

Eastern Irrigation District

Where Water Works Wonders



2019

Annual Report



NOTICE OF ANNUAL MEETING



TAKE NOTE that the annual meeting of the irrigators of the Eastern Irrigation District will be held on Tuesday, March 10th, 2020 at 1:30 in the afternoon at the Heritage Inn, 1217 2nd Street West, Brooks, Alberta.

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 City 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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2018 Board of Directors



Ross Owen
(Chairman)
Division 3
Patricia/Millicent

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.



Jason Hale
Division 1
Gem/Bassano



David Peltzer
Division 2
Rosemary/Duchess



Brian Schmidt
Division 4
Cassils/Brooks



Tony Brummelhuis
Division 5
Scandia/Rainier



Bob Chrumka
(Vice-Chair)
Division 6
Tilley



Tracy Hemsing
Division 7
Rolling Hills



Chairman and Board of Directors' Report

This year has once again been a very eventful one in the District. Some challenges have been solved/concluded, while new ones have taken their place, as is often the case in a rapidly evolving landscape.

EID board member elections were held in April. At this time, we thanked outgoing Directors Jim Culligan and Rod Johnson for their service on the Board and to the District, as we also welcomed newly-elected Directors David Peltzer (Division 2) and Tracy Hemsing (Division 7), along with newly-acclaimed Director Brian Schmidt (Division 4) to the Board of Directors.

In April, the District also attended the Judicial Review of the EID vs Irrigation Council Appeal Panel. The Board was grateful that AIDA recognized the importance of our judicial review and requested and

received Intervenor Status, allowing them to join us in this review. The result of the review, delivered in October, was the ruling of Madam Justice J.C. Kubic in which it was determined that irrigation districts are empowered to investigate the legitimacy of title when allocating new irrigation acres. This meant that the original decision of ICAP was quashed and the EID decisions were restored.

Our new Bassano Dam Emergency Spillway was commissioned in May and an official opening was held in October. The ceremony was well-attended by all partners, including Chief Joseph Weasel Child of Siksika Nation, The Honorable Jason Nixon, Minister of Environment and Parks representing the province, and Michaela Glasgo as MLA for the Brooks-Medicine Hat constituency. The ceremony highlighted a high

Bassano Dam Emergency Spillway



level of co-operation between all parties involved. We give sincere thanks again to Earl Wilson for seeing this huge project through to completion.

AIDA was encouraged to go through a reservoir ranking process, which required irrigation districts to agree to a priority list of projects requiring improvement/upgrading. At the end of this process, Eyremore Dam was deemed to be the best overall project to benefit irrigation in the province. Eyremore Dam is a project with benefits not only to the EID but much of southern Alberta.

In May, the EID was approached by Torxen Energy Limited with an offer to sell the District 3,780 acres of land and this offer was accepted. As well, the Board received a request from Newell Regional Landfill to allow them to purchase additional land to the north of the existing landfill. This request was discussed and the sale was completed.

Much time was spent discussing pumping from reservoirs. Although the District has investigated all ways within policy and bylaw constraints in which it might assist landowners in alleviating some of the challenges of reservoir pumping, we still recognize that there is no way for an irrigation district to carry out its business of delivering water to all without its ability to raise or lower reservoirs.

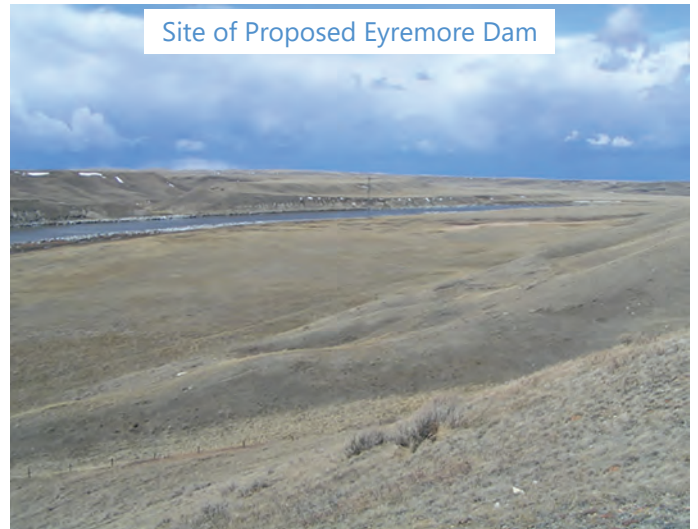
While searching for alternatives and solutions to some of the challenges facing the District, agricultural producers and its water users, the Board met with several government officials to exchange information

