,548	3,159,886	130,418
Construction costs and holdbacks payable	-	53,266	53,266	16,777
Deferred revenue	(54,334)	31,800	(22,534)	(114,526)
Water right deposits	-	(3,256,144)	(3,256,144)	2,091,483
Construction contributions	-	4,135,889	4,135,889	502,197
Due to irrigation works / from general operations	3,117,579	(3,117,579)	-	-
	<u>3,274,672</u>	<u>2,479,623</u>	<u>5,754,295</u>	<u>1,146,615</u>
Investing activities:				
Accrued interest receivable	-	-	-	282,203
Purchase of capital assets	(748,165)	-	(748,165)	(272,525)
Proceeds from disposal of capital assets	99,258	-	99,258	14,212
Additions to irrigation works	-	(14,989,638)	(14,989,638)	(9,372,287)
Decrease in investments	-	(725,190)	(725,190)	(3,870,632)
	<u>(648,907)</u>	<u>(15,714,828)</u>	<u>(16,363,735)</u>	<u>(13,219,029)</u>
Interfund transfers:				
Provision for irrigation works	(2,200,000)	2,200,000	-	-
Allocation for irrigation works	(1,300,000)	1,300,000	-	-
	<u>(3,500,000)</u>	<u>3,500,000</u>	<u>-</u>	<u>-</u>
Increase (decrease) in cash and cash equivalents	2,576,496	(42,488)	2,534,008	220,745
Cash and cash equivalents, beginning of year	9,910,312	680,945	10,591,257	10,370,512
Cash and cash equivalents, end of year	<u>\$ 12,486,808</u>	<u>\$ 638,457</u>	<u>\$ 13,125,265</u>	<u>\$ 10,591,257</u>
Cash and cash equivalents comprise:				
Cash	\$ 3,121,058	\$ 178,028	\$ 3,299,086	\$ 4,641,517
Short term investments	9,365,750	460,429	9,826,179	5,949,740
	<u>\$ 12,486,808</u>	<u>\$ 638,457</u>	<u>\$ 13,125,265</u>	<u>\$ 10,591,257</u>

The accompanying notes and supporting schedules are an integral part of these financial statements.

LETHBRIDGE NORTHERN IRRIGATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 1 Purpose of the Organization

The Lethbridge Northern Irrigation District (hereinafter referred to as the "District") is charged with the responsibility of efficient and economical distribution of water to users in the District and operates as a Not-for-Profit Organization under the Irrigation Districts Act, Chapter I-11, Revised Statutes of Alberta 2000.

The District is part of the Alberta Crown, listed as a tax-exempt Government of Alberta agency, and included in the Province's constitutional tax immunity. As a result, the District pays no income taxes or goods and services tax on purchases, but is still required to collect and remit goods and services tax on services provided.

Note 2 Significant Accounting Policies and Reporting Practices

The financial statements have been prepared using Canadian Accounting Standards for Not-for-Profit Organizations and follow the restricted fund method of accounting for contributions. Significant accounting policies include:

a) Fund Accounting:

The activities of the District have been disclosed as two distinct funds - the General Operations Fund and the Irrigation Works Fund:

General Operations Fund - Discloses the water management and delivery operations of the District, as well as certain special projects as designated by the Board of Directors from time to time. The General Operations Fund includes management of equipment and personnel, the costs of which are billed to the Irrigation Works Fund to the extent they relate to construction activities.

Irrigation Works Fund - Discloses receipts and expenses for new irrigation works and interest earned on such monies. Costs incurred in constructing new irrigation works and in replacing and rehabilitating existing structures are provided for from this fund. The Province of Alberta contributes to Irrigation Rehabilitation Program (IRP) projects 75% of the expenses and the District contributes 25%.

b) Cash and Cash Equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months at the date of acquisition.

c) Inventory:

Materials and supplies are valued at the lower of cost and replacement cost with cost determined by the first-in, first-out method.

d) Revenue Recognition:

Restricted contributions related to general operations are recognized as revenue of the General Operations Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Operations Fund in the year received, or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

All other revenue is recognized in the appropriate fund when earned.

e) Capital Assets:

