



EID 2004 Annual Report

Eastern Irrigation District

Irrigation Districts Act [Section 45 (2)(b)]

NOTICE OF ANNUAL MEETING

TAKE NOTE that the annual meeting of the irrigators of the Eastern Irrigation District will be held at the Heritage Inn, 1217 - 2 Street West, Brooks, Alberta on Wednesday, the 30th day of March, 2005 beginning at 1:30 o'clock in the afternoon [PM] to present annual reports of the chair on behalf of the board, the manager, the auditor of the district, and the maintenance of irrigation works of the district and to conduct any other business.

Please bring this report with you to the meeting.

Eastern Irrigation District Annual Report

For Year Ending December 31, 2004

The Eastern Irrigation District [EID] operates an extensive water supply, storage and drainage network. Water diverted from the Bow River at the Bassano Dam provides water for:

- irrigated agriculture
- household and livestock water uses
- municipal and industrial water requirements
- many recreational needs and enhanced environmental conditions

The EID was organized under Alberta legislation in 1935. The formation of the District made it possible for the irrigators to take over the irrigation project started by the Canadian Pacific Railway Company in the early 1900's. The vision of these early settlers and agricultural entrepreneurs has created a long-lasting and positive legacy for the region.

The EID is governed by a Board of Directors, elected from and by the irrigators in the District. The main office of the District is located in the Town of Brooks.

In addition to the water management functions of the District, the EID owns and is responsible for the operation and management of large tracts of native and improved pasture lands. These lands are primarily used in support of the beef cattle industry.

The management of water and land resources is conducted with an integrated and sustainable approach. This approach allows the District and these important natural resources to act as a catalyst to support important regional economic development initiatives.

In the truest sense, water is more than agriculture. The Eastern Irrigation District is a place where **“WATER WORKS WONDERS”**.

Eastern Irrigation District
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Eastern Irrigation District -- Board of Directors

Members of the Board of Directors are elected by the irrigators. The Eastern Irrigation District has adopted a practice of staggered elections, in which two directors are elected in one year, two directors are elected the next year and three directors are elected in the following year. This method of elections provides for long-term stability in the governance, administration and operation of the District.



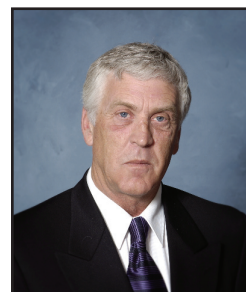
Floyd George
Division 01



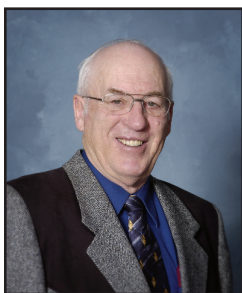
Tom Livingston
Division 02



Clint Henrickson
Division 03



Neil Johnson
Division 04



Allen Nielsen (Vice-Chair)
Division 05



Bob Chrumka (Chairman)
Division 06



Pat Hensing
Division 07

Photos by Gary Drake

Chairman and Board of Directors Report

The Board of Directors held 15 regular board meetings, one rate payer meeting and a 2 1/2 day planning retreat in 2004.

The District's revenue from its investments and land base continued to be strong in 2004 and agricultural commodity prices remained very low. Therefore the board decided to waive the water rates for a second year. This created no adverse effect on our operations or rehabilitation programs, and as in the 2003 season, 2.1 million dollars remained in rate payers' pockets.

The directors passed the following resolution:

"NOW THEREFORE be it resolved that the 2004 water charges on all acres to be irrigated and on all acres subject to terminable water agreements be cancelled."

The savings to the District's water users are only heightened with the realization that the actual cost of conveying water during the 2004 season was \$15 per acre. This figure only covers operations, maintenance and administration costs, no land expenses or capital improvements are included.

The sale of the first expired twenty year irrigated lease parcel was completed in 2004. The leaseholder chose the sale process rather than extending the lease. The lease was advertised for sale by bid to District water users. Two bids were received and the existing lessee matched the high bid and purchased the parcel consisting of 688 irrigated acres and 230 dry acres for \$1,194,000.

During the 2004 season, the EID, through EIDNet, stepped into the future with high-speed wireless internet, improving on the original commitment of dial-up service. The decision was made knowing we would not be able to recover the up front costs of installing radios and towers but the benefits to all using this service are immeasurable. Education for our youth, market availability, statistics for producers, plus the endless amount of information contacts don't even scratch the surface of this high-speed resource. Please contact

EIDNet if you would like more information.

At our planning retreat, we developed a strategy for our upcoming oil and gas negotiations. This will be one of our most important issues in 2005. We also determined there is a need to increase our public relations and promotional efforts and have asked management to develop and implement this plan starting early in the new year. The Board feels this is required as we need to continue to improve on efficiencies and inform the public of these advancements as well as the many benefits that are a result of our proficient use of water.

In keeping with our efforts to conserve water, the Board has maintained the farm improvement grants that pay up to \$7,500 dollars per quarter section for enhancements on the farm that save water. Since its inception, 135 water users have taken advantage of this program with a total of \$486,000 dollars being invested.

One of the Board's main priorities has been the rehabilitation of our infrastructure system. To achieve this, we have budgeted increases in funding for the new 3 year plan. This increase will be added to the 4.3 million dollars that the provincial government pays in an annual irrigation rehabilitation projects grant.

The community pastures continued to see capital improvements with the investment of \$420,000 dollars on new water lines and breaking up and reseeding of some 2,000 acres of tame pasture.

A grand opening ceremony for the Rolling Hills Reservoir Campground will take place in early 2005. This project has been very well received and with the future growth of many trees, shrubs and grass that was planted, should be a jewel for people to enjoy for many years to come.

The directors look forward to continued success and constant improvement in striving to guarantee that current and future generations will have access to water and its many benefits.

Respectfully submitted:

Bob Chrumka, Chair
Clint Henrickson
Floyd George
Tom Livingston
Neil Johnson
Allen Nielsen, Vice-Chair
Pat Hemsing



Rolling Hills reservoir Campground



The above average rainfall combined with a good snow pack made it very easy to meet the irrigation demand in 2004. Between April 2nd and October 15th, we diverted 417,370 acre feet, well below our license of 680,000 acre feet for that period. We passed 1,302,000 acre feet (3 times what we diverted) over Bassano Dam and on to Saskatchewan between April 2nd and

October 15th. We ended the season with firm live storage of 254,000 acre feet (slightly above our desired winter levels) in our reservoirs. We delivered 0.9 feet (10.8 inches) per acre, on average to the farm gate.

We continued our aggressive rehabilitation program, spending \$20,400,000. We rehabilitated 88 kilometers of canal, installed 74 kilometers of pipeline and 14 kilometers of lined and armoured canal. The District canal system is 2,048 kilometers in length. By May we will have 751 kilometers of pipeline, 285 kilometers of plastic lined and armoured canal and 200 kilometers of main canal rehabilitated.

We prepared a three year rehabilitation plan that was approved by the Board of Directors. The plan includes 225 kilometers of canal and 50 kilometers of drains at an estimated cost of \$58,000,000.