and ideas. Rural internet, water storage and dams for various situations were discussed. The Board would like to acknowledge the efforts of Michaela Glasgow, MLA for Brooks-Medicine Hat, in facilitating meetings with The Honorable Nate Glubbish, Minister of Service Alberta regarding rural internet. As well, meeting with The Honorable Jason Nixon, Minister of Environment and Parks allowed us to discuss our concerns in areas such as expansion potential, water storage opportunities, Bow River operations and the threat of invasive mussels. This also gave us the opportunity to thank the Minister for the province's \$30,000,000 contribution to the Emergency Spillway project.

In August, after a presentation by HALO Air Ambulance regarding their funding shortfalls as a result of required upgrading of equipment, the Board agreed to provide emergency operational funding in the amount of \$50,000.

To support the continual appetite for increased bandwidth from customers, the need to investigate an upgrade to EIDNet and the ramifications surrounding that gave call to the Board to reach out to its water users with a newsletter. Water user input is being sought to confirm the mandate of continuing to provide rural and often isolated water users and the community the opportunity to be connected to the internet using a dependable, current provider. At the time of this writing, we have received feedback which is favorable to starting down the path of an eight-year upgrade to the system.

Site of Proposed Eyremore Dam





Chairman and Board of Directors' Report

In January 2020 the Board met through two days of Corporate Planning to discuss the final modelling outcomes and construct a set of clear guidelines to assist in tackling an increase to the irrigation expansion limit. A number of weighty topics, such as a review of policy and bylaw criteria for approving new acres, water security/storage, capital assets charges, private and District expansion, and plebiscite process do take considerable discussion and water user input to reach consensus. These matters will be introduced at the AGM in a more fleshed out presentation, in order to gain valuable feedback from water users as the Board continues to work through these matters.

Operating an irrigation district as large and diverse as the EID would not be successful if it were not for the excellent staff and administration who are dedicated to providing water users and the larger community with such valuable resources. Thanks also to the water users for allowing us to bring forward your interests in the EID, for the benefit of the whole EID.

*Respectfully submitted,
Mr. Ross Owen, Chairman
Board of Directors*



Claire Armstrong



Karli Bandura



Danielle Clow



Jock Deschamps



Monica Doerksen



Kelton Dyck



Emmalyn Elgersma



Amanda Friesen



Brooklyn Gauthier

2019

Eastern Irrigation District Scholarship Recipients



Abby Harbinson



Britney Kasdorf



Jenna Krause



Courtney Lepp



Thomas Marzolf



Derek Meidinger



Tanessa Morris



Mackenzie Nielson



Kirstin Pankratz



Riley Paskowski



Carson Pickett



Brayden Pitcher



Erin Rommens



Cale Singular



Ashley Smith



Erica Terris

General Manager's Report

Ivan Friesen, General Manager



The 2019 irrigation season marked another dry year with this being the 4th out of 5 years where precipitation (Brooks weather station) was well below the long-term historical average and has rivaled the drought of memory in 2001. The District diverted 508,900 ac-ft (459,500 ac-ft –

2018) with approximately 339,100 ac-ft (303,200 ac-ft – 2018) being delivered to the farm gate across the District. While demand was strong through to mid-August, so were the river flows throughout the irrigation season, allowing for water operations to meet demands from the river supply with little reliance on reservoirs.

At the end of July, concerns were brought forward by water users in the south of the District that without increasing the 24" water allocation maximum they

would be unable to finish their specialty crops due to the dry weather conditions they were experiencing. After discussions around ramifications or alternatives, a decision was made to allow a one-time three-inch increase to the maximum water delivery. 27" cannot become the norm if further irrigation expansion is to be completed. Other options are being considered to allow allocation transfers within a farm link.