Property and equipment are recorded at cost. Amortization of equipment is provided using the declining balance method at rates intended to amortize the cost of these assets over their estimated useful lives. The annual rates are as follows:

Computer	25%	Power	15%
Automotive	20%	Other	10%

Irrigation works assets are recorded at cost to the District. Items capitalized include the cost of easements and right-of-ways purchased. Irrigation works and buildings are amortized on a straight-line basis over their estimated average useful lives of 40 years.

f) Financial Instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The District has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs. These costs are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the District determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the District expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial impairment charge.

g) Use of Estimates:

The preparation of the financial statements in conformity with Canadian Accounting Standards for Not-For-Profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amounts of capital assets and provisions for impairment of trade accounts receivable. Actual results could differ from those estimates.

h) Pension:

The District participates in the Local Authorities Pension Plan (LAPP). This pension plan is a multi-employer defined benefit pension plan that provides pensions for the District's participating employees, based on years of service and earnings.

The District does not have sufficient plan information on the LAPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expenses recorded for the LAPP are comprised of employer contributions to the plan that are required for its employees during the year, which are calculated based on actuarially predetermined amounts that are expected to provide the plan's future benefits.

Note 3 Short Term Investments

Short term investments are held in Notice Demand Accounts (funds are available with 31, 60 and 90 days notice) and high interest savings accounts:

General Operations:	2020	2019
ATB Notice Demand Accounts		
31 days @ 0.80% (2019 @ 2.30%)	\$ 303,414	\$ 1,282,655
60 days @ 0.90% (2019 @ 2.40%)	1,542,245	1,078,168
90 days @ 1.00% (2019 @ 2.50%)	7,520,091	3,136,301
	9,365,750	5,497,124
 Irrigation Works:		
ATB Notice Demand Accounts (Pump Fund)		
90 days @ 1.00% (2019 @ 2.50%)	439,925	432,297
 ATB High Interest Savings		
Dec. 31, 2020 @ 0.60% (2019 @ 1.85%)	20,504	20,319
	460,429	452,616
 Total Short Term Investments	\$ 9,826,179	\$ 5,949,740

Note 4 Accounts Receivable

General Operations:	2020	2019
Water rates and charges	\$ 47,502	\$ 50,503
Other	2,273	2,619
	49,775	53,122
 Irrigation Works:		
Construction contribution charges	23,287	4,375
Water rights charges	-	57,552
Pump surcharges	57,483	25,324
Contributions - Alberta Agriculture & Forestry	-	1,529,362
	80,770	1,616,613
Total Accounts Receivable	\$ 130,545	\$ 1,669,735

Note 5 Long Term Investments

Long term investments are comprised of fixed income investments including government-backed provincial issue strip bonds and other bonds and equity investments that trade in active markets. The fair value of investments is determined by the published price quotations.

Investments consist of the following:

	2020	2019
Equity Investments:		
RBC Dominion Securities, at fair value	\$ 5,324,334	\$ 4,733,355
ATB Investor Services, at fair value	19,267,536	17,165,554
Fixed Income:		
RBC Dominion Securities, 1.75% to 5.85% bonds, maturities from 2022 to 2048, at amortized cost	2,015,152	2,051,794
Total Long Term Investments	\$ 26,607,022	\$ 23,950,703

Note 6 Accounts Payable and Accrued Liabilities

Included in accounts payable are outstanding government remittances payable of \$53,835 (2019 - \$57,716).

Note 7 Loans

The District has a credit facility with ATB Financial to help finance operations. In accordance with By-Law #596-2019, the prevailing rate of interest is set by ATB Financial and is authorized to a maximum of \$5,000,000 (2019 - \$5,000,000). The actual interest rate floats at 0.25% below the bank prime interest rate and the amount outstanding as at December 31, 2020 was \$ Nil (2019 - \$ Nil). The ATB Financial prime interest rate was 2.45 % on December 31, 2020 (2019 - 3.95%).