The grazing leases had good carry over grass, good winter and early spring moisture, allowing us to increase the number of cattle to 14,247 (40 cows per member). With the above average rainfall, we enjoyed a good grass year and have good carry over for the 2005 grazing season.

The oil and gas sector was busy in 2004, but not near as busy as 2003. Over 100 leases taken in 2003 were canceled and not drilled in 2004. In 2004, 586 new leases were taken and 151 wells were twin drilled on existing leases. There were 425 kilometers of new pipelines installed on District land in 2004.

2004 was our first year operating the Rolling Hills Reservoir Campground. We leased 26 sites for the season and the other 40 sites on a first come basis. The campground was quite busy. We expect it to become busier as it becomes better known.

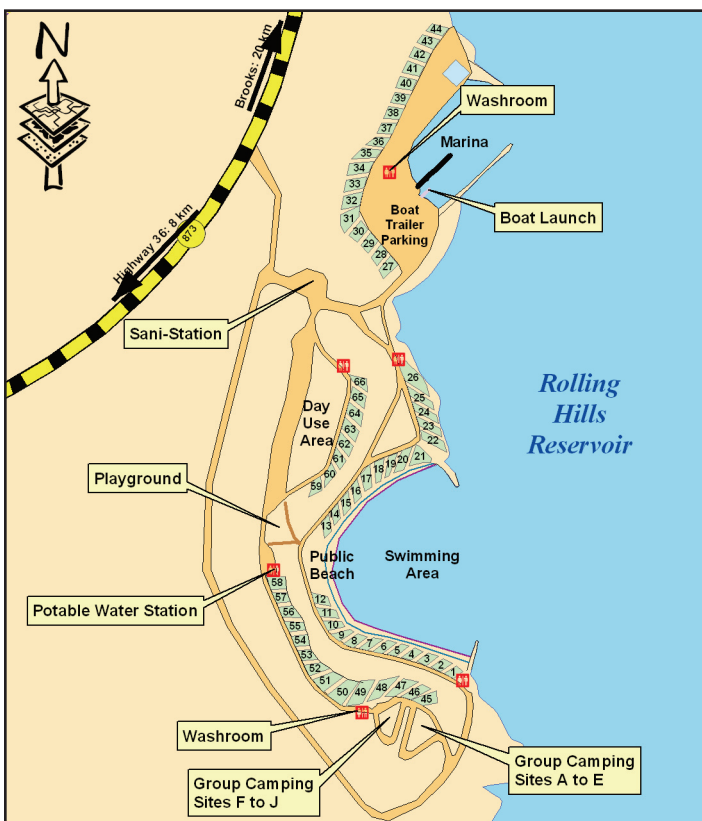
With the Board's decision to provide wireless high speed internet to the area, we began installing towers in July and August and made use of three existing towers. We started hooking up customers in August, and by December 31st we had just short of 400 high speed customers with 60 more orders. We anticipate having 650 customers on the system in 2005. We have found that we are not getting the distance hoped for from most of the towers, and when we amplify the signal, noise is amplified as well, resulting in a poor signal. We therefore are looking at installing a few more towers to improve our coverage.

Over the last 20 years, the District has made large gains on improving its infrastructure, and reducing the amount of water per acre we use. We now irrigate 283,625 acres with less water than we irrigated 244,000 acres with in 1984. Our biggest challenge in the next few years will be to continue to improve our water use efficiency, and to inform the general public and politicians of the gains being made and of the overall economic, recreational and social benefits derived from our water use.

I would like to thank the Board of Directors, the irrigators and the staff of the District for their cooperation and support in 2004 and look forward to an even better year in 2005.

Respectfully submitted:

Earl Wilson, P.Eng.
General Manager



Water Delivery Operations Report

Jim Meador, Manager of Operations



Above average rainfall made the demand for irrigation lower than average in 2004.

Diversion from Bassano Dam commenced on April 2, and was shut down on October 15. We diverted a total of 417,370 acre feet and ended the year with 254,000 acre feet of live storage in our reservoirs.

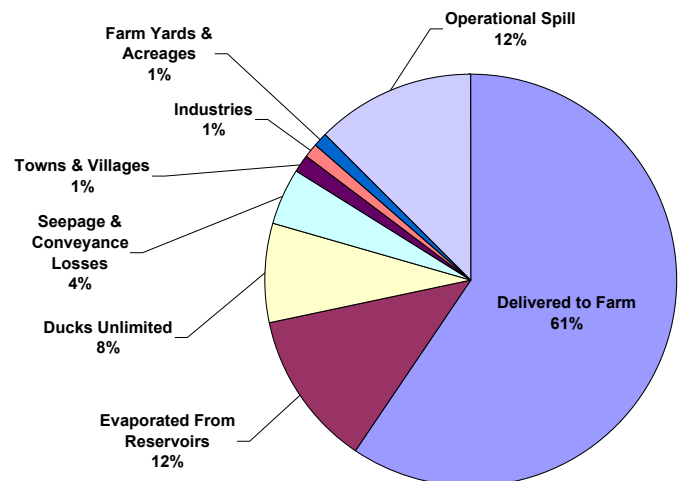
With the above average rainfall, we never had a sustained heavy demand period, and only delivered 248,670 acre feet to the farm gate. That is an average of 0.9 feet (10.8") per acre.



Farm Delivery - Rolling Hills

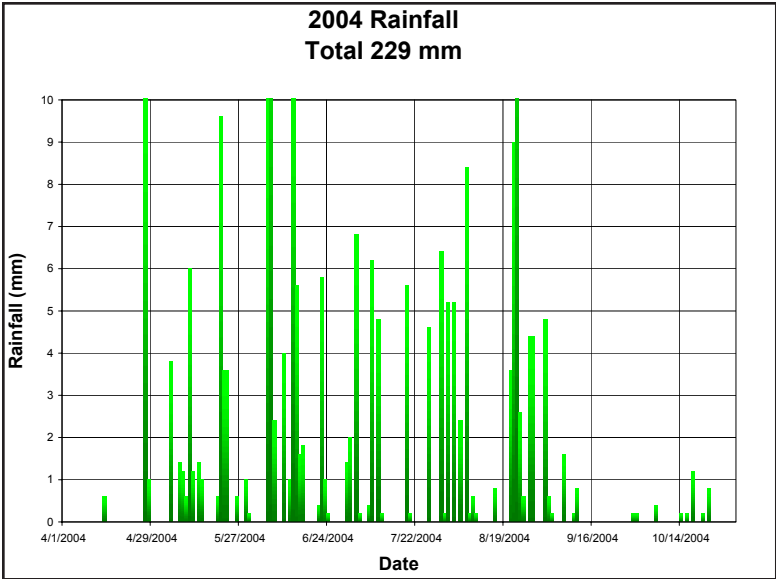
Water Balance

Diversion	417,370
Delivered to Farm	248,670
Evaporation from Reservoirs	51,000
Ducks Unlimited	32,000
Seepage & Conveyance Losses	18,000
Towns & Villages	6,000
Industries	5,000
Farm Yards & Acreages	5,000
Operational Spill	51,700
Measured Return Flow	83,630
Operation	51,700
Farm Spill	31,970

