

LETHBRIDGE NORTHERN IRRIGATION DISTRICT

2025 Annual General Meeting



**PICTURE BUTTE COMMUNITY CENTRE
APRIL 16, 2026 @ 1:30 PM**



1. Call to Order

CALVIN KONYNENBELT CHAIR, LNID BOARD OF DIRECTORS
CHAIR, AGM



2. Introduction of Guests



3. Approval of Agenda

AFTER PAGE 40 IN ANNUAL REPORT

1. Call to Order
2. Introduction of Guests
3. Approval of Agenda
4. Approval of Minutes of the 2024 Annual General Meeting
5. Business Arising from the Minutes
6. Board Chair's Report: Calvin Konynenbelt
7. General Manager's Report: Christopher Gallagher, P. Eng.
 - 7.1 Presentation: LNID Strategic Plan 2026-2028
8. Technical Services Report: Abubaker Sardar, P.Eng.
 - 8.1 Long-Term Infrastructure Planning
9. Operations & Maintenance Report: Brett Zielinski
10. Corporate Services Report: Gary Burke
 - 10.1 Health and Safety Program Update
 - 10.2 Expansion Planning Update
 - 10.3 Water Supply and Management Update
11. Lethbridge Northern Headworks: Alberta Agriculture & Irrigation (AGI)
12. Government of Alberta's Irrigation Efficiency Water Program: AGI
13. Finance & Administration Reports
 - 13.1 Financial Report: Mercer Wilde Group
 - 13.2 LNID Fiscal Management & Projections: Levi Jackson, CPA
14. Other Business Arising from the Reports
15. New Business
16. Adjournment
 - 16.1. Coffee & Donuts (Courtesy of Janice Hupper at ATB Wealth)



4. Approval of Minutes of the 2024 Annual Meeting

AFTER PAGE 40 IN ANNUAL REPORT



5. Business Arising from the Minutes

Business Arising 1/2

P. 7 RE: transfer of water licence

- A transfer of water licence would be a last resort. If water can be served from LNID irrigation works, a Water Conveyance Agreement under LNID's amended junior licence would be preferred. This involves both a one-time fee and annual fees. We have current Water Conveyance Agreements to provide water for municipal purposes.

Business Arising 2/2

Several questions are further addressed in today's reports. Of note:

- P. 5 E. Van Essen RE: return flows – item 10.2
- P. 6 L. Van Essen RE: risk on long-term investments – item 13.2
- P. 6 B. Van Rootselaar RE: rate increases – item 13.2
- P. 6 L. Eremenko RE: cost of irrigation acres – items 10.2 and 13.2
- P. 6 K. Van Raay RE: LNH diversion weir – item 11
- P. 6 J. Kolk RE: storage in Keho reservoir – item 11
- P. 7 G. Van Asch RE: maintenance on Battersea – item 8.1



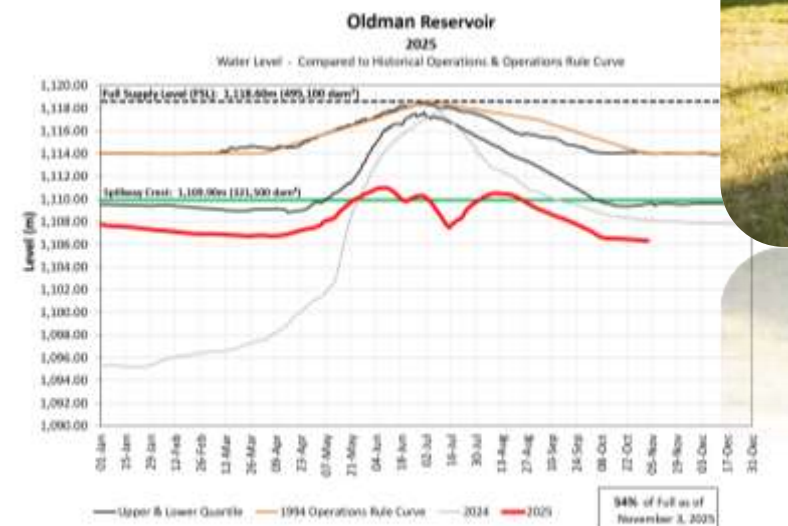
6. Board Chair's Report

PRESENTED BY CALVIN KONYNENBELT
CHAIR



Lethbridge Northern Irrigation District

Strategic Plan 2026-2028



Irrigation Check for Water Ordering Behavior
 Nov 03, 2025 08:31:45
 Trucking

Operations Manager or Irrigation Operator: Please update these tables, email us pdf and send to INCO to show your water order.

Water Demand		Base Demand		Total Demand		LAC Flow		Koho Lake Information		
CFR	CFR%	CFR	CFR%	CFR	CFR%	CFR	CFR%	% Design FSL (Dam)	% Operating FSL (Dam)	Level (m)
100	0.0	208	0.0	208	18.1	777	0.0	42.0%	98.8%	1051.057
Flow	0.0	208	0.0	208	18.1	777	0.0			

Water Demand		Base Demand		Total Demand (all 8 area sites)		Total Order		Koho Lake		
CFR	CFR%	CFR	CFR%	CFR	CFR%	CFR	CFR%	Current (dam³)	SW % Operating FSL	Other (m³)
100	4.4	208	0.0	208	18.1	208.0	0.0	85,477	13.8%	13,879
Storage	0	0.0	0	0.0	0	0.0	0.0			

No Change

All-hour Forecast: Weather Forecast
 24-hour Forecast: Weather Forecast

Reflo Lake vs LND Flow Differential over next 4 days
 Reflo Lake vs LND Flow Differential over next 4 days
 Reflo Lake vs LND Flow Differential over next 4 days

Max Flow in LAC is 1000 cfs (44.0 m³/s)
 The 48 & 72 hour forecasts are estimates and will be updated every day except for weekends.

Koho Design FSL Level: 1062.200 m (348,020 dam³)
 Koho Operating FSL Level: 1053.840 m (30,300 dam³)



7. Manager's Report

PRESENTED BY CHRIS GALLAGHER, P.ENG.
GENERAL MANAGER

Update on 2026 Board Nominations

Returning Officer: Christopher Gallagher

Nominations closed April 10, 2026 @ 4:00pm

Division 2:

- One nomination received
- Peter Vanden Dool declared elected by acclamation

Division 4:

- One nomination received
- Calvin Konynenbelt declared elected by acclamation

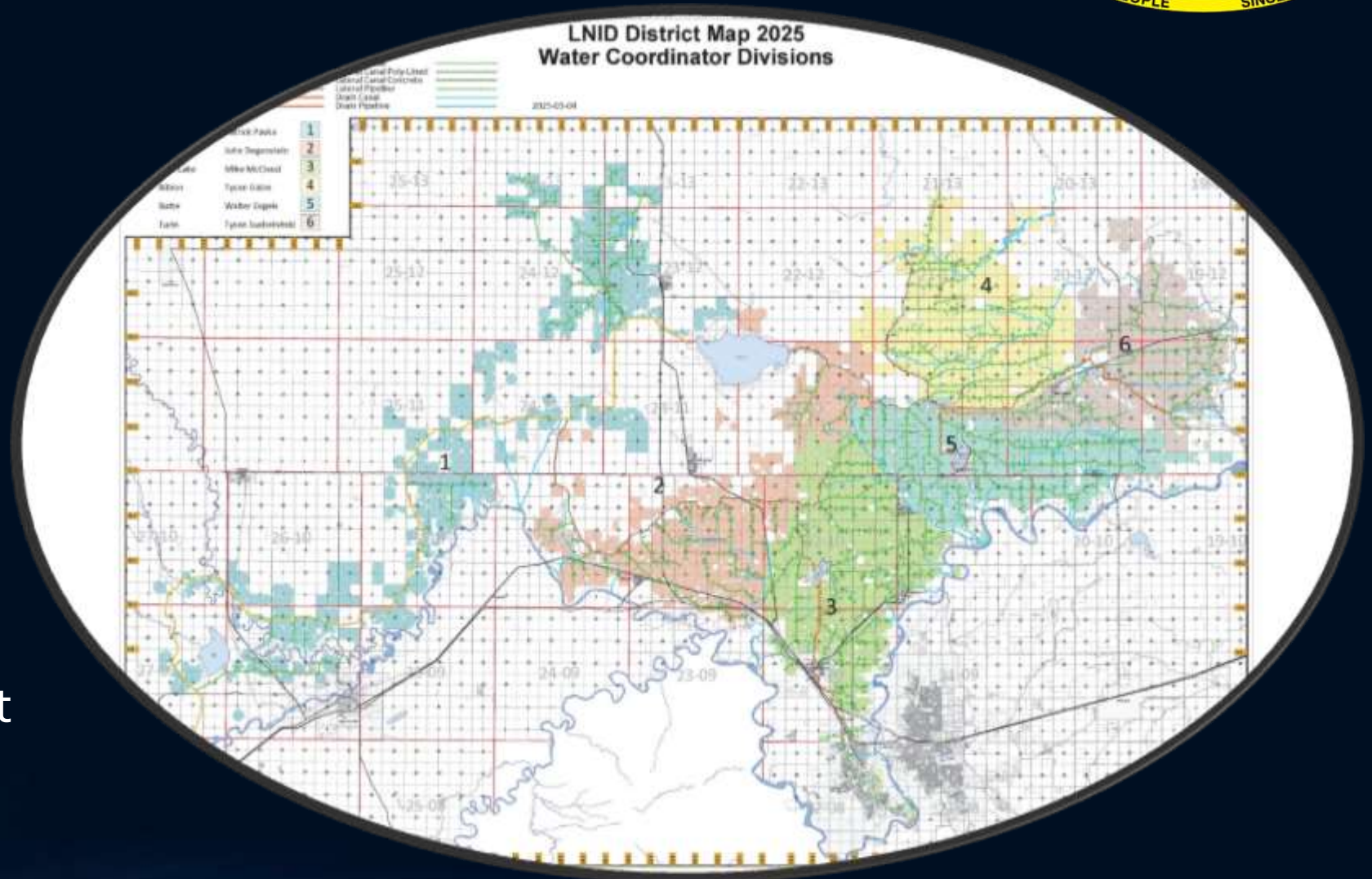
2025 Welcomes and Good-Byes

- Levi Jackson
- Greg Moore
- Aaron Keeling
- Cale Olsen
- Ashley Presby
- Rob Scheit
- Garrett Alston
- Tysen Sushelnitski
- Cornell Overeem
- Jennifer Dyck
- Janet Beck



One LNID

- Leadership
- Teamwork
- Strategy
- Planning
- Training
- Coaching
- Mentoring
- Engagement
- Ownership



Service



7.1 2024 LNID Strategic Plan

- Presentation by Chris Gallagher

The full document can
be found:



Strategy Planning

Process

- Roadmap
- Environmental Scan
- Retreat
- Drafts
- Reviews
- Approval

Content

- Values
- Vision
- Mission
- Goals
- Objectives



Values

- Our People
- Our Pursuit of Excellence
- Our Stewardship of Water
- Our Financial Accountability
- Our Reputation and Relationships
- Our Place in the Watershed

LNID Vision and Mission Statements

Vision

To be a leader in sustainable water management

Mission

To serve our water users through responsible delivery of irrigation water

Goals and Objectives

Goal 1 Staff

- Professional HR services
- Ownership of health & safety
- Construction safety standards
- Competency and training

Goal 2 Water Operations

- Functional roles
- Collaboration with WIOB
- Allocation/expansion modeling
- Operational modeling
- Capturing spill in 'reservoirs'
- Stable controls & SCADA

Goals and Objectives

Goal 3 Infrastructure

- Asset management program
- Long-term infrastructure plan
- Appropriate facilities
- Equipment and personnel

Goal 4 Financial Stewardship

- Financial plan – fiduciary accountability
- Rates, fees and expansion forecasting
- Life cycle infrastructure costing

Goals and Objectives

Goal 5 Positive Relationships

- Internal comms & collaboration
- External communications
- External collaboration
- Understanding and communication with our indigenous neighbours

Strategic Plan Implementation

- Kick-off meeting and assignment of 'champions' (February 24th)
- Quarterly targeted meetings for each Goal
- Semi-annual Goal/Objective implementation progress meetings
- Tracking, evaluation and board reporting of success through metrics
- Annual review/report
- Optimization and growth of current strategy
- Capturing ideas to inform future strategy

Questions?



8. Technical Services Report

PRESENTED BY ABUBAKER SARDAR, P.ENG.
TECHNICAL SERVICES MANAGER

2025 Funding Overview

- **IRRIGATION REHABILITATION PROGRAM (IRP):**
 - Alberta Government funds 75% of project costs, with the remaining 25% contributed by LNID.
 - **Total Contribution to IRP Account: \$2,822,116**
- **IRRIGATION WORKS RESERVE (IWR):**
 - Funded primarily through capital assessments and landowner contributions.