On December 18, 2020, the District entered into a Funding Agreement with Irrigating Alberta Inc., (the "SPV"- Special Purpose Vehicle) a related party of which the District will own 12.5% of the common shares. The SPV is a joint vehicle that has negotiated sources of funds to be made available to the following eight Irrigation Districts: Bow River Irrigation District, Eastern Irrigation District, Lethbridge Northern Irrigation District, Raymond Irrigation District, St. Mary River Irrigation District, Taber Irrigation District, United Irrigation District and Western Irrigation District. The funds negotiated by the SPV for projects amounting to \$15,800,000 will be funded as follows: 30% (\$4,740,000) of the funding is from a grant from the Province of Alberta; and 50% (\$7,900,000) of the funding is from a loan from Canadian Infrastructure Bank ("CIB"); and the remaining 20% (\$3,160,000) of the funding is from contributions by the District made by way of direct satisfaction of Applicable Project Costs.

The maximum amount of funds available to be borrowed by the District from SPV is \$7,900,000 at 1.0% per annum for 35 years, to be repaid with Incremental Revenues. The outstanding balance as at December 31, 2020 was \$Nil.

Security on the SPV loan is a General Security Agreement on Incremental Revenues which includes the annual amount from capital asset charges levied on additional irrigation acres added to the District as a result of the New Assets ("Additional Acres"), the irrigation rates received on Additional Acres plus all other rates, charges, surcharges, fees or other operating revenues collected from Additional Acres and construction contributions for existing acres for the applicable Projects ("Incremental Revenues"), a limited recourse guarantee in favour of CIB equal to the District's share of the SPV's obligations to CIB and a pledge in favour of CIB for any equity or similar interests the District has in the SPV.

Note 8 Capital Assets

a) General Operations:	2020			2019
	Cost	Amortization	Net	Net
Computer	\$ 329,799	\$ 225,796	\$ 104,003	\$ 86,774
Automotive	1,769,844	958,445	811,399	528,974
Power	3,579,416	2,032,180	1,547,236	1,703,928
Other	818,225	510,603	307,622	272,120
	<u>6,497,284</u>	<u>3,727,024</u>	<u>2,770,260</u>	<u>2,591,796</u>
b) Irrigation Works:				
Completed irrigation works	204,413,605	82,290,716	122,122,889	112,058,948
Buildings	3,590,177	904,618	2,685,559	2,772,944
Land	872,689	-	872,689	872,838
	<u>208,876,471</u>	<u>83,195,334</u>	<u>125,681,137</u>	<u>115,704,730</u>
Total Capital Assets	<u>\$ 215,373,755</u>	<u>\$ 86,922,358</u>	<u>\$ 128,451,397</u>	<u>\$ 118,296,526</u>

Irrigation Works:	2020	2019
Irrigation works, beginning of year	\$ 194,126,831	\$ 186,840,888
Additions to irrigation works	14,989,638	9,372,287
	<u>209,116,469</u>	<u>196,213,175</u>
Deduct:		
Cost of land and building sold	148	35
Cost of irrigation works written off	239,850	2,086,309
	<u>239,998</u>	<u>2,086,344</u>
Irrigation works, end of year	<u>208,876,471</u>	<u>194,126,831</u>
Amortization of irrigation works, beginning year	<u>78,422,101</u>	<u>75,197,950</u>
Current year amortization	<u>4,785,225</u>	<u>4,612,316</u>
Deduct:		
Amortization on projects written off	11,992	1,388,165
Amortization of irrigation works	<u>4,773,233</u>	<u>3,224,151</u>
Amortization of irrigation works, end of year	<u>83,195,334</u>	<u>78,422,101</u>
Irrigation Works, net book value	<u>\$ 125,681,137</u>	<u>\$ 115,704,730</u>

The changes in the fund balance, invested in capital assets, reflects the same changes as above. Irrigation works that were not available for use were not amortized in 2020 and amount to \$11,227,846 (2019 - \$3,716,627). In 2020, various projects that have since been replaced with new works were written off. The net book value of \$Nil for IRP projects and \$227,858 for IWR projects were written off, for a total of \$227,858 (2019 - \$698,144).

Note 9 Fund Balances

- a) The future use of a portion of the District's funds has been allocated to the following areas by restrictions made by the Board of Directors:

District Irrigation Works fund – Monies to be used for irrigation works additions and rehabilitation are internally restricted and include the District's 25% commitment to Province of Alberta Cost-Sharing projects.