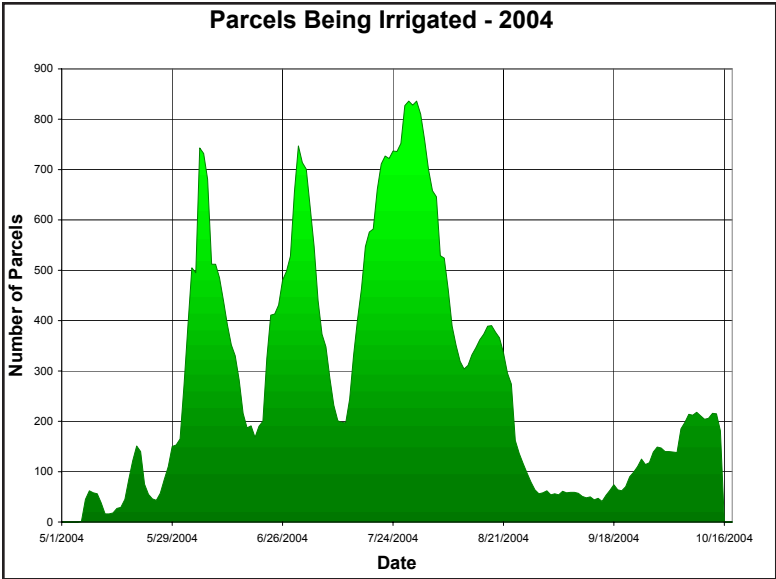


System Water Delivery Summary

Block	Irrigated Area (acres)	Volume Delivered (ac-ft)	Water Use Per Acre (ac-ft/ac)	Block	Irrigated Area (acres)	Volume Delivered (ac-ft)	Water Use Per Acre (ac-ft/ac)
D1 (Leland)	19,809.00	18,474.81	0.93	S1 (Syvret)	14,206.00	11,522.29	0.81
D2 (Bunney)	14,352.00	9,374.65	0.65	S2 (Maude)	11,657.00	11,579.40	0.99
D3 (Senneker)	15,337.00	15,074.08	0.98	S3 (Bobinski)	12,152.00	8,601.48	0.71
D4 (Nichols)	19,019.00	16,676.71	0.88	S4 (Jackson)	13,207.00	11,694.59	0.89
D5 (Tryhorn)	13,745.00	18,616.91	1.35	S5 (Harink)	11,818.00	11,033.49	0.93
E1 (Binnie)	17,259.00	13,883.81	0.80	S6 (Canning)	16,377.00	16,337.34	1.00
E2 (Wirachowsky)	15,202.00	13,817.25	0.91	S7 (Neufeld)	17,972.00	13,289.51	0.74
E3 (Boettcher)	11,078.00	12,516.15	1.13	S8 (Schroeder)	19,158.00	14,179.80	0.74
E4 (Vacant)	6,963.00	7,287.19	1.05	S9 (Stout)	15,047.00	12,256.13	0.81
E5 (Getz)	15,391.00	12,454.64	0.81				
Totals					279,749.00	248,670.23	0.89



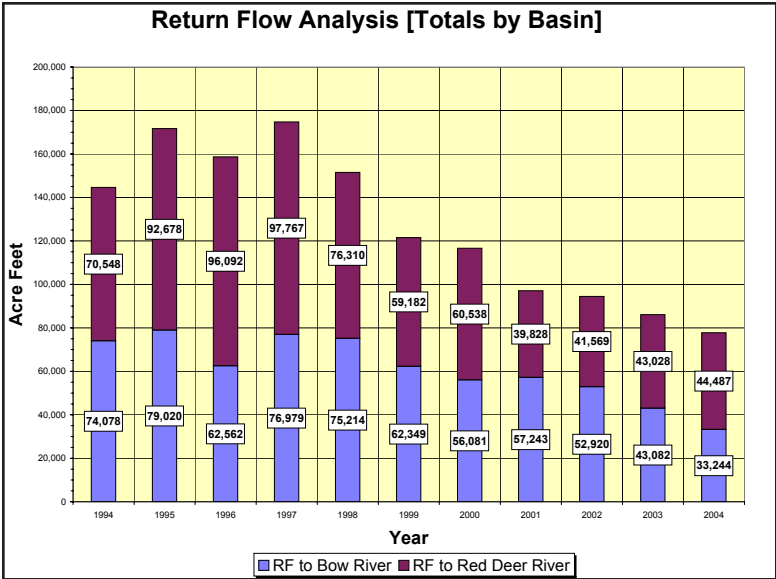
Bassano Dam



Springhill Check on East Branch



Panometrics Flow Meter



Crossing replacement on John Ware Canal

Maintenance of Irrigation Works Report

2004 was the second year in a row of low demand for water. This resulted in lower than normal power costs for pumping, and less chemical for aquatic vegetation control and reduced machine hours. We spent a total of \$2,002,586 on maintenance in 2004 compared to \$1,961,052 in 2003.

Maintenance Item	2000	2001	2002	2003	2004	Average
Canal cleaning, bank leveling and seeding	42 km	30 km	50 km	42 km	25 km	37.8 km
Drain cleaning, bank leveling and seeding	20 km	25 km	23 km	18 km	15 km	20.2 km
Drain and canal clipping	75 km	80 km	84 km	108 km	86 km	86.6 km
Drain relocations	7 km	4 km	5 km	2 km	2 km	3.8 km
Gravel armour placed on canal side-slopes	3 km	4 km	3.2 km		3 km	3.3 km
Gravel placed on canal banks	38 km	35 km	40 km	32 km	45 km	38 km
Canals fenced	5 km	5 km	12 km	12 km	6 km	8 km
Chemical weed control on canal banks	2,410 km	2,362 km	2,405 km	2,100 km	1,972 km	2,249.8 km
Mowing of canal banks	435 km	370 km	338 km	338 km	520 km	400.2 km
Canal liner installed	1 km	3 km	1.2 km	2.2 km	1 km	1.7 km
Road crossing repairs and replacements	10	12	15	10	6	10
Replacement of farm turnouts	15	15	22	15	14	16
Flood well to riser conversions [on pipelines]	0	0	22	29	18	23
Maintenance Costs	2000	2001	2002	2003	2004	Average
Heavy equipment	\$871,000	\$1,076,191	\$1,026,262	\$907,715	\$931,596	\$962,553
Labour	\$432,000	\$514,602	\$573,683	\$617,215	\$651,521	\$557,804
Materials [culverts, gates, fence posts, etc.]	\$186,000	\$175,265	\$219,020	\$164,563	\$170,560	\$183,082
Chemical for broad leaf weed control	\$72,000	\$73,786	\$69,368	\$74,714	\$48,093	\$67,592
Vehicles	\$127,000	\$132,600	\$132,600	\$140,400	\$140,400	\$134,600
Repairs to pump stations and control structures	\$23,000	\$36,981	\$46,294	\$36,246	\$43,992	\$37,303
Maintenance of building and grounds	\$21,000	\$20,559	\$18,288	\$20,199	\$16,424	\$19,294
Cost of operating vehicles and heavy equipment [in excess of charge out rates to Capital Construction Projects]	\$0	\$0	\$0	\$0	\$0	\$0
Total Costs	\$1,732,000	\$2,029,984	\$2,085,515	\$1,961,052	\$2,002,586	\$1,962,227