2025 Funding Overview

- **ALBERTA IRRIGATION MODERNIZATION (AIM):**
 - 30% Govt. of Alberta grant, 50% Long-Term Loan (Canada Infrastructure Bank) and 20% LNID Contribution.
 - **2025 Project Costs Claimed: \$5,203,172**

2025 IRP Projects

- **LATERAL A20**
 - Pipeline will be operational for 2026 irrigation season
 - Total cost \$4.06M by 2025 out of \$7.00M budget

Lateral A20 (Before Construction)



Lateral A20 (During Construction)



Lateral A20 (After Construction)



2025 IRP Projects (contd.)

- **LATERAL 61C PHASE 2**
 - Pipeline was completed for 2025 irrigation season
 - Approx. \$4.03M spent on this project in 2025

Lateral 61C Phase 2 (Precast Screener Structure)

Before



After



2025 IWR Projects

- **NORTH PARK LAKE TURNOUT REHABILITATION**
 - Project completed for 2025 irrigation season
 - Gabion wall infiltration system installed to enhance water delivery through the turnout
 - Total cost to complete the project was approx. \$45,000

North Park Lake Turnout Rehabilitation (Before Construction)



LNID
North Park Lake Turnout Modification
18.03.2025 08:55
223028 Township Rd 102, AB T0K 0T0

North Park Lake Turnout Rehabilitation (After Construction)



LNID
North Park Lake Turnout Modification
Record Photos
07.04.2025 11:45
223030 Township Rd 102, Diamond City, AB T0L 0V0

2025 IWR Projects (contd.)

- **C₁₂ OUTLET REHABILITATION**
 - Project completed for 2026 irrigation season
 - C₁₂ Pipeline outlet was failing after significant sloughing
 - Outlet rehabilitation was completed in December-2025, prior to winter freeze-up.
 - Cost incurred on this project in 2025 was approx. \$111,500

C₁₂ Outlet Rehabilitation (Outlet Baffle)



Photo taken on
30 May, 2025

C12 Outlet Rehabilitation (Outlet Baffle)



Photo taken on
31 October, 2025

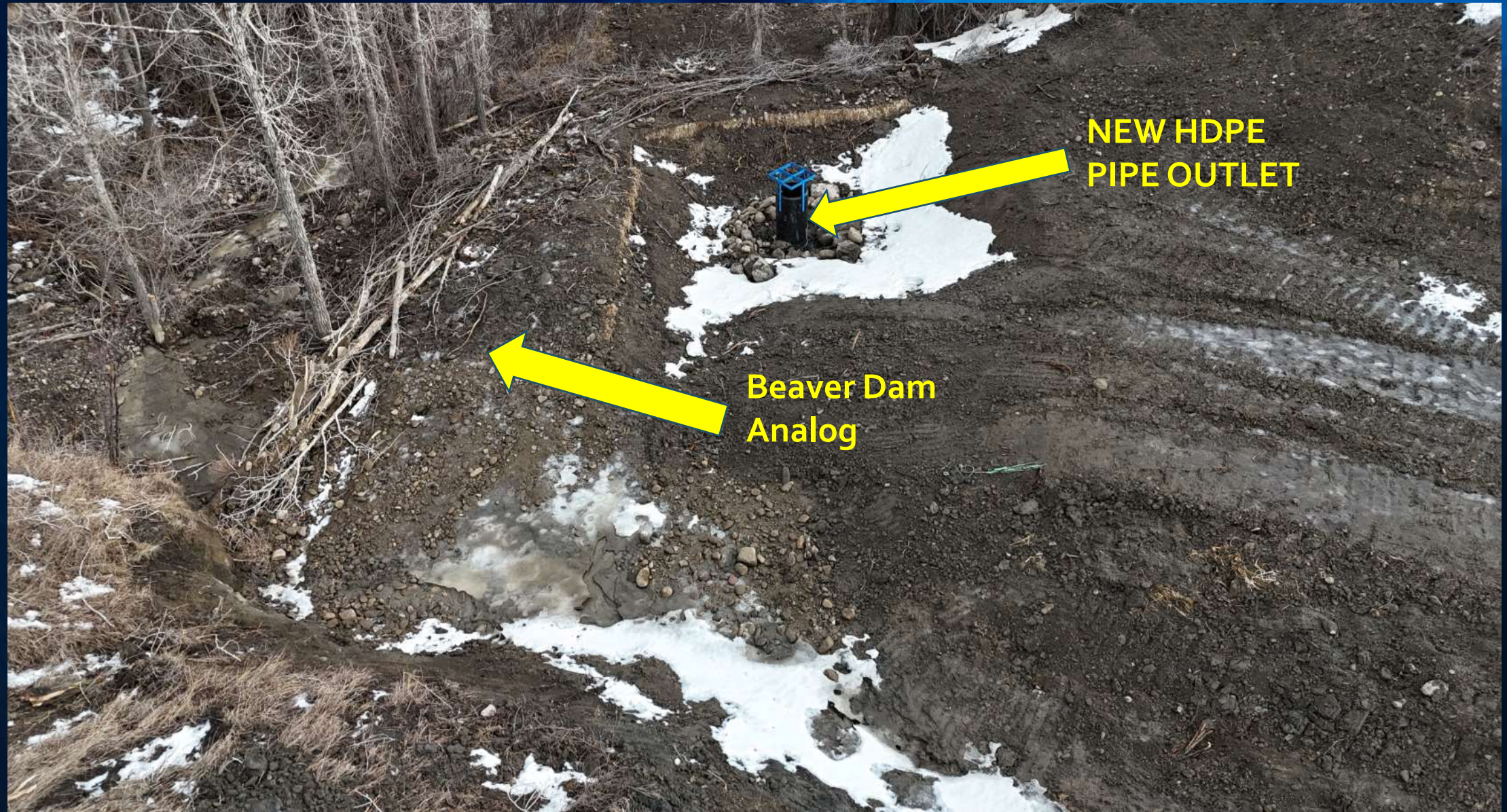
C12 Outlet Rehabilitation (Before)



C12 Outlet Rehabilitation (After)



C12 Outlet Rehabilitation (New HDPE Outlet)



2025 AIM Projects

- **LATERAL 61C PHASE 1**
 - Part of the Lateral 61C pipeline
 - Pipeline was completed for 2025 irrigation season
 - Approx. \$2.32M was spent on this project in 2025
- **AUTOMATION CONTROLS UPGRADE**
 - Involves upgrades to SCADA to better control water throughout the district.
 - In 2025 approx. \$356,900 was spent on this project

61C Phase 1 (Before Construction)



61C Phase 1 (After Construction)



Road resurfacing in
collaboration with:

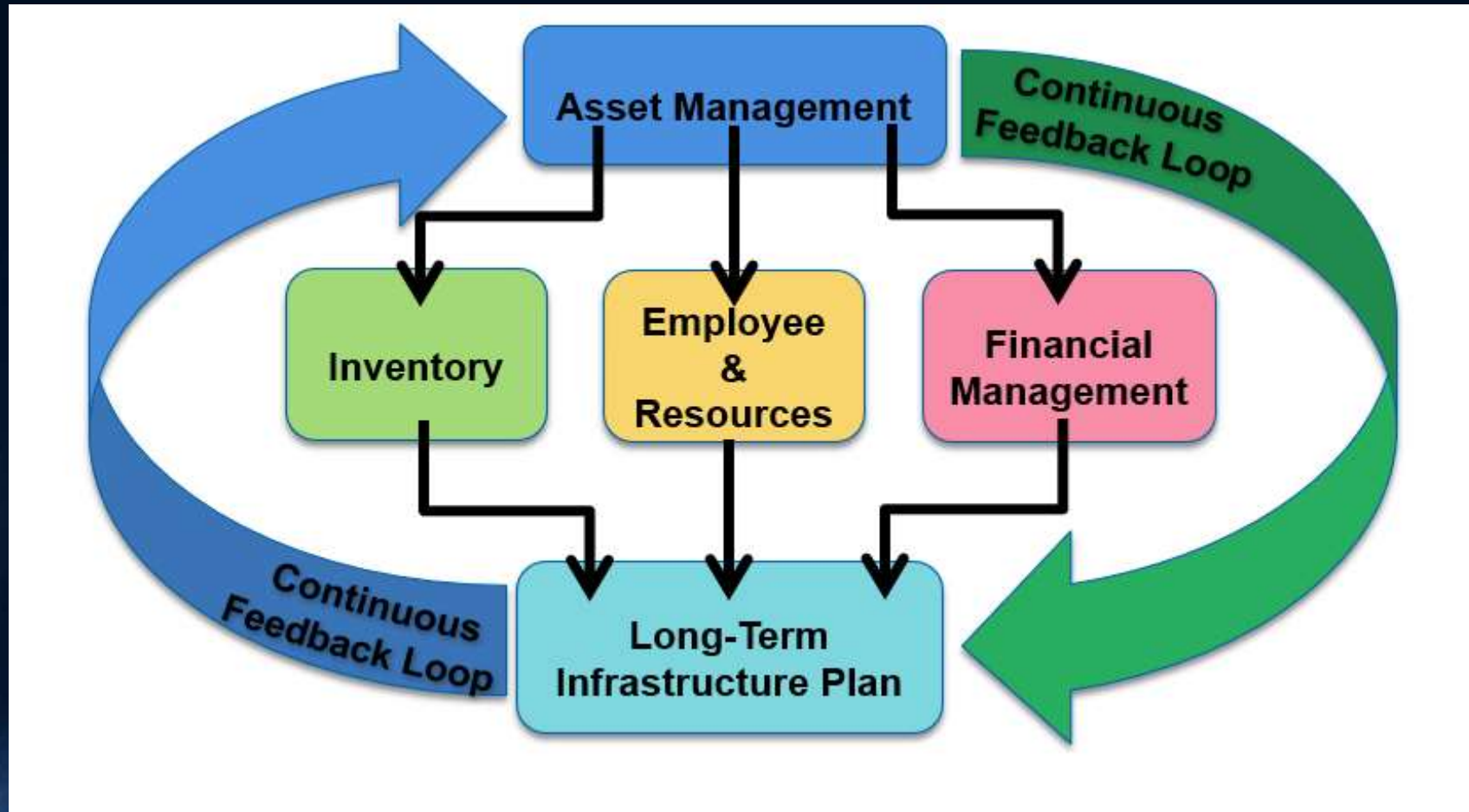




8.1 Long-Term Infrastructure Planning

- LNID has been working on its Long-Term Infrastructure Plan (LTIP)
- The plan would include infrastructure projects for the next 10 years
- Goal is to proactively plan and rehabilitate irrigation infrastructure
- LTIP is a part of LNID's strategic plan
- LTIP and Asset Management to drive rehab project prioritization

8.1 Long-Term Infrastructure Planning (contd.)





9. Operations & Maintenance Report

PRESENTED BY BRETT ZIELINSKI,
CONSTRUCTION & MAINTENANCE SUPERINTENDENT

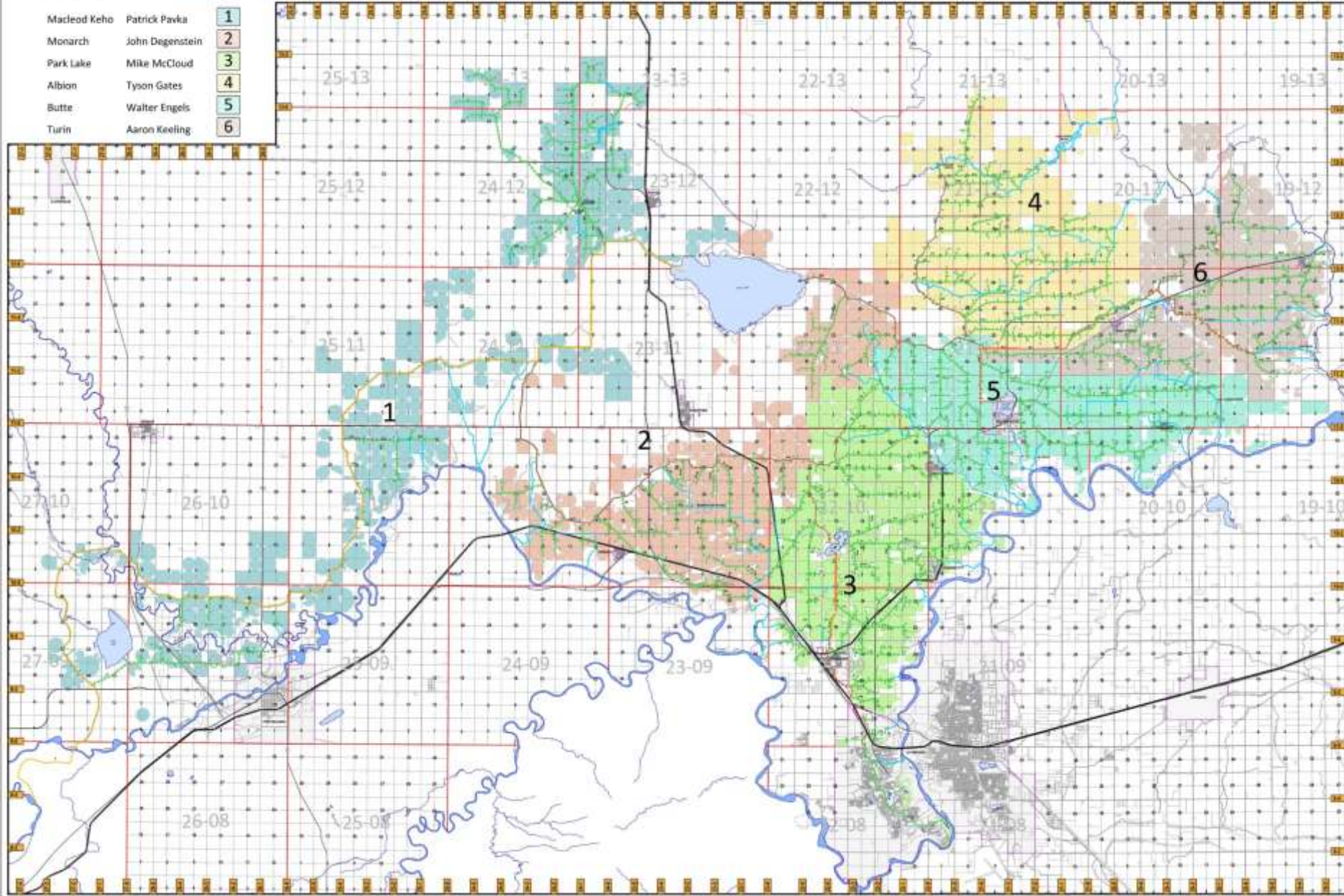
LNID District Map 2025 Water Coordinator Divisions