Pump fund – Monies collected annually from the Keho East and Keho/Barons Irrigation Projects water users and the Piyami Canal Rehabilitation Project water users, for pump maintenance and future pump replacement.

- b) Funds received from Alberta Agriculture and Forestry are externally restricted, must be used for specific cost-shared irrigation projects, and are included in the Alberta (IRP) Cost-Sharing fund.

Irrigation Works Fund:

	2020		2019	
	District	Alberta (IRP) Cost-Sharing	Total	Total
Fund balance, beginning of year	\$ 31,691,030	\$ (5,453,532)	\$ 26,237,498	\$ 23,308,638
Add:				
Contributions received from Alberta Agriculture and Forestry	73,250	1,098,698	1,171,948	1,578,112
Interest earnings and realized gains	682,339	266	682,605	668,942
Contributions for new parcels and irrigation works	2,062,778	-	2,062,778	711,840
Proceeds from sale of irrigation works	6,021,129	-	6,021,129	5,665,475
Transfer from District to Province of Alberta Cost-Sharing	(876,019)	876,019	-	-
Total Irrigation Works Fund revenues	7,963,477	1,974,983	9,938,460	8,624,369
Unrealized gain on investments	1,931,129	-	1,931,129	1,787,483
Interfund transfers	3,500,000	-	3,500,000	2,028,954
Total additions	13,394,606	1,974,983	15,369,589	12,440,806
	45,085,636	(3,478,549)	41,607,087	35,749,444
Deduct:				
Additions to irrigation works, Schedule 2	6,858,125	8,131,513	14,989,638	9,372,287
Consulting fees (recovered), net	214,419	-	214,419	(17,681)
Other expenses from Irrigation Works Fund	64,409	-	64,409	157,340
Total deductions	7,136,953	8,131,513	15,268,466	9,511,946
Fund balance, end of year	\$ 37,948,683	\$ (11,610,062)	\$ 26,338,621	\$ 26,237,498

Pump Fund:

	2020				2019
	<u>Keho East</u>	<u>Keho/Barons</u>	<u>Piyami</u>	<u>Total</u>	<u>Total</u>
Fund balance, beginning of year	\$ 59,339	\$ 342,333	\$ 98,343	\$ 500,015	\$ 459,562
Add:					
Assessments - pump and electrical	125,196	178,667	83,809	387,672	439,772
Investment income	720	5,589	1,555	7,864	8,970
Penalties	-	2,026	-	2,026	-
Total additions	125,916	186,282	85,364	397,562	448,742
	185,255	528,615	183,707	897,577	908,304
Deduct:					
Electrical	109,306	167,633	72,603	349,542	401,503
Maintenance	7,782	7,001	152	14,935	6,786
Total deductions	117,088	174,634	72,755	364,477	408,289
Fund balance, end of year	\$ 68,167	\$ 353,981	\$ 110,952	\$ 533,100	\$ 500,015

Note 10 General Operations Fund

a) General Fund operating:	2020	2019
General Fund operating, beginning of year	\$ 2,420,884	\$ 940,155
Adjustments to capital assets, net	(178,464)	225,031
Revenue over expenses allocated	2,980,288	3,284,652
Transfer to irrigation works fund from general operations	(3,500,000)	(2,028,954)
General Fund operating, end of year	\$ 1,722,708	\$ 2,420,884
b) The General Operations Fund is comprised of:	2020	2019
General Fund operating	\$ 1,722,708	\$ 2,420,884
General Fund capital	2,770,260	2,591,796
Total	\$ 4,492,968	\$ 5,012,680