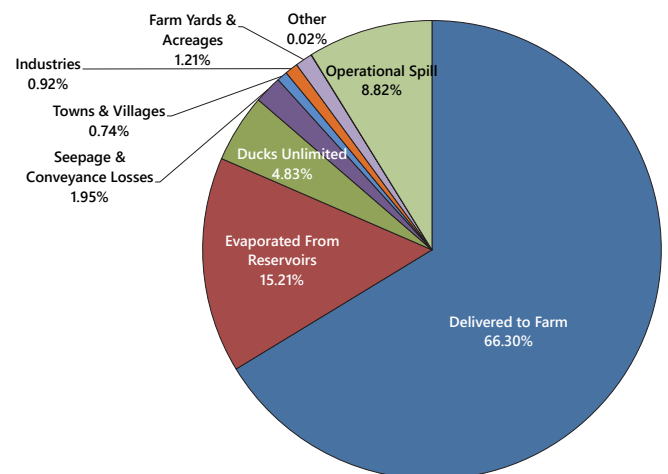
The Bassano Dam Emergency Spillway was completed and commissioned in the spring, with the formal ceremonial opening, this past fall. In attendance, and whom spoke at the opening was the Minister of Environment & Parks – Jason Nixon, Chief of Siksika Nation – Joseph Weasel Child, MLA for Brooks-Medicine Hat – Michaela Glasgo, EID Special Projects Manager – Earl Wilson, and EID Board of Directors Chairman – Ross Owen; each highlighting the significance of this newly built structure for this area, and how through cooperation and partnerships a structure of this size and magnitude could be built so quickly to ensure the ongoing social and economic viability of this area. Thanks again to Siksika Nation, Government of Alberta, Niitsitapi-Graham LP, MPE Engineering Ltd., Klohn Crippen Berger, Instream Water Control Projects Ltd., Earl Wilson, and staff that brought the largest single structure since the inception of the District to fruition.

The EID has always investigated additional storage opportunities within the District to increase water security for those areas which are not reservoir supported. As the majority of the conveyance system has been rehabilitated and as project alternatives

Water Balance (acre feet)

	2019	2018
Diversion	508,900	495,500
Delivered to Farm	339,100	303,200
Evaporation from Reservoirs	77,800	80,100
Ducks Unlimited	24,700	22,800
Seepage and Conveyance Losses	10,000	10,000
City, Towns and Villages	3,800	3,900
Industries	4,700	3,900
Farm Yards and Acreages	6,200	6,300
Change in Storage	-2,600	-17,300
Other Purposes	108	50
Operational Spill	45,092	46,050

Measured Return Flow	81,000	66,600
Operational Spill	45,092	46,050
Farm Spill and Run Off	35,908	20,550





General Manager's Report

Ivan Friesen, General Manager

become available, both on-stream and off-stream water storage has come more to the forefront in District planning. AIDA in July submitted a report to Hon. Devon Dreesen Minister of Agriculture and Forestry which ranked the Eyremore dam the highest in the South Saskatchewan river basin in irrigation benefits. The Bow River Working Group, a multi-stakeholder organization tasked with advising the government on flood and drought mitigation on the Bow, has also identified and recommended sites upstream that could possibly be developed. The EID will continue to examine possibilities, inform stakeholders and government of the benefits, and plan for any storage opportunity that arises.