2025-07-15

LEGEND

Main Canal		Lateral Canal	
Main Canal Poly-Lined		Lateral Canal Poly-Lined	
Secondary Canal		Lateral Canal Concrete	
Secondary Canal Poly-Lined		Lateral Pipeline	
Secondary Canal Concrete		Drain Canal	
Secondary Pipeline		Drain Pipeline	

Macleod Keho	Patrick Pavka	1
Monarch	John Degenstein	2
Park Lake	Mike McCloud	3
Albion	Tyson Gates	4
Butte	Walter Engels	5
Turin	Aaron Keeling	6





10. Corporate Services Report

PRESENTED BY GARY BURKE,
CORPORATE SERVICES MANAGER



10.1 Health and Safety Program Update

- 2025 saw a lot of improvements in the safety program
- Health and Safety has 3 objectives in Strategic Plan
- Safety Program Update Committee was formed
 - Safety Policies adopted
 - Safety Manual and Emergency Preparedness Plan redesign
 - Forms redesigned to accommodate moving to digital app
 - Digital app now selected
 - Digital safety training has been selected



10.2 Expansion Planning Update

- Current expansion limit (2010):
 - Phase 1 of 6 = 202,000
 - Phases 2-6 are additional 5,000 acres each
 - Phases 2-6 are conditional on 5-year rolling average recorded return flows, AND
 - Annual Board review (can be delayed if too aggressive/detrimental)
 - The Board has exercised this option to delay.
 - What needs to be done to continue with expansion?
- Strategic Plan has identified expansion as an objective:

10.2 Expansion Planning Update cont'd...

Modelling

- Plebiscite modelling was conducted in 2009
- Since 2009:
 - Earlier startups
 - Longer growing seasons
 - Changing snow and rain patterns
 - Increase in specialty crops and multi-crop patterns

10.2 Expansion Planning Update cont'd...

- Since 2009:
 - Improved on-farm irrigation methods
 - Results in improved water security
 - Reinvested in sustainable water allocations
 - Rehabilitation (pipelines, gates/controls/automation)
 - Optimizing all operations that reduce spill and increase delivery efficiency

10.2 Expansion Planning Update cont'd...

Modelling

- New modelling needs to be completed to show the effects of these changes
- Modelling consultants are being evaluated
- Contract will be awarded in May.
- Final report to the Board in December 2026.

10.2 Expansion Planning Update cont'd...

Goals

- Continuing with a phased rollout of expansion across
- Capital Assets Charges reinvested in modernization of works
- Maintain and promote the economic viability of LNID



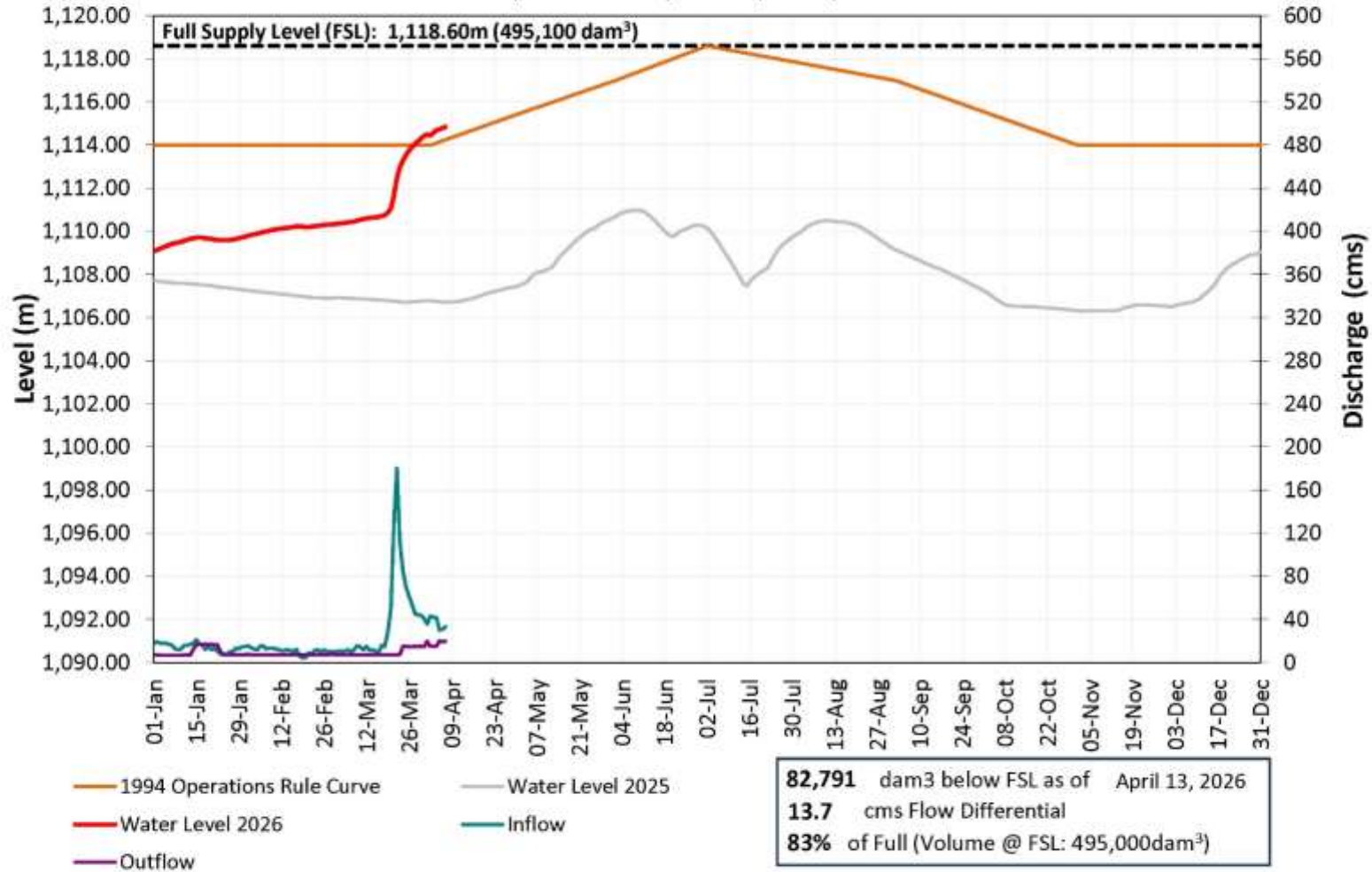
10.3 Water Supply and Management Update

- 2026 Water Season is starting out in a very differently
- Oldman River Dam – currently about 85% full
- Snowpacks are well above last year
 - Lower elevations have less snow