Note 11 Irrigation Rates

		<u>2020</u>	<u>2019</u>
190,852.8	irrigation acres @ \$17.50/acre (2019 – 187,403.6 ac. @\$17.00)	\$ 3,339,924	\$ 3,185,861
1,027.5	irrigation acres – 76 parcels @ \$525.00/parcel minimum (2019 – 1,061.4 ac. – 78 parcels @\$510.00)	39,900	39,780
273.0	dryland terminable acres @ \$27.00/acre (2019 – 273.0 ac. @\$26.00)	7,371	7,098
55.0	dryland terminable acres – 4 parcels @ \$525.00/parcel minimum (2019 – 55.0 ac. – 4 parcels @\$510.00)	2,100	2,040
1,941.8	restricted terminable acres @ \$27.00/acre (2019 – 1,941.8 ac. @\$26.00)	52,429	50,486
23.6	restricted terminable acres – 2 parcels @ \$525.00/parcel minimum (2019 – 23.6 ac. – 2 parcels @\$510.00)	1,050	1,020
-	pipeline pressure delivery charge	<u>850,803</u>	<u>821,043</u>
<u>194,173.7</u>	(2019 – 190,758.4)	4,293,577	4,107,328
	Less: reclassification credits & rebates	<u>100</u>	<u>170</u>
		<u>4,293,477</u>	<u>4,107,158</u>
	Add: annual agreements		
678.6	annual acres @ \$60.00/acre (2019 – 580.0 ac. @\$52.50)	40,716	30,450
211.0	annual acres – 30 parcels @ \$600.00/parcel minimum (2019 – 207.9 ac. – 28 parcels @\$525.00)	18,000	14,700
-	pipeline pressure delivery charge	<u>1,059</u>	<u>945</u>
<u>889.6</u>	(2019 – 787.9)	<u>59,775</u>	<u>46,095</u>
<u><u>195,063.3</u></u>	(2019 – 191,546.3)	<u><u>\$ 4,353,252</u></u>	<u><u>\$ 4,153,253</u></u>

Note 12 Local Authorities Pension Plan (LAPP)

The District is required to make current service contributions to the LAPP of 9.39% (2019 - 9.39%) of pensionable earnings up to the Canada Pension Plan Years' Maximum Pensionable Earnings and 13.84% (2019 - 13.84%) for the excess. The employee contributions are based on rates of 8.39% (2019 - 8.39%) and 12.84% (2019 - 12.84%) respectively.

Total current service contributions by the District to the LAPP in 2020 were \$190,065 (2019 - \$195,590). Total current service contributions by the District employees in 2020 were \$168,600 (2019 - \$176,868).

At December 31, 2019, the LAPP served about 274,151 people (2018 - 265,813) and 420 employers (2018 - 421) and it disclosed an actuarial surplus of \$7.91 billion (2018 - surplus of \$3.47 billion).

Note 13 Deferred Revenue

General Operations:	<u>2020</u>	<u>2019</u>
Prepaid water fees	\$ 48,250	\$ 102,584
	<u>48,250</u>	<u>102,584</u>
Irrigation Works:		
Water Access Fee	<u>31,800</u>	<u>-</u>
	<u>31,800</u>	<u>-</u>
Total Deferred Revenue	<u>\$ 80,050</u>	<u>\$ 102,584</u>

Note 14 Construction Costs and Holdbacks Payable

This liability consists of accounts and holdbacks payable for work undertaken pursuant to the cost-sharing agreement with the Province of Alberta and for District Irrigation Works projects.

Note 15 Water Right Deposits and Construction Contributions

During 2019, the District received deposits related to capital assets (water rights) for the Barons West 2 Pump Station and for expansion acres. The deposits will be recognized as revenue in the Irrigation Works Fund, as proceeds from sale of irrigation works, when all the conditions are met and the parcels are added to the assessment rolls. In addition, the District received deposits during 2019 and 2020 related to construction contributions for capital projects scheduled to commence in subsequent years. Included in the 2020 deposits are construction contributions for the Barons West 2 Pump Station.

Note 16 Commitments

The District has commitments as at December 31, 2020 of \$1,181,973 (2019 - \$Nil), in respect of uncompleted work and supply of materials under contract.

Note 17 Financial Risks and Concentration of Risks

a) Credit Risk:

Credit risk associated with cash and short term deposits is minimized substantially by ensuring that these financial assets are placed with government-backed instruments and well-capitalized financial institutions.