Crop and Irrigation Statistics - 2004

Crop Class	Crop Type	Acres
Cereals	Barley	22,330
	CPS Wheat	8,469
	Durum Wheat	1,400
	Grain Corn	69
	Hard Spring Wheat	29,667
	Malt Barley	194
	Oats	2,393
	Rye	470
	Soft Wheat	1,485
	Triticale	2,853
	Winter Wheat	1,024
Total Cereals		70,354
Oil Seeds	Canola	24,714
	Flax	3,953
Total Oil Seeds		28,667
Forage Crops	Alfalfa 2 Cut	64,705
	Alfalfa 3 Cut	634
	Alfalfa Hay	701
	Alfalfa Silage	4,398
	Barley Silage	9,918
	Barley Silage Under Seed	1,659
	Brome Hay	372
	Corn Silage	5,515
	Grass Hay	5,738
	Green Feed	8,695
	Milk Vetch	109
	Millet	65
	Native Pasture	765
	Oats Silage	519
	Sorghum Sudan Grass	156
	Tame Pasture	56,568
	Timothy Hay	4,813
Total Forages		165,330

Crop Class	Crop Type	Acres
Specialty Crops	Alfalfa Seed	8,393
	Carrots	631
	Dry Beans	1,682
	Dry Peas	1,407
	Faba Beans	285
	Fresh Peas	45
	Grass Seed	337
	Hemp	220
	Market Gardens	218
	Nursery	452
	Potato	3,154
	Small Fruit	2
	Sugar Beets	1,081
	Sunflower	433
Total Specialty Crops		18,340
Non-Irrigated [2004]	Miscellaneous	
	Non Crop	372
	Summer Fallow	603
Total Non-Irrigated		975

Total of All Crops		
Summary:	Cereals	70,354
	Forages	28,667
	Specialty Crops	165,330
	Oil Seeds	18,340
	Non-Irrigated	975
		283,666



Field of Sun Flowers



Fall Irrigation



2004 Rehabilitation

In 2004, \$20.4 million was spent rebuilding the District's water delivery infrastructure.

30 large scale projects were constructed during the year, including completion of 17 projects from the 2003/2004 construction period and 13 projects underway in the winter 2004 construction period.

Irrigation Rehabilitation Program [IRP]

This is an Alberta Government sponsored program for irrigation Districts in southern Alberta. It is a cost-shared program based on a 75:25 cost sharing agreement.

In 2004 the Province provided \$4,305,298 (75%) and the District invested \$1,435,099 (25%). The 2004 expenditures amount to approximately \$7.9 million. Some of the unused funds carried over from previous years were spent in 2004.

Project	Description	Engineer	Contractor	2004 Project Cost	Total Project Cost
Spring					
Tilley Canal	4.5 km plastic-lined canal, 0.8 km pipeline, and cast-in-place reservoir outlet structure	MPE	Richardson Bros./Porter-Tanner Construction	\$1,209,000	\$1,850,000
15 Bow Slope	8 km pipeline	MPE	Boulder Contracting Ltd.	\$1,188,000	\$1,320,000
15 East Branch	3.5 km pipeline	EID	EID	\$88,000	\$390,000
Fall					
10B Springhill	10 km pipeline	EID	EID	\$2,787,000	\$3,450,000
18 Rolling Hills	2.4 km pipeline	EID	EID	\$403,000	\$458,000
Secondary G Springhill	6 km plastic-lined canal and 1.7 km pipeline	MPE	Caliber Systems Inc., EID	\$1,312,000	\$3,100,000
Lower North Branch	7.3 km plastic-lined canal	EID	EID	\$904,000	\$1,100,000
Total:				\$7,891,000	\$11,668,000

Lateral Turnout Structure:
Lower North Branch Canal



GPS Controlled Bulldozer:
Tilley Canal

EID Capital Construction Program

EID Capital Construction Program

Funds for this program are provided entirely from the District's Irrigation Works Fund. The 2004 expenditures amount to approximately \$12.6 million. In the 2004/2005 winter construction period, the District will complete the installation of 74 km of pipeline and 14 km of lined canal.

Spring Projects

Project	Description	Engineer	Contractor	2004 Project Cost	Total Project Cost
12-01 Secondary A Rolling Hills	3.5 km pipeline	EID	EID	\$111,000	\$857,000
09 Secondary A Rolling Hills	2.5 km pipeline	EID	EID	\$688,000	\$709,000
A West Bantry	2.2 km pipeline	EID	EID	\$47,000	\$285,000
7 Bow Slope	8 km plastic-lined canal	EID	Caliber Systems Inc.	\$1,091,000	\$2,882,000
AH North Bantry	7 km pipeline	EID	EID	\$1,502,000	\$1,561,000
03H West Bantry	2 km pipeline	EID	EID	\$256,000	\$308,000
F & G West Bantry	5 km pipeline	EID	EID	\$894,000	\$989,000
H Cowoki	8 km pipeline and cast-in-place concrete structure	MPE	EID/ BYZ Construction	\$816,000	\$1,842,000
23 Rolling Hills	3.5 km pipeline	EID	EID	\$70,000	\$589,000
01-08A Springhill	5.2 km pipeline	EID	EID	\$679,000	\$701,000
07B Springhill	3 km pipeline	EID	EID	\$122,000	\$348,000
G10 North Bantry	1 km plastic-lined canal and 2.3 km pipeline	EID	EID	\$174,000	\$668,000
04 East Branch	2 km pipeline	EID	EID	\$341,000	\$344,000
06 North Branch	1 km pipeline	EID	EID	\$135,000	\$135,000
Dam Safety Audit	Engineering inspections of Crawling Valley, Lake Newell, Bassano Dams	MPE	EID	\$73,000	\$134,000
Automation	Upgrade automation of control structures	MPE	MPE	\$56,000	\$56,000
2003/4 Structures	Two precast structures	EID	EID	\$112,000	\$112,000
2003 Projects	Additional work on 2003 projects	EID	EID	\$65,000	
Farm Improvement	Projects throughout the year	EID	EID	\$113,000	
Total:				\$7,345,000	

Precast Drop Structure to John Ware Canal



Cast-in-Place Check Drop: Sec. G Springhill



EID Capital Construction Program

Fall Projects

Project	Description	Engineer	Contractor	2004 Project Cost	Total Project Cost
Secondary G Springhill Pipeline	11 km pipeline	MPE	EID	\$224,000	\$2,200,000
26 & 27 Rolling Hills	5 km pipeline	EID	EID	\$499,000	\$610,000
R Tilley	1.5 km pipeline	EID	CanDoo Excavating	\$42,000	\$320,000
4H West Bantry	3 km pipeline	EID	CanDoo Excavating	\$142,000	\$640,000
Long Pump Canal	8 km pipeline	EID	EID	\$704,000	\$1,350,000
Secondary A & B North Branch	28 km pipeline	EID	EID	\$1,776,000	\$5,850,000
01-Antelope Creek	2.5 km pipeline and 1 km plastic-lined canal	EID	EID	\$522,000	\$800,000
2004/5 Structures	Various structures replacements and upgrades	EID	EID	\$3,000	\$170,000
10 Rolling Hills	precast check structure and 0.5 km pipeline	EID	EID	\$33,000	\$101,000
2005 Projects	Preliminary work on several projects	EID/ MPE	Various	\$158,000	
Rolling Hills Campground	Various campground improvements	EID	EID	\$146,000	
Rolling Hills Reservoir	Rolling Hills dam and dyke upgrades	EID	EID	\$113,000	
Land Acquisition	Legal surveys & purchase of rights-of-way	EID	EID	\$836,000	
Total:				\$5,198,000	