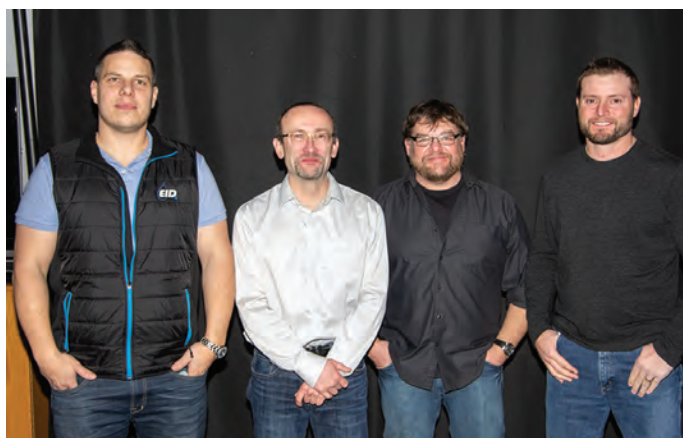
With our District-wide irrigation assessment completed, and once the necessary documentation has been finalized with those still outstanding, our irrigation assessment will stand at approximately 307,300 acres leaving only 3,700 acres remaining. With this known, the Board placed a moratorium on new irrigation acre applications, except where new acres were required and could be done through converting to a more efficient method of irrigation (ex. flood to pivot). This allowed the District to continue with some expansion while ensuring the present 311,000-acre expansion limit is not breached and to fully prepare for the next expansion plan and plebiscite. Modelling work through both Alberta Environment and Alberta Agriculture have largely



been completed, with further discussions and information to be determined. As the expansion plan process is moved forward, additional information will be brought to the water users who ultimately approve or deny an increase to the expansion limit through a plebiscite vote. We anticipate that in 2020, information regarding this expansion and plebiscite will be mailed out to all water users, followed by a number of public meetings.

The Farm Improvement Program saw 83 approved improvements totaling \$1,481,973 (\$2,218,839 – 2018). The majority of these improvements were for smart control pivot panels, then converting to a more efficient method of irrigation, installation of corner arms, and cost-shares for tree removal or drain relocations.

EID Long Term Service Awards



(L to R): Ryan Gagley (15 years), Ivan Friesen (25 Years), Scott Beddows (10 Years), Derek Kroschel (10 Years)
Missing: Darryl Louey (10 years), Pedro Isidoro (10 Years)

17,119 cattle were grazed in 2019 (17,375 – 2018) on EID lands. Grass conditions in all 10 grazing associations weakened throughout the 2019 grazing season. Areas in the south and east parts of the District fared the worst, while areas to the north and west fared better due to some better precipitation in some of those areas. With the present grass conditions, a reduction was required in the number of head per member that can be grazed. A reduction from 80 head (2019) to 70 head per member was approved for the 2020 grazing season. The Grazing Association members and staff remain cautious going into the 2020 grazing season and are intent on maintaining the health of the grass, and will adjust as required when spring conditions become more clear.

General Manager's Report

Ivan Friesen, General Manager



This past year 47 new wells were acquired on District owned land, with an additional 34 twinned wells on existing leases. There were 1,208 miles or 201 acres of new pipelines. No seismic permits were requested.

The District would like to thank Marla Barg, who retired in 2019, for her dedication and years of service, as well as Dustin Hrdlicka who left the District. We welcomed Jolan Cobb, Brandi Doerksen and Cynthia Barrington to our staff in 2019.

Sincere appreciation is also extended to the water users, Board of Directors and staff for the dedication and work necessary in achieving the District's primary directive of conveying water to the farm gate. The commitment and support have resulted in continued enhancements throughout the District.

*Respectfully submitted,
Mr. Ivan Friesen, General Manager*

Method of Irrigation: 2019

As of December 31, 2019

Low Pressure Pivot	221,896 (72.55%)
High Pressure Pivot	27,313 (8.93%)
Wheel Move	14,377 (4.70%)
Other Sprinkler	683 (0.22%)
Flood Irrigation (Leveled)	33,205 (10.86%)
Flood Irrigation (Not Leveled)	8,385 (2.74%)

Note: percentages shown are the percentages of total irrigation.