The District does not have significant exposure to risk from any individual customer. The Irrigation Districts Act provides a mechanism to recover non-payment of capital construction contributions, irrigation rates, surcharges and capital assets (water rights). There has been no change to the risk exposure from 2019.

b) Currency Risk:

The District is exposed to currency risk as its investment portfolio includes investments in foreign equities. The risk associated is reduced as the District invests in foreign content according to its investment policy. There has been no change to the risk exposure from 2019.

c) Interest Rate Risk:

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets, known as cash flow risk, and on the fair value of other financial assets, known as price risk.

The District is exposed to interest rate risk on its fixed interest rate financial instruments as a result of investments in bonds. Fixed interest instruments subject the District to a fair value risk, however the risk associated is reduced to a minimum since these assets are mainly in government securities.

The fair value risk of the long term investments is managed and mitigated in the Board's opinion by investing in a variety of risk based investments. Provincial issue strip bonds and high interest savings accounts are used to reduce the risk of the overall portfolio. Marketable securities are also invested in an attempt to increase the portfolio's overall return. There has been no change to the risk exposure from 2019.

d) Liquidity Risk:

Liquidity risk is the risk that the District will not be able to meet its obligations as they become due. The District's approach to managing liquidity risk is to ensure that it always has sufficient cash and credit facilities to meet its operating requirements. There has been no change to the risk exposure from 2019.

Note 18 Covid-19

On March 11, 2020, the Coronavirus COVID-19 outbreak (“COVID-19”) was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian and Alberta governments, enacting emergency measures to combat the spread of the virus. These measures include implementation of travel bans, self-imposed quarantine periods, closures of non-essential businesses, and physical distancing, which have caused material disruption to businesses globally and in Canada, resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. Accordingly, economic uncertainties have arisen which could have a negative impact on the District’s revenue streams and results of operations.

The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the District's business, if any, is not known at this time. The District continues to operate within the Provincial Government health guidelines. This has not had a significant impact on the District's operations. However, given the uncertainty of the situation, there could be future impacts, including potential decreases in revenue or the profitability of ongoing operations. The District continues to manage liquidity risk by forecasting and assessing cash flow requirements on an ongoing basis. The District continues to meet its contractual obligations within normal payment terms. An estimate of the financial effect of COVID-19 on the District's operations is not practicable at this time.

Note 19 Approval of Financial Statements

These financial statements were prepared and approved by management.

**LETHBRIDGE NORTHERN IRRIGATION DISTRICT
SCHEDULE OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Schedule 1

	2020					2019
	EQUIPMENT POOL	MAINTENANCE OF IRRIGATION WORKS	WATER DELIVERY	ENGINEERING	ADMINISTRATION AND GENERAL	TOTAL
Salaries and wages	\$ 468,562	\$ 847,313	\$ 193,999	\$ 373,201	\$ 709,931	\$ 2,593,006
Equipment expense	119,208	313,016	135,311	13,932	5,189	586,656
Employee benefits	76,496	135,990	65,841	73,899	134,020	486,246
Amortization of equipment	345,628	72,828	1,511	25,949	12,780	458,696
Materials and supplies	11,927	180,639	2,860	4,231	12,749	212,406
Vegetation, weed and pest control	-	8,528	177,710	-	-	186,238
Buildings and grounds	11,551	11,410	9,963	20,579	22,928	76,431
Board of Directors fees and expenses	-	-	-	-	73,211	73,211
Association fees and dues	-	-	-	1,534	59,940	61,474
Equipment rental	3,717	51,777	1,699	456	1,337	58,986
Contracted services	-	-	510	14,793	18,021	33,324
Professional fees	-	-	-	-	58,283	58,283
Pumps and control structures	-	8,852	14,282	-	-	23,134
Telephone	1,254	3,425	6,180	6,492	5,769	23,120
Advertising and public relations	-	611	-	845	15,468	16,924
Insurance	-	-	-	-	3,969	3,969
Staff training and conferences	620	560	242	896	320	2,638
Travel	96	498	153	258	1,358	2,363
Interest and bank charges	-	-	-	-	1,152	1,152
Crop and flood damage	-	624	-	-	-	624
Easement rental	-	569	-	-	-	569
(Gain) loss on disposal of equipment	8,302	3,445	-	-	-	11,747
Miscellaneous	180	258	60	247	3,750	4,495
Recoveries:						
Equipment	(1,776,230)	(58,472)	-	(97,710)	(1,823)	(1,934,235)
Labour (including benefits)	(50,716)	(289,205)	-	(417,963)	(103,191)	(863,224)
Custom work	(5,175)	(1,760)	-	(31,734)	(36,848)	(75,517)
Pumps	-	-	(3,222)	-	-	(3,222)
Total 2020	\$ (784,580)	\$ 1,290,906	\$ 607,099	\$ (10,095)	\$ 998,313	\$ 2,101,643
Total 2019	\$ (726,485)	\$ 1,005,192	\$ 578,003	\$ 45,276	\$ 986,754	\$ 1,888,740