Oldman Reservoir

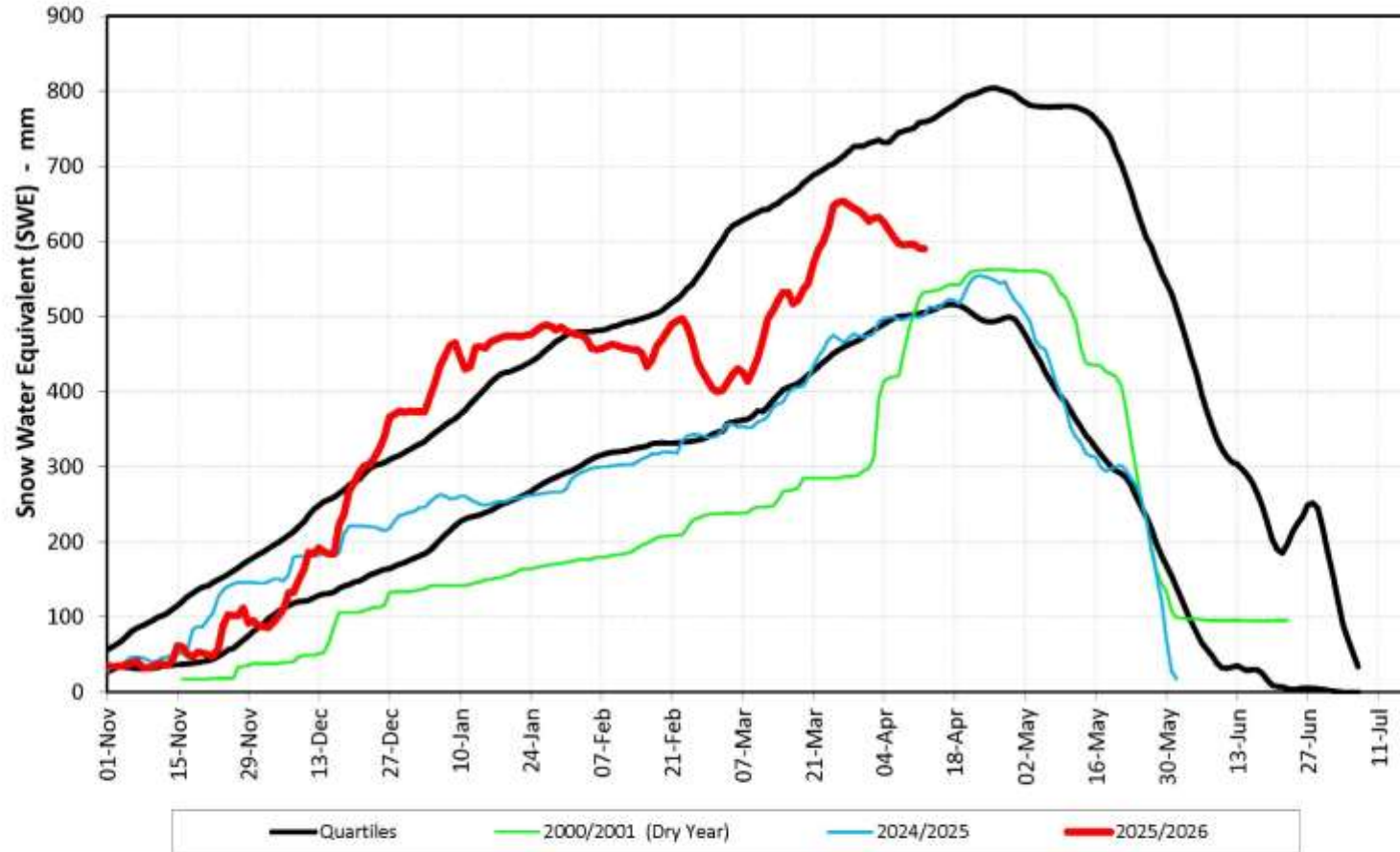
2026

Water Level - compared to Inflow, Outflow, and Operations Rule Curve



2025/2026
Gardiner Snow Scale
(Castle River Headwaters)
1970 metres

Publish Date:
2026-04-13

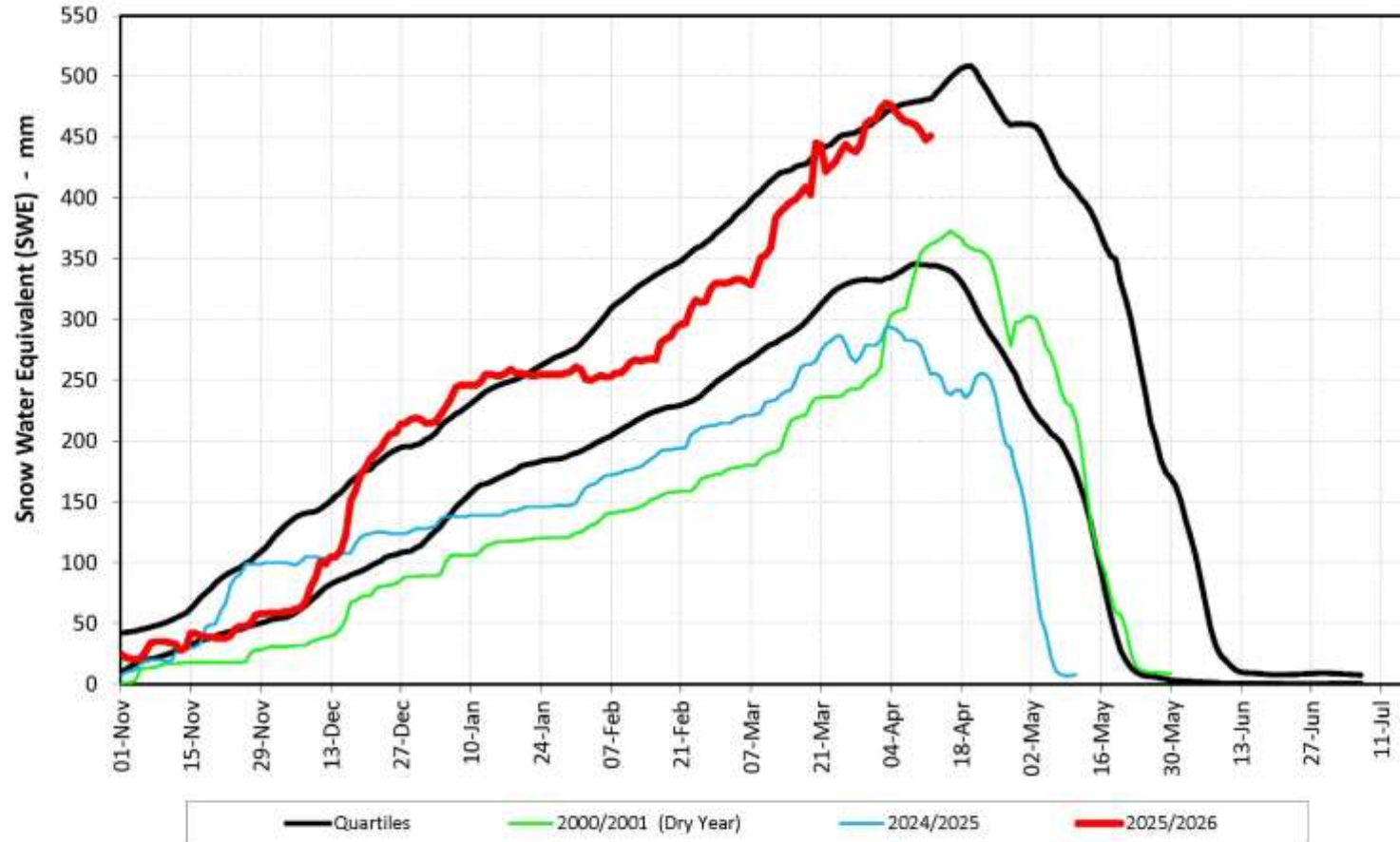


Real Time Data
Subject to Revision

Published by:
Water Infrastructure Operations Branch
Alberta Agriculture and Irrigation

2025/2026
South Racehorse Snow Pillow
(Oldman River Headwaters)
1920 metres

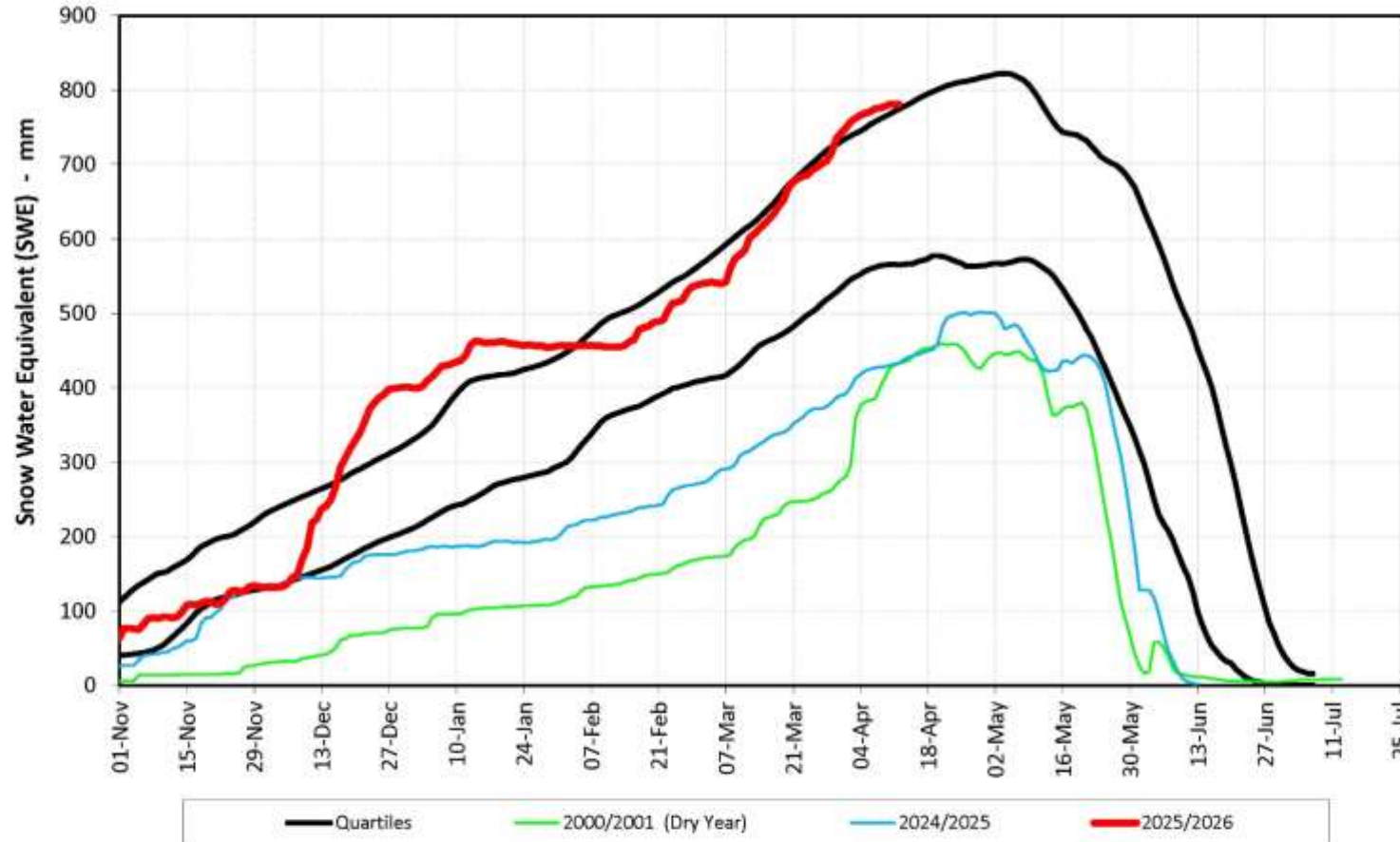
Publish Date:
2026-04-13



Real Time Data
Subject to Revision

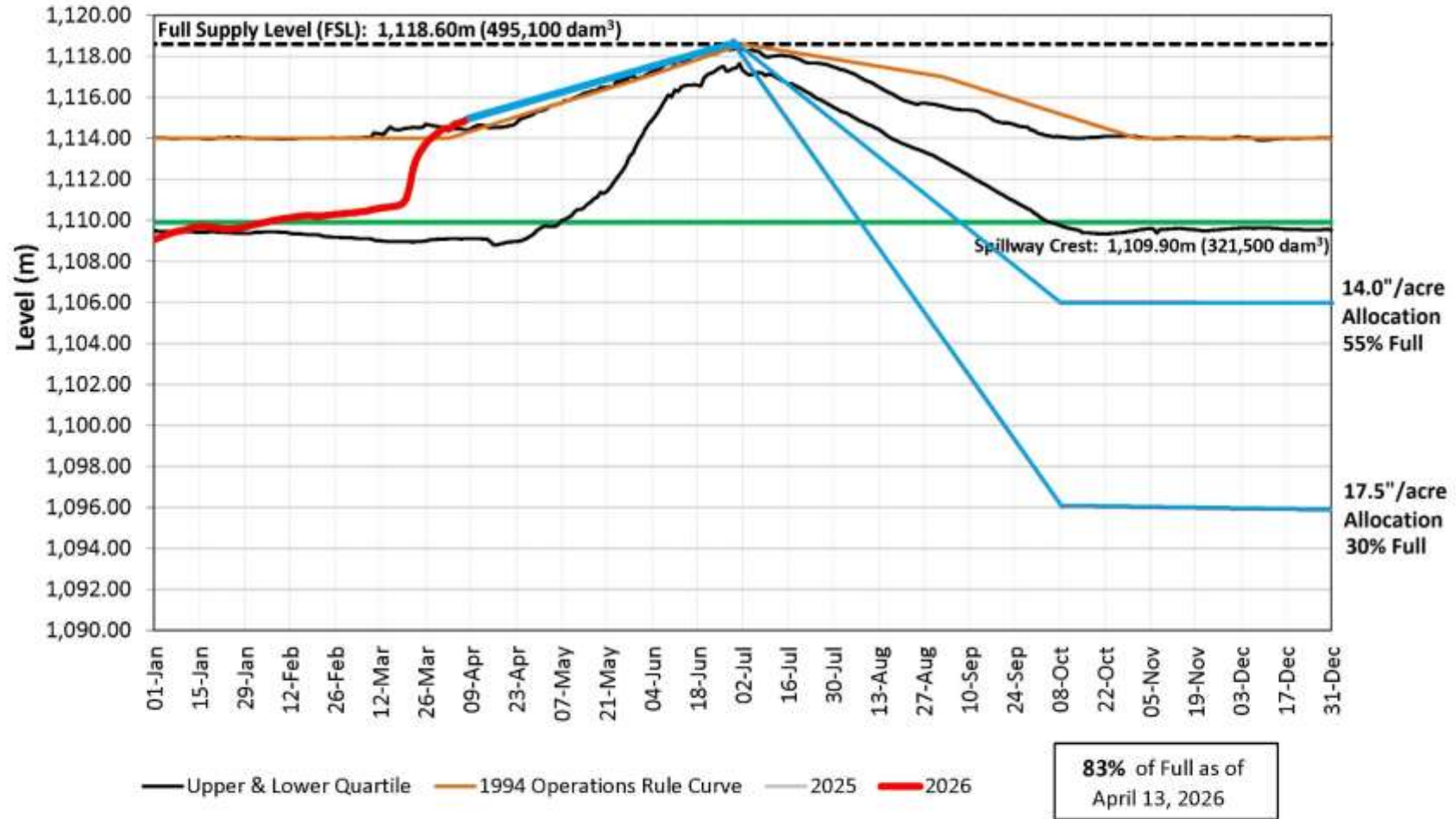
Published by:
Water Infrastructure Operations Branch
Alberta Agriculture and Irrigation

2025/2026 Lost Snow Pillow (North Fork Oldman & Highwood River Headwaters) 2130 metres



Oldman Reservoir 2026

Water Level - Compared to Historical Operations & Operations Rule Curve



10.3 Water Supply and Management Update cont'd

LNID Board has set the 2026 Allocation at 16"/acre

- LNID start-up is April 21, 2026:
- Open the headgates on Oldman River
- Open the headgates at Keho Lake
- Flushing and filling pipelines
- Ready for irrigation by May 1, 2026
- New Startup Policy



11. Lethbridge Northern Headworks: Alberta Agriculture & Irrigation

PRESENTED BY DENNIS MATIS, B.SC, C.E.T.
WATER INFRASTRUCTURE & OPERATIONS BRANCH



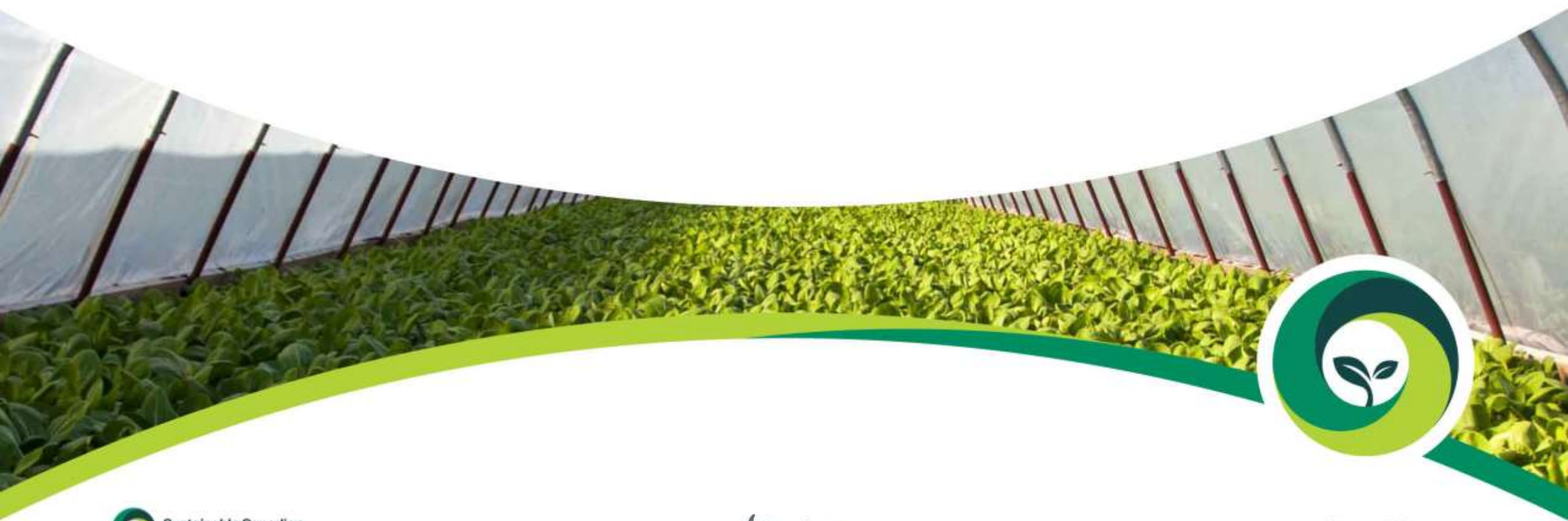
12. Government of Alberta's Irrigation Efficiency Water Program

PRESENTED BY MARIE OXLEY,
IRRIGATION MANAGEMENT SPECIALIST, AGI

Sustainable Canadian Agricultural Partnership

Competitive. Innovative. Resilient.