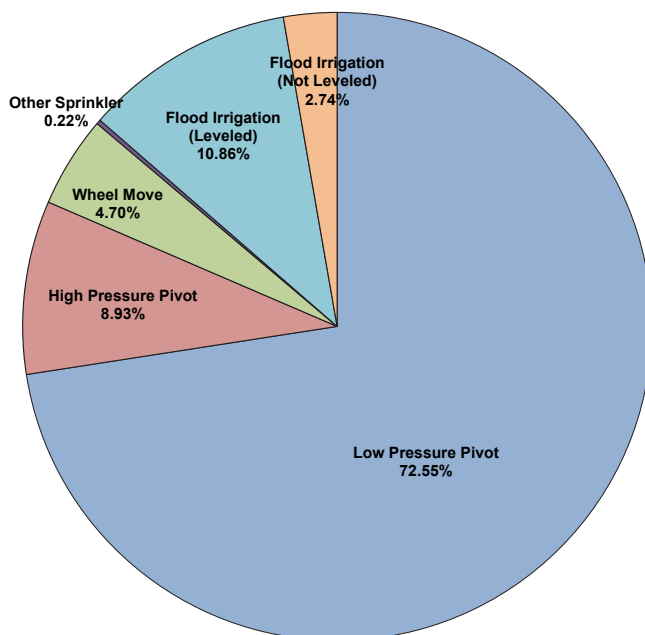
Method of Irrigation: 2002

As of December 31, 2002

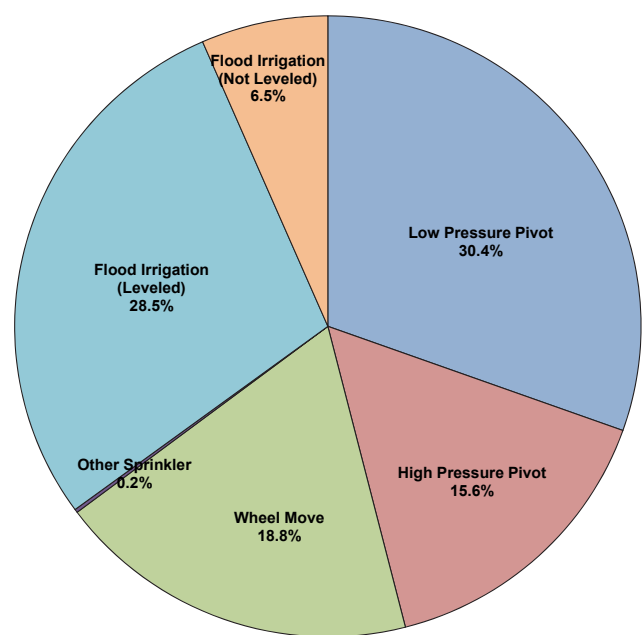
Low Pressure Pivot	86,000 Ac. (30.4%)
High Pressure Pivot	44,000 Ac. (15.6%)
Wheel Move	53,000 Ac. (18.8%)
Other Sprinkler	500 Ac. (0.2%)
Flood Irrigation (Leveled)	80,500 Ac. (28.5%)
Flood Irrigation (Not Leveled)	18,500 Ac. (6.5%)

Note: percentages shown are the percentages of total irrigation.

Acres by Method of Irrigation: 2019



Acres by Method of Irrigation: 2002

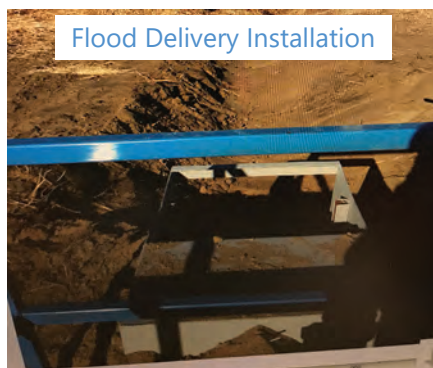




Maintenance of Irrigation Works

As of End of 2019 Water Delivery Season

Even with the dry conditions and steady use of the system, this year saw lower overall costs year over year and compared to the 5-year average. This is largely attributed to the last couple years of more maintenance being completed, and the higher costs that were incurred caused by the overland flooding in the spring of 2018.