**LETHBRIDGE NORTHERN IRRIGATION DISTRICT
SCHEDULE OF IRRIGATION WORKS CAPITAL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	DISTRICT	ALBERTA (IRP) COST-SHARING	2020 TOTAL	2019 TOTAL
External Goods and Services				
Materials and supplies	\$ 3,384,746	\$ 6,303,339	\$ 9,688,085	\$ 4,846,487
Contract services			-	-
Construction	1,853,934	291,280	2,145,214	1,586,259
Engineering	407,550	45,305	452,855	80,632
Land acquisition costs	51,205	4,082	55,287	22,181
Internal (District) Goods and Services				
Labour recoveries (including benefits)				
Engineering	123,329	207,400	330,729	448,381
Construction	176,409	163,713	340,122	330,909
Right-of-way	26,762	36,781	63,543	70,974
Equipment recoveries	834,190	1,079,613	1,913,803	1,986,464
Totals 2020	<u>\$ 6,858,125</u>	<u>\$ 8,131,513</u>	<u>\$ 14,989,638</u>	
Totals 2019	<u>\$ 9,316,354</u>	<u>\$ 55,933</u>		<u>\$ 9,372,287</u>

LETHBRIDGE NORTHERN IRRIGATION DISTRICT

2020 ANNUAL GENERAL MEETING

COALHURST & DISTRICT COMMUNITY CENTRE

NOVEMBER 23, 2021

1:30 P.M.

A G E N D A

1. Call to Order
2. Introduction of Guests
3. Moment of Silence
4. Agenda Approval
5. Minutes of the 2019 Annual General Meeting
6. Business Arising from the Minutes
7. Chairman's Report
8. General Manager's Report
9. District Engineer's Report
10. Operations & Maintenance Report
11. Financial Report
12. Other Business Arising from the Reports
13. New Business
14. Location for Next Meeting
15. Adjournment
16. Coffee and Doughnuts
(Courtesy of ATB Financial & ATB Wealth Inc.)



TUESDAY, NOVEMBER 24, 2020

The 2019 Annual General Meeting was held on Tuesday, November 24, 2020 at the Sandman Signature Lethbridge Lodge, commencing at 1:30 p.m.

PRESENT

1 Water User, 5 Board members representing the Water Users and 7 LNID staff. In addition, the following attended: **Irrigation Council:** Rufa Doria; **Irrigation Secretariat:** Jennifer Nitschelm; **A.I.D.A.:** Ron McMullin (Executive Director Retired); **KPMG LLP:** Dan Bosters; **MPE Engineering Ltd.:** Kevin Whittmire; **RBC Dominion Securities:** Leroy Pavan;

CALL TO ORDER

John Vandenberg, Chairman of the Board, called the meeting to order at 1:34 p.m. and introduced the Board of Directors and guests in attendance.

MOMENT OF SILENCE

John Vandenberg, Chairman, asked that all in attendance observe a moment of silence for those who have passed away.

AGENDA APPROVAL

John Vandenberg asked for any additions/deletions/changes to the agenda. There were none.

Motion by Klaas Slomp, seconded by Martin Van Diemen to adopt the agenda as presented. **CARRIED**

MINUTES OF 2018 ANNUAL GENERAL MEETING

John Vandenberg asked if there were any errors or omissions. There were none.