Water Program – On Farm Irrigation



Purpose

Helps Alberta producers adopt agricultural water management practices for continued growth and long-term success of the agriculture industry.

The Water Program supports agricultural water management by helping primary producers adopt agriculture water better management practices and priority actions. This supports better management of risks to water quality and supplies, adaptation to climate variability and the efficient use of water resources.



Alberta Irrigation Information 2017

<https://open.alberta.ca/publications/3295832>

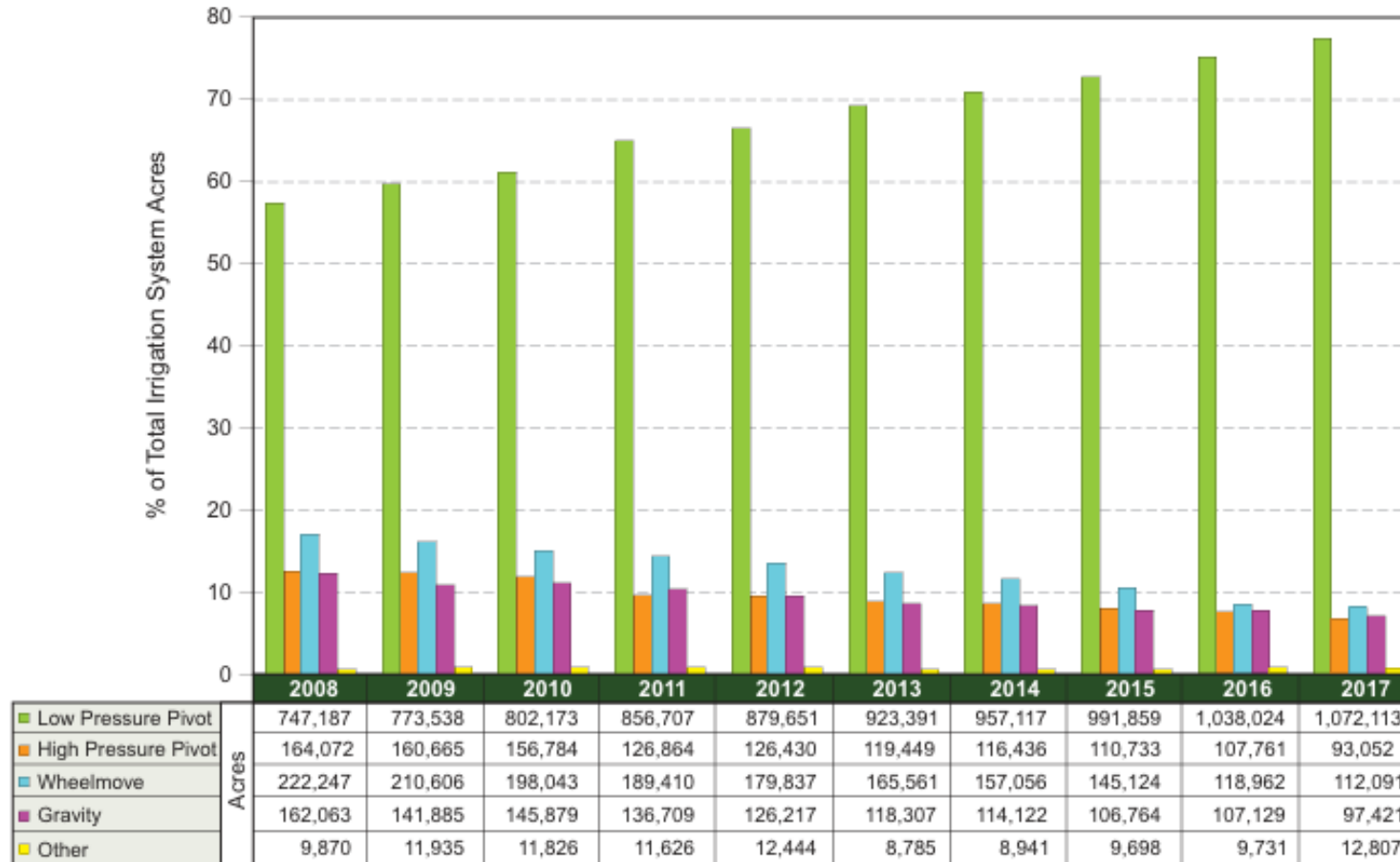


Figure 5. On-farm Irrigation Methods within the 13 Irrigation Districts

Alberta Irrigation Information 2024

<https://open.alberta.ca/publications/3295832>

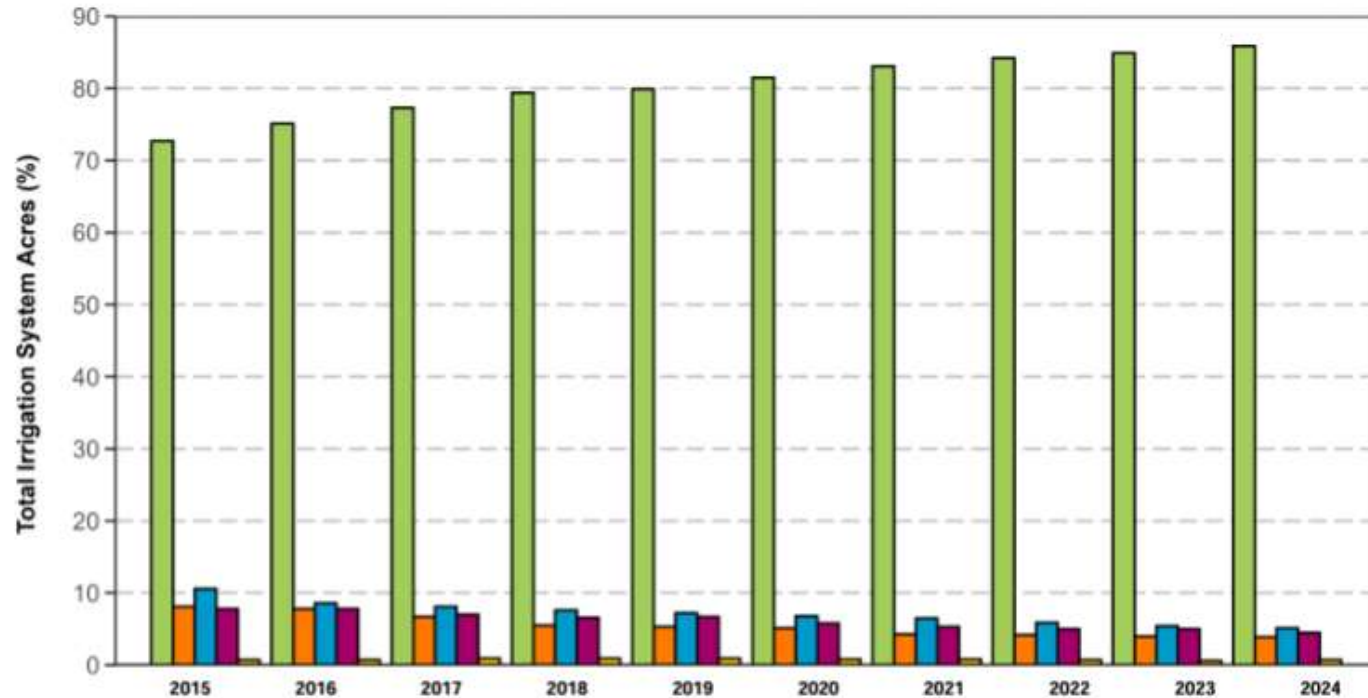


FIGURE 5. ON-FARM IRRIGATION METHODS WITHIN THE IRRIGATION DISTRICTS IN THE LAST 10 YEARS



Eligible Applicants

- a) be a Primary Producer,
- b) be responsible for input costs for a crop, bee, or livestock operation that produces at least \$25,000 worth of farm commodities annually,
- c) not be a landlord whose only interest in a crop, bee or livestock operation is ownership of the land,
- d) be liable to pay Alberta income tax or corporate tax (or claim losses) on income from the production of farm commodities under the Income Tax Act (Canada) or the Alberta Corporate Tax Act,
- e) possess all necessary irrigation authorizations (e.g. licenses, allocations and use agreements) including those issued under the Water Act (Alberta), to carry out its Project,



Funding List

On Farm Irrigation Systems Replacements

Low Pressure Centre Pivot System
Subsurface Drip Irrigation System

On-Farm Irrigation System Upgrades

Low Pressure Centre Pivot System
Surface Drip Irrigation System
Sprinkler Packages
Pump Upgrades (including installation of electrical/solar power, VFD's, nelson valves, ect.)
Control Panel Upgrades (including telemetry-B-Hyve, Fieldnet, Agsense, etc.)
Variable Rate Irrigation Equipment



Cost Share

Irrigation System Replacements

50% up to \$17,500.00

OR Irrigation System Upgrades

50% up to \$6,000.00

A single legal entity (applicant) can receive up to \$35,000.00 each fiscal year of the program.



Ineligible Expenses

- Expenses invoiced March 31, 2023 or earlier
- Irrigation Expansion
- Used Equipment
- Leases
- In-kind labour
- Water supply
- GST
- Projects outside of Alberta
- Any other cost deemed by the Minister deemed to be ineligible



Noteworthy

- Retroactive date is April 1, 2023
- Program expires March 31, 2028 if funding allows
- A single legal entity (applicant) can receive up to \$35,000.00 each fiscal year of the program.
- **Applicant name needs to match invoices and payment**
- SIN is required for individuals, BIN is required for business
- Renters are eligible



How to Apply

- Download **application form** at: <https://www.alberta.ca/water-program.aspx>
- Attain **invoices** and minimum 10% down payment **receipt**
- Email, Fax, or mail application with supporting documents to:
 - Email: IrrigationEfficiency@gov.ab.ca
 - Fax: 403-381-5765
 - Mail: Sustainable CAP Water Program
Natural Resource Innovation Section
Alberta Agriculture and Irrigation
Agriculture Centre, 100, 5401 – 1st Ave. S.
Lethbridge, AB T1J 4V6



Contact Information

Website: <https://www.alberta.ca/water-program.aspx>

Email: IrrigationEfficiency@gov.ab.ca

Marie.Oxley@gov.ab.ca

Phone: 403-381-5532

Cell: 403-315-2345

Fax: 403-381-5765

100, 5401 – 1 Ave S.

Lethbridge, AB T1J 4V6

Darryle.Thiessen@gov.ab.ca

Phone: 403-308-3193

Cell: 403-381-5895

Fax: 403-381-5765

100, 5401 – 1 Ave S.

Lethbridge, AB T1J 4V6





Sustainable Canadian Agricultural Partnership

Competitive. Innovative. Resilient.



Water Program: On-Farm Water Supply stream

Purpose:

- Supports managing risks to water supplies and quality and adaptation to climate variability.
- Supports agricultural producers in securing, protecting and managing sustainable constructed water sources.

Eligible applicants:

- Agricultural producers with at least \$25,000-worth of farm commodities annually and are liable to pay Alberta income tax on income from the production of farm commodities.
- Indigenous applicants

Eligible activities:

- New or expanded constructed water source developments - wells, dugouts, tie-ins to multi-user water supply pipelines, permanent cisterns, unshared pipelines.
- Off-source watering systems on constructed water sources.
- Well decommissioning and well pit conversions.