Maintenance of Irrigation Works

Maintenance Item	2015	2016	2017	2018	2019	Average
Canal cleaning, bank leveling and seeding	2 km	2 km	0 km	0 km	0 km	0.8 km
Drain cleaning, bank leveling and seeding	10.5 km	6 km	5 km	4 km	4 km	5.9 km
Drain and canal clipping	138 km	62 km	45 km	40 km	63 km	69.6 km
Gravel armour placed on canal side slopes	1 km	0.5 km	1.5 km	1.5 km	1 km	1.1 km
Gravel and screenings placed on canal banks	15 km	25.5 km	34 km	36 km	28 km	27.7 km
Canals fenced	0.5 km	0 km	1.5 km	0 km	0 km	0.4 km
Chemical weed control on canal banks	1,709 km	1,938 km	1,869 km	1,689 km	1,652 km	1,771.4 km
Mowing of canal banks	720 km	740 km	1,000 km	875 km	775 km	822 km
Canal liner installed	0 km	0 km	0 km	0 km	0 km	0 km
Pivot and road crossing repairs and replacements	2	14	16	12	2	9
Leaks and replacement of farm turnout repair	3	9	8	21	23	13
Flood well to riser conversion (on pipelines)	7	2	5	2	0	3
Replace buried services for pipeline drain outs	---	---	14	13	8	12

Maintenance Cost	2015	2016	2017	2018	2019	Average
Heavy equipment	\$1,368,605	\$913,668	\$874,680	\$964,695	\$970,278	\$1,018,385
Labour	1,103,214	930,756	1,070,097	1,083,786	1,005,856	1,038,742
Vehicles	200,099	162,066	181,359	179,900	190,544	182,794
Repairs to pump stations and control structures	396,779	299,426	546,326	430,044	288,781	392,271
Materials (culverts, gates, fence posts, etc.)	175,370	193,753	178,816	230,882	127,741	181,312
Chemical for broad leaf weed control	80,267	90,140	93,700	94,534	103,313	92,391
Maintenance of buildings and grounds	40,714	39,746	52,549	52,261	44,409	45,936
Total Costs:	\$3,365,048	\$2,629,555	\$2,997,527	\$3,036,102	\$2,730,922	\$2,951,831

Crop and Irrigation Statistics

2019 Crop Summary



Crop Class	Crop Type	Acres
Forage	Alfalfa 2 Cuts	30,052
	Alfalfa 3 Cuts	7,181
	Alfalfa Hay	5,637
	Alfalfa Silage	1,234
	Barley Silage Under Seed	167
	Barley Silage	3,172
	Corn Grazing	3,188
	Corn Silage	17,375
	Custom Variety Forage	150
	Grass Hay	13,998
	Green Feed	8,132
	Millet	136
	Native Pasture	1,177
	Sorghum Sudan Grass	64
	Tame Pasture	35,960
	Timothy Hay	5,238
Cereals	Barley	17,065
	CPS Wheat	1,074
	Durum Wheat	1,864
	Grain Corn	8,378
	Hard Spring Wheat	59,630
	Oats	2,245
	Rye	312
	Soft Wheat	1,340
	Triticale	3,433
	Winter Wheat	1,364
Oil Seeds	Canola	19,315
	Flax	5,027
	Hyola	263

Crop Class	Crop Type	Acres
Specialty	Alfalfa Seed	18,056
	Carrots	366
	Dill	250
	Dry Beans	3,499
	Dry Peas	6,696
	Faba Beans	1,405
	Fresh Peas	80
	Grass Seed	105
	Hemp	799
	Lentils	289
	Market Gardens	140
	Mint	125
	Nursery	408
	Potato	5,404
	Seed Canola	9,584
	Seed Potato	136
	Soy Beans	327
	Sugar Beets	1,617
	Sunflower	1,281
	Turf Sod	35
Non Irrigated	Misc.	282
	Non-Crop	146
	Summer Fallow	658

Total of All Crops (As of December 31, 2019)			
	Crop Class	Acres	
Summary	Forage Crops	132,861	(43.5%)
	Cereal Crops	96,705	(31.6%)
	Oil Seed Crops	24,605	(8.0%)
	Specialty Crops	50,602	(16.5%)
	Non-Irrigated	1,086	(0.4%)
Total		305,859	