48" Dia. Weholite Pipe:
Long Pump Canal



Construction of Surge Pond:
Secondary G Springhill Pipeline



Gabion Spillway:
Sec. G Springhill to John Ware Canal



Installation of Pipeline:
01-Secondary B North Branch



Land Administration Report

Grazing Operations Report

The overall lease condition was very good at the start of 2004. We enjoyed above average rainfall and had a very good grass growing year. A total of 14,247 cows (40 head per member) were turned out in May. The cattle went home on October 15 making a total of 71,235 AUM of grazing. There is good carry over grass for 2005.

The District continued its capital improvement on the leases by installing 19 kilometers of waterline and 10 water troughs in the Gem Grazing Association. We completed our third tame grass restoration project. Two thousand acres in the Burns Field were broken up and re-seeded last fall.

Oil and Gas

It was a busy year in oil and gas but not near as busy as 2003. 124 of the 1091 new leases taken in 2003 were cancelled and not drilled.

In 2004, 586 new leases were taken and an additional 151 wells were twinned off of existing leases. Approximately 425 kilometers of pipeline (1,590.32 acres of right-of-way) were installed on District lands.

Irrigation Assessment

We continue to see irrigators converting from flood irrigation and wheel move irrigation to low pressure pivots. We added 837 acres to the assessment roll in 2004, bringing it up to 283,625 acres. Of the 837 acres added, 435 were on existing parcels where the land owner converted to a more efficient method of irrigation, and 261 acres were new acres below Lake Newell and 135 acres below Crawling Valley Reservoir.

Method of Irrigation		
Low Pressure Pivot	98,017 Ac.	34.5%
High Pressure Pivot	41,927 Ac.	14.8%
Wheel Move	48,720 Ac.	17.2%
Other Sprinkler	999 Ac.	0.4%
Flood Irrigation (Leveled)	77,724 Ac.	27.4%
Flood Irrigation (Not Leveled)	16,277 Ac.	5.7%
<i>Note: percentages shown are the percentage of total irrigation.</i>		



Grass Growth at Kitsim Pivots



Grass Growth at Kitsim Pivots



Bassano Dam Tour



Rolling Hills Reservoir Campground

Financial Report

Kevin Bridges, Assistant General Manager



The Eastern Irrigation District operates under the authority of the Irrigation Districts Act [c. I-11, RSA 2000]. Each year the District appoints an auditor to prepare an audit of the District's financial statements. The audit is prepared in accordance with the form and the reporting standards for local governments as recommended by the Canadian Institute of Chartered Accountants.

The auditor reports separately to the Board of Directors. A copy of the District's financial statements and the report of the auditor are subsequently provided to the Irrigation Council as required under the Irrigation Districts Act. Following is the auditors' report to the Board of Directors.

Auditors' Report

To the Board of Directors of the Eastern Irrigation District

We have audited the balance sheet of the Eastern Irrigation District as at December 31, 2004 and the statements of operations and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Eastern Irrigation District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Eastern Irrigation District as at December 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Brooks, Alberta
February 18, 2005
Bevan, Halbert and Gerrard
Chartered Accountants

EASTERN IRRIGATION DISTRICT
BALANCE SHEET
December 31, 2004

	General Fund	Irrigation Works Fund	2004 Total	2003 Total
ASSETS				
Current				
Cash	\$6,646,664	\$1,195,097	\$7,841,761	\$5,825,385
Short term deposits (Note 4)	57,783	7,159,412	7,217,195	6,250,000
Accounts receivable (Note 5)	1,253,833	553,041	1,806,874	1,745,671
Materials and supplies	969,985	0	969,985	978,114
	8,928,265	8,907,550	17,835,815	14,799,170
Investments (Note 6)	0	38,064,349	38,064,349	37,670,159
	8,928,265	46,971,899	55,900,164	52,469,329
Property and Equipment (Note 7)				
Buildings and equipment, net	6,508,219	1,343,471	7,851,690	6,849,268
Irrigation works, net	0	247,162,834	247,162,834	235,524,307
Land (Note 2)	0	345,358	345,358	337,272
	6,508,219	248,851,663	255,359,882	242,710,847
	\$15,436,484	\$295,823,562	\$311,260,046	\$295,180,176
LIABILITIES				
Current				
Accounts payable	\$908,141	\$57,444	\$965,585	\$1,416,219
Construction cost holdbacks and payables	0	579,951	579,951	929,325
Deferred oil well lease compensation	7,899,028	0	7,899,028	7,444,394
	8,807,169	637,395	9,444,564	9,789,938
Trust funds held (Note 14)	69,646	0	69,646	69,646
Deferred grants and contributions, net (Note 7)	151,964	113,890,215	114,042,179	114,172,033
	9,028,779	114,527,610	123,556,389	124,031,617
FUND BALANCES				
Invested in property and equipment (Notes 7 & 8)	\$6,356,255	\$134,961,448	\$141,317,703	\$128,538,814
Unrestricted (Note 8)	0	0	0	0
Internally restricted, to be used for future community pasture development (Notes 2 & 8)	51,450	0	51,450	0
Internally restricted, to be used for future irrigation works additions (Notes 2 & 8)	0	44,260,247	44,260,247	38,509,547
Externally restricted by the Province of Alberta, to be used for future irrigation works additions (Notes 2 & 8)	0	2,074,257	2,074,257	4,100,198
	6,407,705	181,295,952	187,703,657	171,148,559
	\$15,436,484	\$295,823,562	\$311,260,046	\$295,180,176

EASTERN IRRIGATION DISTRICT
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
Year Ended December 31, 2004