For more information:

- Email: farmwatersupply@gov.ab.ca
- Phone: 310-FARM (3276)





13. Finance & Administration Reports

PRESENTED BY LEVI JACKSON, CPA
FINANCE & ADMINISTRATION MANAGER



13.1 Financial Report

- Presentation by Hayden Wilde, CPA, Mercer Wilde Group



**CHARTERED
PROFESSIONAL
ACCOUNTANTS**

An association for the practice of Chartered Professional Accountancy*

*Belcourt Reddick Professional Corporation, Chartered Professional Accountants

*Shawn Cook Professional Corporation, Chartered Professional Accountants

1210 36th Street North, Lethbridge, AB T1H 5H8 Phone 403-327-6100

INDEPENDENT AUDITOR'S REPORT

To the Members of Lethbridge Northern Irrigation District

Opinion

We have audited the financial statements of Lethbridge Northern Irrigation District (the "District"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as at December 31, 2025, and the results of its operations and changes in fund balances 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the District in accordance with 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 Matter

The financial statements for the year ended December 31, 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on March 18, 2025.

Statement of Financial Position

Assets & Liabilities

Pg 22

	GENERAL OPERATIONS	IRRIGATION WORKS	2025 TOTAL	2024 TOTAL (Restated)
CURRENT ASSETS				
Cash and cash equivalents	\$ 5,341,621	\$ 6,812,892	\$ 12,154,513	\$ 14,383,974
Accrued interest in-trust	-	-	-	10,386
Accounts receivable (Note 3)	44,008	56,412	100,420	54,649
Prepaid expenses and deposits	191,633	-	191,633	187,954
Inventory	1,251,946	-	1,251,946	1,061,260
Due from general operations	-	4,462,615	4,462,615	3,949,433
	<u>6,829,208</u>	<u>11,331,919</u>	<u>18,161,127</u>	<u>19,647,656</u>
Long term deposit in-trust (Note 4)	-	2,243,822	2,243,822	1,484,000
Long term investments (Note 5)	-	37,147,187	37,147,187	33,133,091
Capital assets (Note 8)	3,413,508	152,903,663	156,317,171	150,605,499
	<u>\$ 10,242,716</u>	<u>\$ 203,626,591</u>	<u>\$ 213,869,307</u>	<u>\$ 204,870,246</u>
CURRENT LIABILITIES				
Accounts payable and accrued liabilities (Note 6)	\$ 506,321	\$ 1,837,420	\$ 2,343,741	\$ 684,510
Deferred revenue (Note 11)	68,884	207,905	276,789	610,497
Construction costs and holdbacks payable (Note 14)	-	4,142	4,142	15,839
Water right deposits (Note 15)	-	-	-	3,570
Construction contributions (Note 15)	-	58,340	58,340	91,323
Current portion of long-term debt (Note 7)	-	478,318	478,318	375,013
Due to irrigation works	4,462,615	-	4,462,615	3,949,433
	<u>5,037,820</u>	<u>2,586,125</u>	<u>7,623,945</u>	<u>5,730,185</u>
Long-term debt (Note 7)	-	9,424,243	9,424,243	7,286,681
	<u>5,037,820</u>	<u>12,010,368</u>	<u>17,048,188</u>	<u>13,016,866</u>

Statement of Financial Position

Fund Balances

FUND BALANCES

Capital (Note 8)	3,413,508	143,001,102	146,414,610	142,943,805
General Fund operating (Note 10)	1,791,388	-	1,791,388	1,663,039
Irrigation Works Fund: (Note 9)				
District Irrigation Works fund	-	67,619,546	67,619,546	60,869,460
Alberta (IRP) Cost-Sharing	-	(19,708,203)	(19,708,203)	(14,254,966)
District pump fund (Schedule 3)	-	703,778	703,778	632,042
	<u>5,204,896</u>	<u>191,616,223</u>	<u>196,821,119</u>	<u>191,853,380</u>
	<u>\$ 10,242,716</u>	<u>\$ 203,626,591</u>	<u>\$ 213,869,307</u>	<u>\$ 204,870,246</u>

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

COMMITMENTS (Note 16)

CONTINGENCIES (Note 17)

Statement of Operations

Revenue

Pg 23

	GENERAL OPERATIONS	IRRIGATION WORKS	2025 TOTAL	2024 TOTAL (Restated)
REVENUE				
Water earnings:				
Irrigation rates (Note 12)	\$ 5,362,197	\$ -	\$ 5,362,197	\$ 5,191,650
Conveyance of excess and domestic water	897,696	-	897,696	825,020
Penalties	2,581	-	2,581	5,203
	6,262,474	-	6,262,474	6,021,873
Less: Discounts	112,981	-	112,981	122,063
	6,149,493	-	6,149,493	5,899,810
Lease revenue, net	140,555	-	140,555	127,686
Interest earnings	78,931	-	78,931	201,890
Miscellaneous	12,718	-	12,718	13,859
Pump fund revenues (Schedule 3)	-	760,100	760,100	706,858
Irrigation works fund revenues (Note 9)	-	10,280,465	10,280,465	6,649,141
Unrealized gain (loss) on financial instruments	-	(1,429,195)	(1,429,195)	2,623,722
	6,381,697	9,611,370	15,993,067	16,222,966

Statement of Operations

Expenses

Pg 23

EXPENSES

Operating expenses (Schedule 1)	4,140,940	-	4,140,940	3,477,771
Pump fund expenses (Schedule 3)	-	688,366	688,366	642,995
Consulting fees (recovered), net (Note 9)	-	46,641	46,641	(82,066)
Amortization of irrigation works (Note 8)	-	5,984,557	5,984,557	5,721,838
Non-capital irrigation works expenses (Note 9)	-	164,824	164,824	124,536
	<u>4,140,940</u>	<u>6,884,388</u>	<u>11,025,328</u>	<u>9,885,074</u>
Excess of revenue over expenses	2,240,757	2,726,982	4,967,739	6,337,892
Interfund transfer - Provision for irrigation works	<u>(1,530,000)</u>	<u>1,530,000</u>	<u>-</u>	<u>-</u>
Fund surplus	<u>\$ 710,757</u>	<u>\$ 4,256,982</u>	<u>\$ 4,967,739</u>	<u>\$ 6,337,892</u>

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

Statement of
Fund
Balances

Fund
Balances

	GENERAL OPERATIONS	IRRIGATION WORKS	2025 TOTAL	2024 TOTAL (Restated)
As previously reported	5,034,139	186,816,236	191,850,375	185,515,488
Prior period adjustment (Note 22)	-	3,005	3,005	-
As restated	5,034,139	186,819,241	191,853,380	185,515,488
Fund surplus for the year	710,757	4,256,982	4,967,739	6,337,892
Interfund transfer to irrigation works	(540,000)	540,000	-	-
Fund balances, end of year	<u>\$ 5,204,896</u>	<u>\$ 191,616,223</u>	<u>\$ 196,821,119</u>	<u>\$ 191,853,380</u>

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

Note 22 Prior Period Adjustment

The prior periods have been adjusted and the effect on the prior period balances includes an increase to the "Long-term debt" of \$97,761, a decrease to "Accounts payable and accrued liabilities" of \$100,766, and a decrease to "Non-capital irrigation works expense" of \$3,005.

Statement of Cash Flows

Cash Flows 1 of 2

Pg 25

	GENERAL OPERATIONS	IRRIGATION WORKS	2025 TOTAL	2024 TOTAL (Restated)
Cash provided by (used for) the following activities:				
Operating activities:				
Excess of revenue over expenses	\$ 2,240,757	\$ 2,726,982	\$ 4,967,739	\$ 6,337,892
Items not involving cash:				
Unrealized gain (loss) on financial instruments	-	1,429,195	1,429,195	(2,623,722)
Amortization (Note 8, Schedule 1)	576,958	5,984,557	6,561,515	6,359,039
Loss on disposal of capital assets	45,210	-	45,210	(25,640)
	<u>2,862,925</u>	<u>10,140,734</u>	<u>13,003,659</u>	<u>10,047,569</u>
Change in non-cash working capital balances:				
Accounts receivable	(7,866)	(37,905)	(45,771)	18,949
Prepaid expenses and deposits	(3,678)	-	(3,678)	37,443
Inventory	(190,687)	-	(190,687)	(56,645)
Accounts payable and accrued liabilities	32,895	1,626,336	1,659,231	(163,528)
Construction costs and holdbacks payable	-	(11,697)	(11,697)	(187,001)
Deferred revenue	(5,941)	(327,768)	(333,709)	7,352
Water right deposits	-	(36,552)	(36,552)	(222,023)
Construction contributions	-	-	-	(32,370)
Due to irrigation works / from general operations	513,183	(513,183)	-	-
	<u>337,906</u>	<u>699,231</u>	<u>1,037,137</u>	<u>(597,823)</u>

Statement of Cash Flows

Cash Flows 2 of 2

Pg 25

	GENERAL OPERATIONS	IRRIGATION WORKS	2025 TOTAL	2024 TOTAL (Restated)
Investing activities:				
Purchase of capital assets	(910,282)	-	(910,282)	(619,262)
Proceeds from disposal of capital assets	245,706	-	245,706	99,000
Additions to irrigation works	-	(11,653,818)	(11,653,818)	(13,803,610)
(Increase) in investments	-	(5,492,915)	(5,492,915)	(958,918)
	<u>(664,576)</u>	<u>(17,146,733)</u>	<u>(17,811,309)</u>	<u>(15,282,790)</u>
Financing activities:				
Proceeds from long-term debt (Note 7)	-	2,615,877	2,615,877	1,422,967
Repayment of long-term debt (Note 7)	-	(1,074,825)	(1,074,825)	(893,970)
	<u>-</u>	<u>1,541,052</u>	<u>1,541,052</u>	<u>528,997</u>
Interfund transfers:				
Provision for irrigation works	(1,530,000)	1,530,000	-	-
Allocation for irrigation works	(540,000)	540,000	-	-
	<u>(2,070,000)</u>	<u>2,070,000</u>	<u>-</u>	<u>-</u>
Increase (decrease) in cash and cash equivalents	466,255	(2,695,716)	(2,229,461)	(5,304,047)
Cash and cash equivalents, beginning of year	4,875,366	9,508,608	14,383,974	19,688,021
Cash and cash equivalents, end of year	<u>\$ 5,341,621</u>	<u>\$ 6,812,892</u>	<u>\$ 12,154,513</u>	<u>\$ 14,383,974</u>

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

Schedule of Operating Expenses

P 38

	2025					2024	
	EQUIPMENT POOL	MAINTENANCE OF IRRIGATION WORKS	WATER DELIVERY	ENGINEERING	ADMINISTRATION AND GENERAL	TOTAL	TOTAL
Salaries and wages	\$ 695,689	\$ 1,340,824	\$ 194,758	\$ 431,404	\$ 1,131,114	\$ 3,793,789	\$ 3,659,626
Equipment expense	170,395	435,440	153,208	16,037	12,849	787,929	787,713
Employee benefits	133,314	236,021	75,153	92,473	213,189	750,150	664,439
Amortization of equipment	405,509	123,903	1,309	36,517	9,720	576,958	637,201
Materials and supplies	26,999	153,641	3,710	5,561	15,672	205,583	473,006
Professional fees	18,128	18,128	101	18,128	59,954	114,439	77,900
Buildings and grounds	30,578	32,119	324	24,077	26,251	113,349	112,113
Contracted services	7,098	4,231	9,780	14,484	53,171	88,764	30,444
Board of Directors fees and expenses	-	-	-	-	84,729	84,729	102,635
Association fees and dues	-	-	-	2,185	73,092	75,277	(25,640)
Vegetation, weed and pest control	-	7,695	48,412	-	-	56,107	145,288
Advertising and public relations	86	172	-	172	44,478	44,908	31,595
Telephone	4,411	7,616	9,684	10,469	11,561	43,741	25,459
Equipment rental	4,435	36,397	565	398	1,280	43,075	65,100
Pumps and control structures	-	13,654	19,160	-	-	32,814	73,584
Staff training and conferences	2,203	5,556	-	2,008	11,042	20,809	8,825
Interest and bank charges	-	-	-	-	6,317	6,317	431
Insurance	-	-	-	-	6,282	6,282	27,306
Travel	255	1,393	-	921	3,700	6,269	6,785
Easement rental	-	255	-	-	-	255	6,372
Crop and flood damage	-	-	-	-	-	-	6,930
(Gain) loss on disposal of equipment	9,931	31,407	805	2,004	1,063	45,210	25,437
Miscellaneous	135	364	-	370	1,803	2,672	9,555
	<u>1,509,166</u>	<u>2,448,816</u>	<u>516,969</u>	<u>657,208</u>	<u>1,767,267</u>	<u>6,899,426</u>	<u>6,952,104</u>
Recoveries:							
Equipment	(1,555,466)	(33,615)	-	(50,008)	(1,082)	(1,640,171)	(2,521,829)
Labour (including benefits)	(336,614)	(262,260)	-	(443,109)	(37,441)	(1,079,424)	(913,247)
Custom work	(2,536)	-	-	(4,815)	(31,540)	(38,891)	(33,618)
Pumps	-	-	-	-	-	-	(5,639)
	<u>(1,894,616)</u>	<u>(295,875)</u>	<u>-</u>	<u>(497,932)</u>	<u>(70,063)</u>	<u>(2,758,486)</u>	<u>(3,474,333)</u>
Total 2025	<u>\$ (385,450)</u>	<u>\$ 2,152,941</u>	<u>\$ 516,969</u>	<u>\$ 159,276</u>	<u>\$ 1,697,204</u>	<u>\$ 4,140,940</u>	
Total 2024	<u>\$ (991,206)</u>	<u>\$ 2,127,852</u>	<u>\$ 611,267</u>	<u>\$ 152,033</u>	<u>\$ 1,577,828</u>		<u>\$ 3,477,771</u>