Motion by Klaas Slomp, seconded by Sonny Wierenga to approve the Minutes of the 2018 - 98th, Annual General Meeting as presented. **CARRIED**

BUSINESS ARISING OUT OF MINUTES

John Vandenberg called for any business arising out of 2018 Minutes. No items were raised.

CHAIRMAN'S REPORT

John Vandenberg, Chairman of the Board of Directors reviewed the Chairman's Report which included information on Oldman River Dam level, Water Allocation, District Projects, Water Management in the District and increased costs of Rehabilitation and maintaining infrastructure.

Motion by Anita Wickersham, seconded by Peter Bos to adopt the Chairman's Report as presented. **CARRIED**

GENERAL MANAGER'S REPORT

Alan Harrold presented the General Manager's Report.

A.L. Harrold presented details of District Expansion, Automation & Control Structures, Water Conservation, On-Farm Water Storage, Staffing and the outlook for the future. He thanked the Board for their continuing commitment to improving the District and support to management and staff. A.L. Harrold also thanked all staff for their continued commitment to the District as well as assistance received from the staffs of Alberta Environment & Parks and Alberta Agriculture & Forestry.

A.L. Harrold asked for questions arising from the General Manager's Report. There were none.

Motion by Klaas Slomp, seconded by Martin Van Diemen to adopt the General Manager's Report as presented. **CARRIED**

DISTRICT ENGINEER'S REPORT

Shane Eyre, Acting District Engineer, presented the District Engineer's Report. He reviewed the 2019 Irrigation Works Reserve Program (IWR) and the Proposed Irrigation Rehabilitation Program (IRP).

S. Eyre asked for any questions arising from the report. There were none.

Motion by Shane Eyre, seconded by Klaas Slomp to adopt the District Engineer's Report as presented.

CARRIED

OPERATIONS & MAINTENANCE REPORT

G. Fischer, Water Master West – Nobleford, presented the Operations and Maintenance Report.

G. Fischer asked for any questions arising from the report. There were none.

Motion by Garth Fischer, seconded by Klaas Slomp to adopt the Operations & Maintenance Report as presented. **CARRIED**

FINANCIAL REPORT

Anita Wickersham, Manager – Finance & Administration, presented the Financial Statements.

A.R. Wickersham asked if there were any questions arising from the report. There were none.

Motion by Klaas Slomp, seconded by Martin Van Diemen to adopt the Financial Statements as presented.

CARRIED

OTHER BUSINESS ARISING FROM THE REPORTS

John Vandenberg, Chairman asked if there was any other business arising from the reports presented.

- ❖ Klaas Slomp stated that the Board had undertaken a *Management Review* of the District's organizational structure in 2016 conducted by Serecon Inc. He asked if the Board was still committed to that re-structuring and what was the status of that process.

John Vandenberg stated that the District has had several staff changes in the past few years but will revisit the Review again.

NEW BUSINESS

John Vandenberg, Chairman stated that New Business is as follows:

- ❖ Return Flow Update
J. Vandenberg stated that By-Law #441-2009 District Expansion stated that once the District's 5 year rolling average of recorded return flow totaled 27,000 acre-feet or less, the District could move to Phase 3 of the Expansion and add up to an additional 10,000 acres bringing the Irrigation Expansion Limit to 212,000 acres. He stated that the District has now reached that point.
- ❖ Klaas Slomp asked if the Moratorium on the District not accepting any more water right applications would be lifted.

J. Vandenberg stated that the Board is in the process of setting a date to discuss the Moratorium.

LOCATION FOR NEXT MEETING

John Vandenberg, Chairman requested feedback for the location of the next meeting:

- ❖ Klaas Slomp stated that the District should alternate locations for the Annual General Meeting between Coalhurst & Picture Butte, Alberta.

Motion by Klaas Slomp, seconded by Peter Bos that the location for the next Annual General Meeting be Coalhurst, Alberta. **CARRIED**

ADJOURNMENT

John Vandenberg, Chairman, on behalf of the water users, thanked the Board and staff for a job well done. Accepted by a round of applause.

Motion by Klaas Slomp that the meeting be adjourned.

Meeting called adjourned at 2:11 p.m.