	General Fund	Irrigation Works Fund	2004 Total	2003 Total
REVENUE				
WATER EARNINGS				
Irrigation Rates (Note 9)	\$0	\$0	\$0	\$0
Water conveyance agreements	309,711	0	309,711	267,404
Oil and gas drilling water	1,562,717	0	1,562,717	2,208,014
Penalties	4,282	0	4,282	9,571
	1,876,710	0	1,876,710	2,484,989
Less discounts allowed	(299)	0	(299)	0
	1,876,411	0	1,876,411	2,484,989
LEASE REVENUE AND COMPENSATION				
Oil and gas well leases	12,935,602	0	12,935,602	11,198,799
Right of entry and initial consideration	5,361,504	0	5,361,504	8,095,297
Oil and gas administration fees	136,400	0	136,400	194,200
Community grazing leases	785,004	0	785,004	995,453
Rock Lake silage revenue	21,208	0	21,208	0
Agricultural grants	647,453	0	647,453	0
Private grazing leases	141,184	0	141,184	177,098
Irrigated leases	123,308	0	123,308	147,118
Other lease revenues	48,057	0	48,057	49,475
OTHER REVENUE				
Capital asset charges	0	180,366	180,366	261,934
Gravel royalties and dirt sales	0	181,424	181,424	227,110
Gain on sale of land, equipment & buildings	24,739	1,733,943	1,758,682	48,474
Investment income	114,448	2,419,947	2,534,395	2,481,985
Amortization of deferred grants & contributions	0	4,587,116	4,587,116	4,480,734
	22,215,318	9,102,796	31,318,114	30,842,666
EXPENSES				
Operations and administration (Schedule 1)	4,757,826	0	4,757,826	4,743,405
Community grazing expenses (Note 10)	682,612	0	682,612	651,377
Amortization of irrigation works & buildings	0	8,938,886	8,938,886	8,440,616
	5,440,438	8,938,886	14,379,324	13,835,398
Excess of revenue over expenses, before other projects	16,774,880	163,910	16,938,790	17,007,268
Special projects net expenses (Note 12)	(96,169)	0	(96,169)	(75,772)
EIDNet net expenses (Note 13)	(287,523)	0	(287,523)	(40,364)
EXCESS OF REVENUE OVER EXPENSES	\$16,391,188	\$163,910	\$16,555,098	\$16,891,132
TRANSFER TO IRRIGATION WORKS FUND	(15,394,205)	15,394,205	0	0
FUND BALANCES, BEGINNING OF YEAR	5,410,722	165,737,837	171,148,559	154,257,427
FUND BALANCES, END OF YEAR	\$6,407,705	\$181,295,952	\$187,703,657	\$171,148,559

EASTERN IRRIGATION DISTRICT
STATEMENT OF CASH FLOWS
Year Ended December 31, 2004

	General Fund	Irrigation Works Fund	2004 Total	2003 Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Revenue from water operations	\$1,876,411	\$0	\$1,876,411	\$2,484,989
Compensation from oil and gas operations	18,433,506	0	18,433,506	19,488,297
Revenue from lease operations	1,766,214	0	1,766,214	1,369,144
Capital asset charges	0	180,366	180,366	261,934
Cash receipts from gravel royalties and dirt sales	0	181,424	181,424	227,110
Operations and administration expenses	(4,757,826)	0	(4,757,826)	(4,743,405)
Community grazing expenses	(682,612)	0	(682,612)	(651,377)
Add: Amortization in expenses, not using cash	978,853	0	978,853	937,431
Net cash expenditure on special projects	(96,169)	0	(96,169)	(75,772)
Net cash expenditure on EIDNet	(272,491)	0	(272,491)	(40,364)
Investment income received	114,447	661,640	776,087	771,923
Change in non-cash current assets and liabilities	192,945	(242,019)	(49,074)	833,457
	17,553,278	781,411	18,334,689	20,863,367
CASH FLOWS USED IN FINANCING AND INVESTING ACTIVITIES				
Grants from Province of Alberta	0	4,305,298	4,305,298	4,447,312
Grants from other governments	161,309	0	161,309	0
Proceeds on sale of land, buildings and equipment	341,772	1,733,942	2,075,714	362,897
Purchase of land, buildings and equipment	(1,997,345)	(56,863)	(2,054,208)	(1,229,865)
Pasture development and reseeding (Note 11)	(183,451)	0	(183,451)	(225,443)
Grazing water pipeline and improvements (Note 11)	(236,963)	0	(236,963)	(295,734)
Farm improvement program	0	(113,400)	(113,400)	(122,498)
Expenditures on irrigation works	0	(20,320,158)	(20,320,158)	(23,700,427)
Proceeds on sale of investments	0	12,040,612	12,040,612	7,096,020
Purchase of investments		(10,676,497)	(10,676,497)	(7,524,094)
Change in irrigation works accounts payable	0	(349,374)	(349,374)	(3,045,417)
	(1,914,678)	(13,436,440)	(15,351,118)	(24,237,249)
NET INCREASE (DECREASE) IN CASH AND TERM DEPOSITS	15,638,600	(12,655,029)	2,983,571	(3,373,882)
Cash and term deposits, beginning of year	6,460,052	5,615,333	12,075,385	15,449,267
Transfer from general fund	(15,394,205)	15,394,205	0	0
CASH AND TERM DEPOSITS, END OF YEAR	\$6,704,447	\$8,354,509	\$15,058,956	\$12,075,385
Cash is comprised of:				
Cash	\$6,646,664	\$1,195,097	\$7,841,761	\$5,825,385
Short term deposits	57,783	7,159,412	7,217,195	6,250,000
	\$6,704,447	\$8,354,509	\$15,058,956	\$12,075,385

EASTERN IRRIGATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2004

1. Purpose of the Organization

The Eastern Irrigation 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.

2. Accounting Policies

The financial statements have been prepared in accordance with the restricted fund method of accounting. Significant accounting policies include:

Fund Accounting

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

General Fund - Discloses the water management and delivery operations and land lease operations of the District, as well as certain special projects as designated by the Board of Directors from time to time. The general 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 expenditures 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 this fund 75% of the expenditures on projects approved by the Irrigation Council.

Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the General 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 Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Property and Equipment

Property and equipment are recorded at cost. Amortization of buildings and 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 equipment	25%
Mobile equipment	20%
Grazing pasture reseeding	20%
Agricultural equipment	15%
Buildings	10%
Other equipment	10%

Irrigation works assets are recorded at cost to the District. Additions to irrigation works are capitalized only if the cost of the individual project exceeds \$10,000. Items capitalized include the cost of easements and rights of way purchased. Irrigation works are amortized on a straight-line basis over their estimated average useful lives of 40 years.

Land

Land is recorded at cost to the District. Approximately 574,000 acres of land that was transferred from the Canadian Pacific Railway Company in 1935 are recorded at zero cost.

Materials and Supplies

Materials and supplies are carried at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Investments and Short Term Deposits

Investments and short term deposits are recorded at the lower of cost or market value, except where a decrease in market value is considered to be temporary.

EASTERN IRRIGATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2004

Financial Instruments

The District's financial instruments consist of cash, short term deposits, accounts receivable, investments, accounts payable and construction cost holdbacks and payables. The carrying amounts of these financial instruments approximates their fair value. It is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Deferred Oil and Gas Well Lease Compensation

Annual compensation related to oil and gas well leases is charged to the lessor at the beginning of each lease year. These monies are recognized as revenue on a straight-line basis over the succeeding twelve months. At year-end, the unamortized portion of such leases is reflected on the balance sheet as deferred oil well lease compensation.

Pension Plan

The District is a member of the Local Authorities Pension Plan, a multi-employer defined benefit pension plan. This Plan is accounted for as a defined contribution plan.