13.2 LNID Fiscal Management & Projections

- Presentation by Levi Jackson, CPA

2025 Financial Report

Levi Jackson, CPA

Finance and Administration
Manager





Background



Special
Thanks



SMRID
ST. MARY RIVER IRRIGATION DISTRICT



Topics

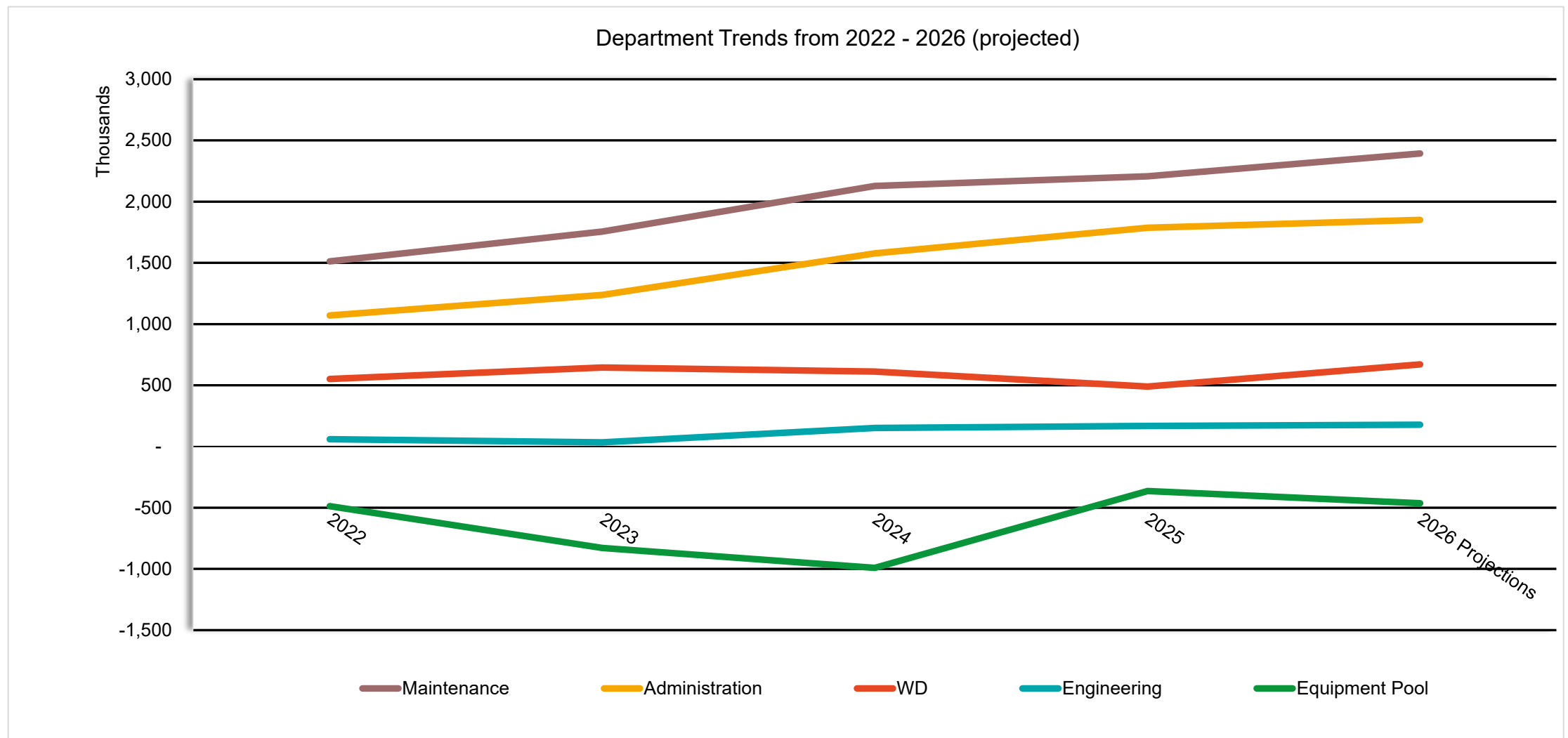
Operations

- Historical comparison
- Cost to operate the district

Capital

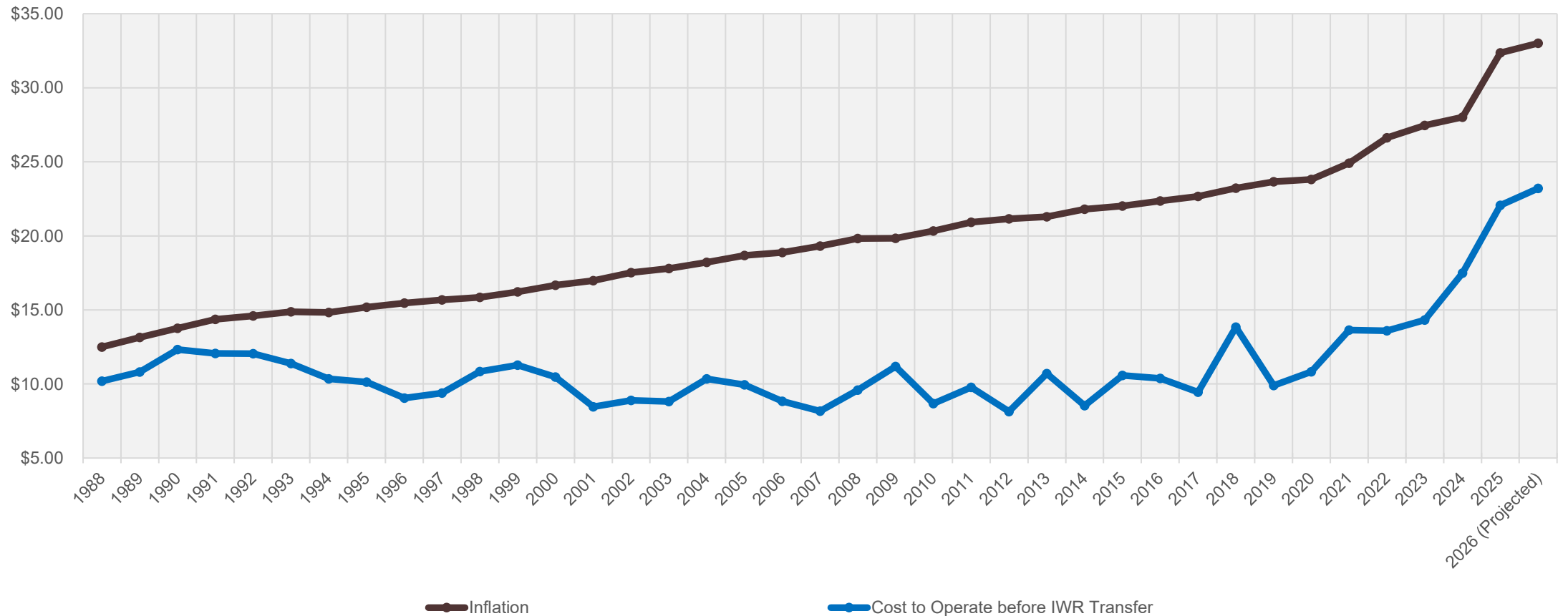
- Investment Strategy
- IWR Projections

Historical Comparison



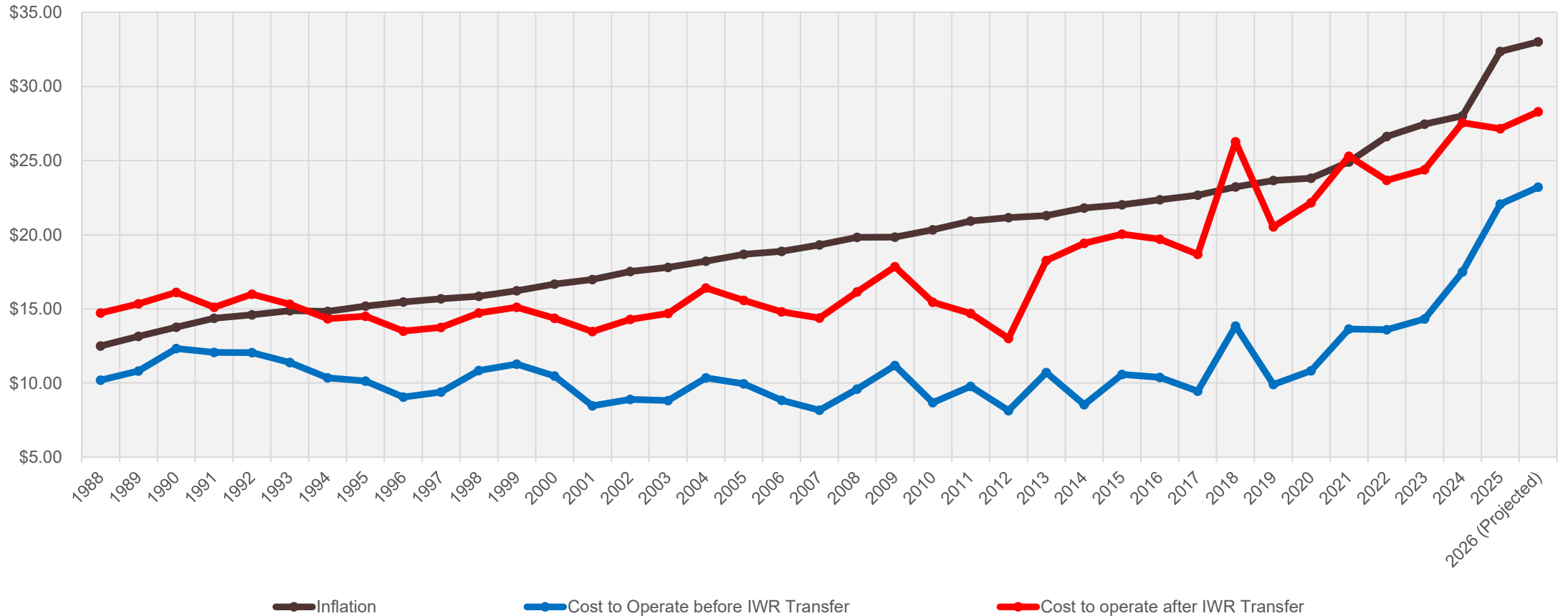
Cost/Acre to Operate the District

Cost to Operate the District vs. Inflation



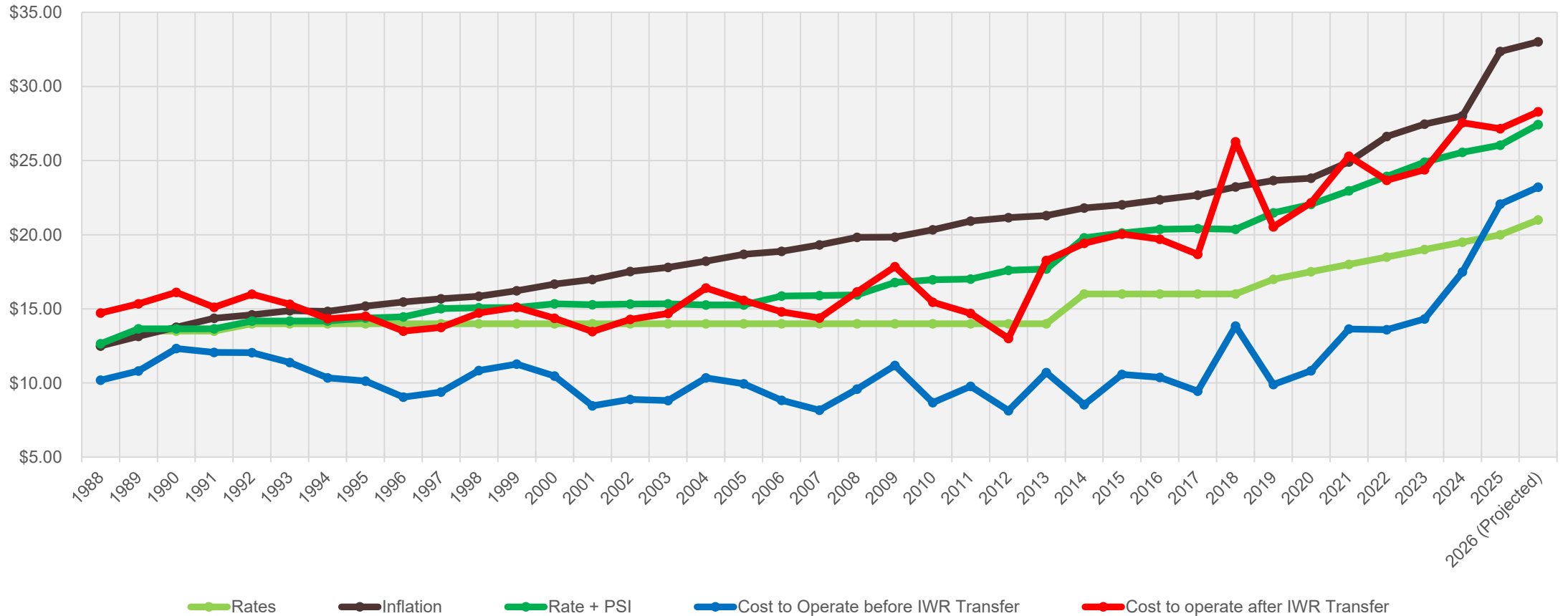
Cost/Acre to Operate the District

Cost to Operate the District vs. Inflation

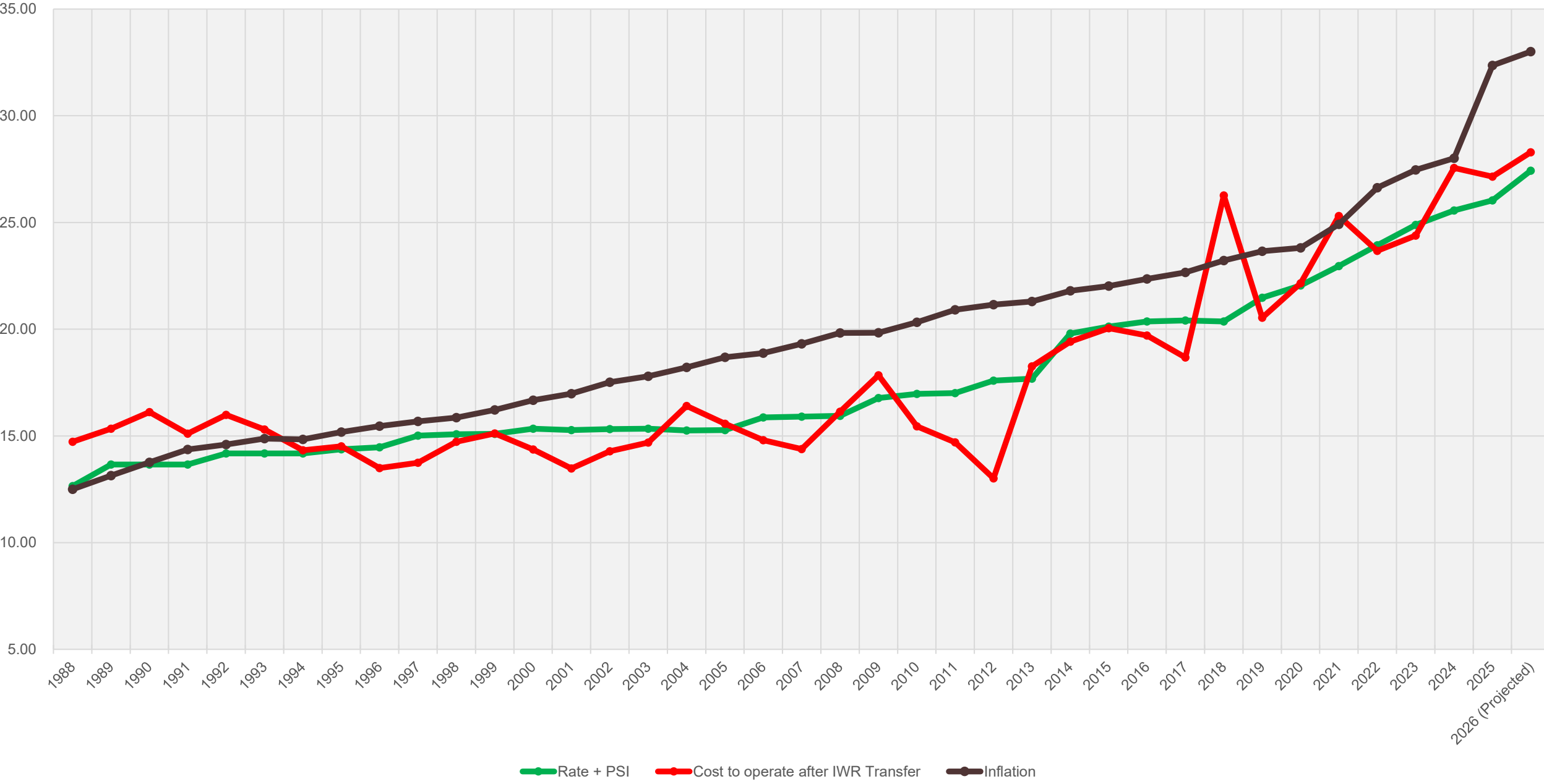


Cost/Acre to Operate the District

Cost to Operate the District vs. Inflation



Cost to Operate the District vs. Inflation



2026 Irrigation Water Rates

	2025	2026
Water Irrigation Rates	\$20/ acre	\$21/ acre

Project Funding

IRP

- Current Receivable Balance of :\$19.7M
- Receive \$2M annually

AIM

- Program Ends in 2028
- Current loan balance to IAI of \$9.9M

IWR Fund – Investment Strategy

- Balance of \$47.9M (Note 9)
 - \$38.8M invested with ATB