Deferred Grants and Contributions

Grants and contributions from third parties received to finance construction of irrigation works and the EIDNet towers and sector radios are deferred and amortized to income on the same basis as the irrigation works and the EIDNet assets to which they relate. Amortization of deferred grants related to irrigation works is provided on a straight-line basis over a 40 year period. Amortization of deferred grants related to EIDNet assets is provided using the declining balance method (sector radios at 25%; towers at 10%).

Use of Estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future years could be significant. Significant areas requiring use of management estimates relate to the useful lives of assets for amortization purposes and the amount of allowance required for uncollectible accounts receivable.

Internally Restricted Net Assets

The future use of a portion of the District's net assets has been restricted by the Board of Directors. Monies have been allocated to the following areas:

Irrigation works additions- monies to be used for future irrigation works additions and rehabilitation, including the District's 25% commitment to Province of Alberta Cost Share Projects within the District.

Community pasture development- monies to be used for future improvements or expansion of community grazing pastures.

Externally Restricted Net Assets

Funds received from the Province of Alberta must be used for specific cost shared irrigation projects. These monies and interest earned on their investment are disclosed separately as externally restricted net assets.

3. Local Authorities Pension Plan

Employees of the Eastern Irrigation District participate in the Local Authorities Pension Plan (LAPP), which is covered by the Public Sector Pension Plans Act. The plan serves about 147,845 people and 407 employers. It is financed by employer and employee contributions and investment earnings of the LAPP Fund. The District is required to make current service contributions to the Plan of 6.602% of pensionable earnings up to the Canada Pension Plan's Maximum Pensionable Earnings and 8.477% for the excess. Total current service contributions by the District to the Local Authorities Pension Plan in 2004 were \$260,026 (2003 - \$211,162). Total current service contributions by the employees of the District to the Local Authorities Pension Plan in 2004 were \$223,646 (2003 - \$176,347). At December, 2003, the Plan disclosed an actuarial deficiency of \$1.41 billion.

4. Short Term Deposits

Short term deposits maturing in the next year include GICs and term deposits at interest rates varying from 2.20% to 2.63% (2003: 2.55% to 2.70%). At year end these deposits have an average interest rate of 2.51% and mature within the next sixty days.

EASTERN IRRIGATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2004

5. Accounts Receivable

Accounts receivable consist of:

	2004	2003
Reclassification agreements	\$510,644	\$464,799
Lease rentals and seismic	477,374	767,576
Sundry debtors	392,160	336,147
Water conveyance agreements	178,009	123,582
Property and equipment	159,114	0
Gravel and dirt	96,213	70,255
Water rates and charges	3,699	8,312
Less: Allowance for doubtful accounts	(10,339)	(25,000)
	<u>\$1,806,874</u>	<u>\$1,745,671</u>

6. Investments

Investments consist of:

	2004	2003
Chinook Credit Union Ltd.- term deposits	\$9,566,076	\$10,933,193
Chinook Credit Union Ltd.- patronage account	37,876	36,440
Provincial Government Bonds	8,570,086	9,768,673
Provincial Utility Bonds	10,565,796	6,927,052
Government of Canada Bonds	5,464,906	6,385,934
Corporate Bonds	3,859,609	3,618,867
	<u>\$38,064,349</u>	<u>\$37,670,159</u>
Approximate market value at December 31	<u>\$39,817,000</u>	<u>\$39,340,000</u>

Investments have an average yield of 5.74%. The net book value of investments maturing in 2005 is \$5,064,153 (yield: 5.9%); in 2006 is \$4,775,190 (yield 7.7%); in 2007 is \$3,859,609 (yield 6.7%); in 2008 is \$4,533,043 (yield 3.9%); in 2009 is \$3,022,869 (yield 4.5%); in 2010 is \$2,764,269 (yield 5.7%); in 2011 is \$2,972,393 (yield 5.2%); and in 2013 is \$5,635,532 (yield 5.9%); in 2014 is \$3,236,601 (yield 5.6%); in 2015 is \$2,162,814 (yield 5.4%). The Chinook Credit Union Ltd. patronage account of \$37,876 has no set interest rate or maturity date. Investment income includes amounts received of \$771,920 (2003: \$771,923) plus amortization of discounts and other miscellaneous items.

EASTERN IRRIGATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2004

7. Property and Equipment

	2004		2003	
	Cost	Accumulated Amortization	Net	Net
General Fund:				
Equipment	\$11,528,675	\$5,553,405	\$5,975,270	\$5,035,293
Community pasture reseeded	558,880	25,931	532,949	375,429
Irrigation Works Fund:				
Buildings	5,913,426	4,569,955	1,343,471	1,438,546
Irrigation works	353,602,137	106,439,303	247,162,834	235,524,307
Land	345,358	0	345,358	337,272
	<u>\$371,948,476</u>	<u>\$116,588,594</u>	255,359,882	242,710,847
Deferred grants and contributions	<u>(\$183,845,960)</u>	<u>(\$69,803,781)</u>	(114,042,179)	(114,172,033)
Net assets invested in property and equipment			<u>\$141,317,703</u>	<u>\$128,538,814</u>
Changes in irrigation works assets, net of amortization are as follows:			2004	2003
Beginning of year			\$235,524,307	\$219,985,574
Additions to irrigation works				
District projects			11,707,287	16,187,631
Province of Alberta cost shared projects			7,890,691	6,919,781
Survey costs and easements			835,580	715,513
Amortization			(8,795,031)	(8,284,192)
			<u>\$247,162,834</u>	<u>\$235,524,307</u>
Changes in deferred grants and contributions, net of amortization are as follows:			2004	2003
Beginning of year			\$114,172,033	\$114,205,455
Contributions from third parties			4,466,607	4,447,312
Amortization			(4,596,461)	(4,480,734)
			<u>\$114,042,179</u>	<u>\$114,172,033</u>
Current year additions to irrigation works are as follows:				
	District	Province of Alberta Cost Sharing	2004	2003
External Charges:				
Contract Services	\$1,596,535	\$2,252,059	\$3,848,594	\$7,596,795
Contract Services - Engineering	341,903	352,099	694,002	863,208
Equipment and other services	1,936,499	950,167	2,886,666	1,881,280
Materials and supplies	6,241,178	3,369,173	9,610,351	10,336,030
Internal Charges:				
Equipment recovery	1,421,873	668,750	2,090,623	1,924,265
Labour recovery - Engineering	414,001	100,835	514,836	409,453
Labour recovery - Other	590,878	197,608	788,486	811,894
	<u>\$12,542,867</u>	<u>\$7,890,691</u>	<u>\$20,433,558</u>	<u>\$23,822,925</u>

EASTERN IRRIGATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2004

8. Continuity of Fund Balances

	Invested in Property and Equipment	Unrestricted Funds	Internally Restricted Funds - Pasture Development	Internally Restricted Funds - Irrigation Works	Externally Restricted Funds - Province of Alberta	Total Fund Balances
Beginning of year	\$128,538,814	\$0	\$0	\$38,509,547	\$4,100,198	\$171,148,559
Assets received from Province of Alberta	(4,305,298)	0	0	0	4,305,298	0
Assets received from other governments	(161,309)	161,309	0	0	0	0
District contribution to cost share projects	0	0	0	(1,435,099)	1,435,099	0
Additions to property and equipment, net	22,591,150	(2,100,727)	0	(12,599,732)	(7,890,691)	0
Excess of revenue over expenses allocated	(5,345,654)	17,385,073	0	4,391,326	124,353	16,555,098
Transfer to community pasture development reserve	0	(51,450)	51,450	0	0	0
Transfer to irrigation works fund from operations	0	(15,394,205)	0	15,394,205	0	0
End of year	\$141,317,703	\$0	\$51,450	\$44,260,247	\$2,074,257	\$187,703,657

The Board of Directors has authorized the transfer of \$15,394,205 from current year operations to internally restricted funds to be used for future irrigation works additions and \$51,450 for community pasture development. As well, authorization was given to use \$1,435,099 of internally restricted funds to pay for the District's 25% share of Province of Alberta cost share projects.

9. Irrigation Rates

Irrigation rates consist of:

	2004	2003
266,794 Acres at \$7.50 per acre	\$2,000,955	\$1,992,143
16,831 Acres at \$7.50 per acre terminable	126,233	130,065
Minimum parcel rates and adjustments	5,255	12,048
Water rates forgiven	(2,132,433)	(2,134,256)
	\$0	\$0

On July 29, 2004 the Board of Directors passed a motion to cancel the irrigation rates for the 2004 year pursuant to Section 128 (4) of the Irrigation Districts Act.

10. Community Grazing Expenses

Community grazing expenses consist of:

	2004	2003
Fencing, fire and cattle guards	\$221,889	\$174,235
Property taxes and water rates	167,667	178,399
Amortization of equipment, pipelines and tame grass re-seeding	92,894	64,825
Management and lease rider fees	79,319	79,533
Dugouts and pond maintenance and digging	39,708	31,789
Fertilizer and chemicals	28,011	33,294
Pump power and maintenance	18,662	24,168
Miscellaneous	16,922	32,218
Irrigation equipment maintenance	9,634	8,637
Dugouts- pumping and filling	7,906	24,279
	\$682,612	\$651,377

EASTERN IRRIGATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2004

11. Community Grazing Property and Equipment Expenditures

Property and equipment expenditures include:

Grazing water pipeline and improvements
Pasture development and reseeding

2004	2003
\$236,963	\$295,734
183,451	225,443
<u>\$420,238</u>	<u>\$521,177</u>

12. Special Projects Net Expenses

Revenue:

Rolling Hills Reservoir Campground

2004	2003
48,607	0

Expenses:

Pheasants Forever- Partners In Habitat
Rolling Hills Reservoir campground
Grass Carp
Aerial photographs
Environmental remediation - Modern Auto property

(75,000)	(50,000)
(64,026)	(2,737)
(5,750)	(715)
0	(20,195)
0	(2,125)

Excess (Deficiency) of revenue over expenses

<u>(\$96,169)</u>	<u>(\$75,772)</u>
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13. EIDNet Net Expenses

Revenue:

Dial-up subscription and operating revenue
Wireless subscription revenue
Amortization of deferred grant
Customer installation fees

2004	2003
108,601	120,547
25,045	0
9,345	0
143,241	0
<u>286,232</u>	<u>120,547</u>

Expenses:

Telecommunications and bandwidth
Wages and administration
Amortization of equipment and towers
Customer installation expenses

(107,232)	(90,542)
(79,271)	(70,369)
(24,377)	0
(362,875)	0
<u>(\$573,755)</u>	<u>(\$160,900)</u>

Excess (deficiency) of revenue over expenses

<u>(\$287,523)</u>	<u>(\$40,364)</u>
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14. Trust Funds Held

Trust funds held include \$69,646 in the Carl Anderson fund. Interest earned on these funds is distributed to local libraries annually.

15. Land Sale - Lake Newell Developments

In prior years the District entered into an agreement to sell land bordering Lake Newell to a developer in exchange for mortgages on the land. Due to the nature of the sale agreement, the land sale will be recognized only when receipt of mortgage principal payments are reasonably assured. Interest payments of \$65,902 (2003: \$65,014) were recorded in the year.

16. Uncompleted Contract Commitments

The District has commitments in an estimated amount of \$1,803,350 (2003: \$2,194,230) in respect of uncompleted work under contract on approved irrigation works construction projects.

17. Comparative Amounts

Certain of the comparative amounts presented in these financial statements have been reclassified to conform to the presentation adopted in the current year

18. Approval of Financial Statements

These financial statements were approved by management and the Board of Directors.

EASTERN IRRIGATION DISTRICT
SCHEDULE OF OPERATIONS AND ADMINISTRATION EXPENSES
 Year ended December 31, 2004

	Equipment Pool	Maintenance	Water Delivery	EID Land Administration	Administration and General	Total 2004	Total 2003
Salaries and benefits							
Salaries	\$1,081,968	\$714,396	\$1,122,737	\$227,904	\$963,256	\$4,110,261	\$4,011,727
Pension plans	92,874	34,094	123,805	41,691	105,300	397,764	349,871
Group insurance	41,525	15,121	58,414	16,294	38,217	169,571	163,643
Employment insurance and WCB	30,755	12,328	41,048	16,652	29,690	130,473	138,087
Equipment							
Amortization of equipment	785,813	0	0	0	100,146	885,959	872,606
Heavy equipment expense	585,083	0	0	0	0	585,083	576,463
Equipment rent	(570,110)	931,597	70,933	0	(1,480)	430,940	330,074
Vehicle expense (recovery), net	(112,836)	140,400	251,580	44,195	84,545	407,884	339,431
Other							
Materials and supplies	59,146	205,163	34,010	0	0	298,319	443,766
Irrigation pumps and structures	0	43,992	125,435	0	0	169,427	153,433
Insurance	90,965	7,279	27,334	0	41,829	167,407	152,719
Office supplies and maintenance	0	0	0	18,000	111,484	129,484	124,058
Buildings and grounds	57,980	9,145	(15,719)	0	75,297	126,703	147,153
Telephone	10,865	4,728	38,304	6,483	24,127	84,507	83,876
Directors per diems	0	0	0	0	74,925	74,925	78,975
Association fees	0	0	0	0	55,093	55,093	44,425
Tools and light equipment	35,718	5,149	107	0	0	40,974	42,674
Professional fees	0	0	0	9,844	24,785	34,629	30,061
Advertising and promotion	0	0	0	7,530	24,941	32,471	34,880
Miscellaneous and freight	1,233	3,568	1,448	0	23,739	29,988	39,655
Directors expenses	0	0	0	0	23,728	23,728	31,009
Water quality testing	0	0	15,307	0	0	15,307	13,865
Travel	171	45	291	963	7,950	9,420	15,498
Total expenses	2,191,150	2,127,005	1,895,034	389,556	1,807,572	8,410,317	8,217,949
Less: Recovery from capital construction	(2,379,287)	(124,419)	(571,914)	(4,608)	(572,263)	(3,652,491)	(3,474,544)
	(\$188,137)	\$2,002,586	\$1,323,120	\$384,948	\$1,235,309	\$4,757,826	\$4,743,405