 - \$6.8M in high interest savings and investment cash accounts
 - \$2.2M Held in Trust by CIB (Note 7)

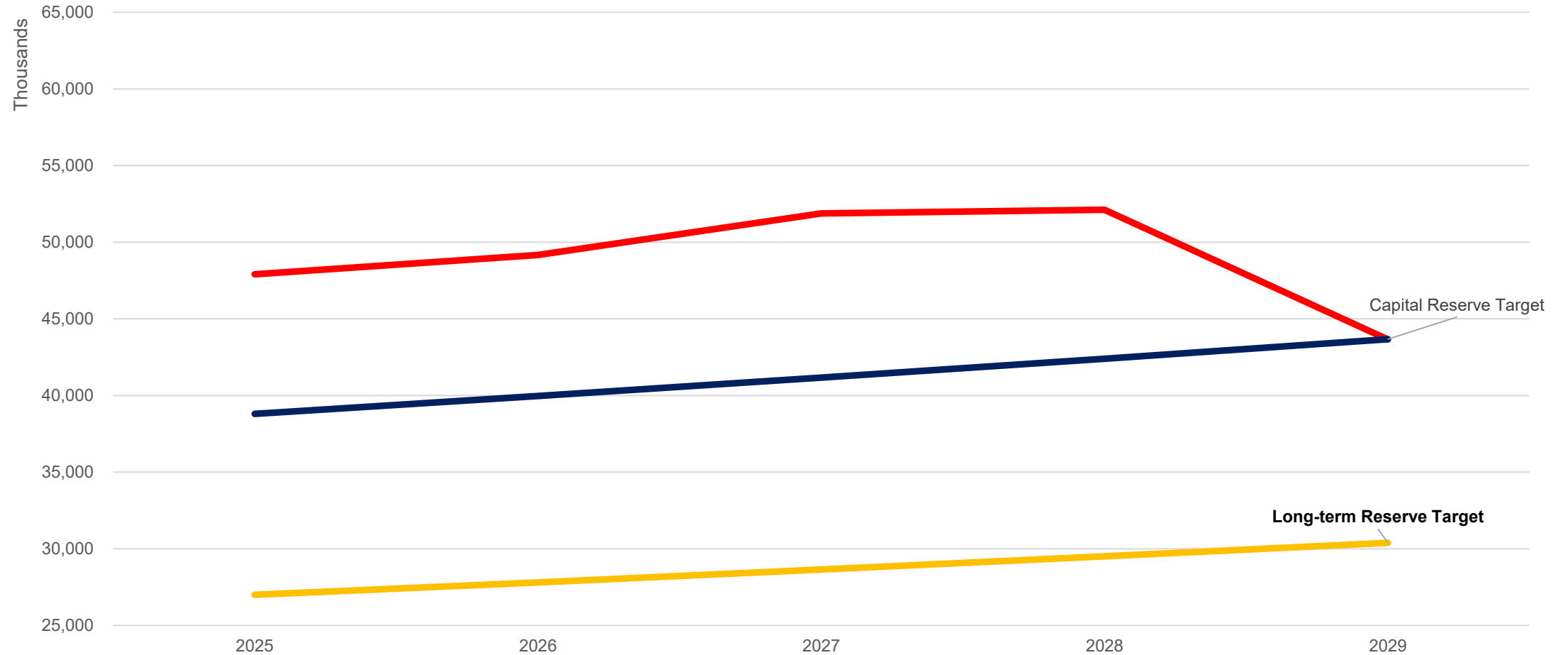
IWR Fund –
Investment
Strategy

IWR Operations - \$2M

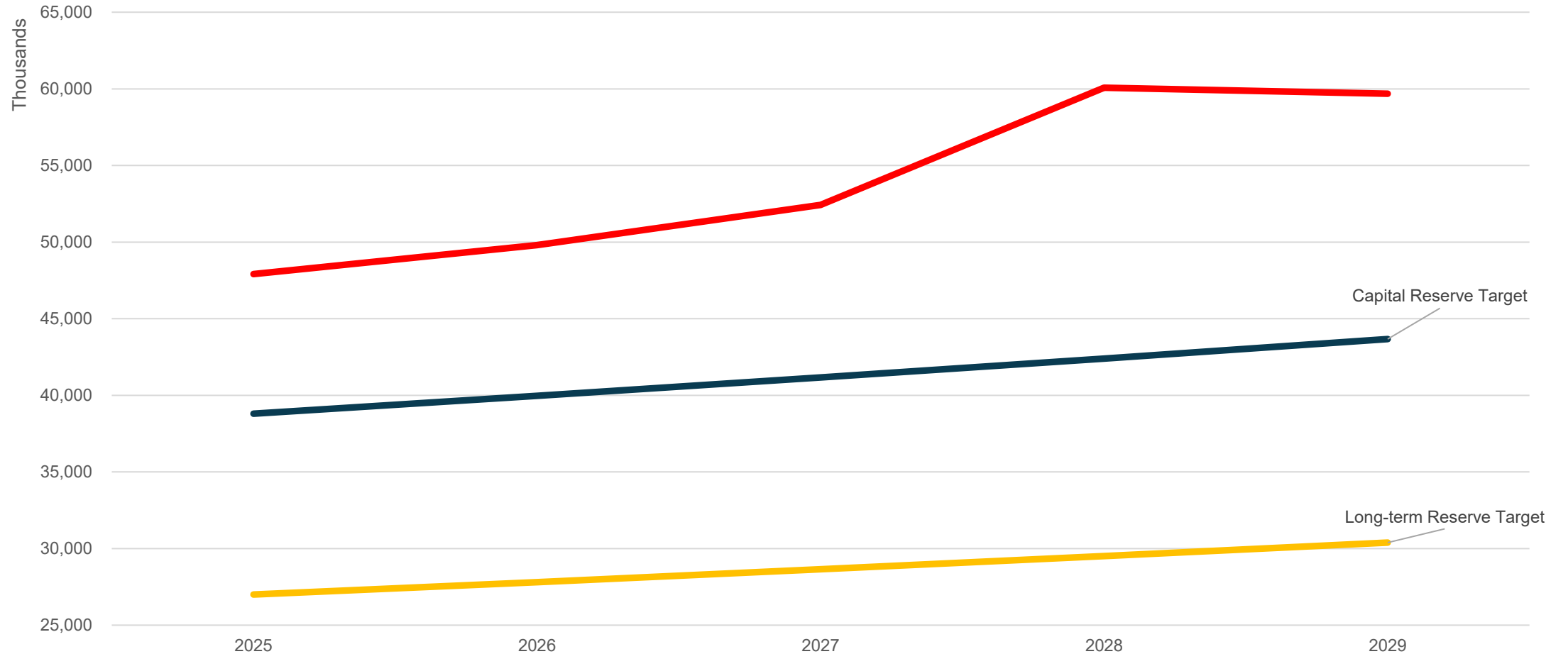
Capital Reserve -
\$9.7M

Long-term Reserve -
\$27M

IWR Fund Balance



IWR Fund Balance – Selling Irrigation Acres





Questions



Income Statement – Interfund Transfer

	6,381,697	9,611,370	15,993,067
EXPENSES			
Operating expenses (Schedule 1)	4,140,940	-	4,140,940
Pump fund expenses (Schedule 3)	-	688,366	688,366
Consulting fees (recovered), net (Note 9)	-	46,641	46,641
Amortization of irrigation works (Note 8)	-	5,984,557	5,984,557
Non-capital irrigation works expenses (Note 9)	-	164,824	164,824
	4,140,940	6,884,388	11,025,328
Excess of revenue over expenses	2,240,757	2,726,982	4,967,739
Interfund transfer - Provision for irrigation works	(1,530,000)	1,530,000	-
Fund surplus	\$ 710,757	\$ 4,256,982	\$ 4,967,739



14. Other Business Arising from the Reports

**CALVIN KONYNENBELT
CHAIR**



15. New Business

**CALVIN KONYNENBELT
CHAIR**



16. Adjournment
THANKS TO ALL WHO ATTENDED!



Coffee & Doughnuts

Courtesy of Janice Hupper



THANK YOU!