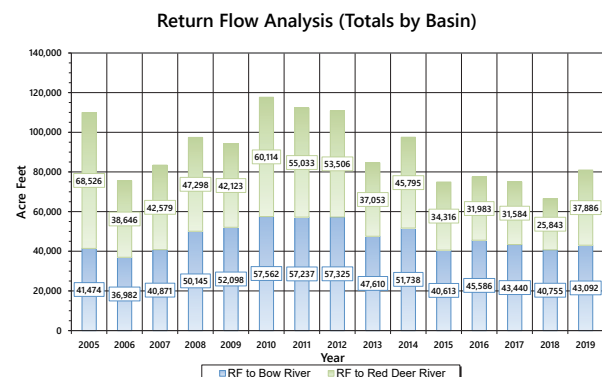
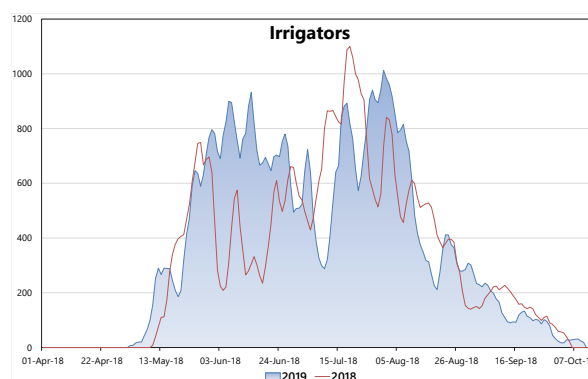
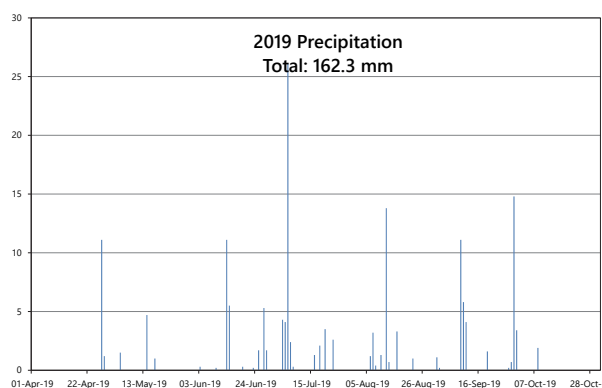


Water Delivery Statistics

As of December 31, 2019

2019 System Water Delivery Summary

Water Delivery Block	Water Operator	Irrigated Area (acres)	Volume Delivered (acre feet)	Water Use/Acre (acre feet/acre)
District N1 Bassano	Beddows	18,529	18,200	0.98
District N2 Pitau	Isidoro	22,177	22,500	1.01
District N3 Gem	Kroschel	14,565	13,700	0.94
District N4 Rosemary	Lepp	22,259	20,200	0.91
District N5 Duchess	Hasper	20,368	21,200	1.04
District N6 Cockerill	Leland	22,066	22,600	1.02
District N7 Millicent	Allaby	21,995	20,100	0.91
District N8 Patricia	McInnis	17,146	22,700	1.32
District S1 Antelope Creek/Brooks	Klassen	20,216	21,400	1.06
District S2 Kitsim	Currie	19,372	22,400	1.16
District S3 Bow Slope	Thiessen	21,614	26,900	1.24
District S4 Aqueduct/Bantry	Canning	13,969	15,500	1.11
District S5 Elizabeth	Williams	15,726	18,500	1.18
District S6 Tilley	Cleland	18,216	22,300	1.22
District S7 Rolling Hills North	Olund	19,676	27,200	1.38
District S8 Rolling Hills South	Beierbach	17,965	23,700	1.32
Totals:		305,859	339,100	1.11



Irrigation Rehabilitation Report

Ryan Gagley, Engineering Manager



2019 Rehabilitation

The 2019 construction season was the first time 54" (1,350 mm) diameter pvc pipe was used within the District. 750 m of this pipe was installed on the 11H West Bantry project without any issues. Under our rehabilitation program, three pipelines were installed at a length of 24.5 km and one canal 0.3 km long was rehabilitated. The next construction season is projected to be similar to 2019. As is typical for the EID, all projects were designed, managed and constructed in-house by EID staff. The projects were completed throughout the 2018/2019 construction season at a cost of \$14,794,100.

Next year's 2019/2020 capital construction program will consist of three major projects, as well as the continuation of the EID/County joint drainage program. The drainage program will take place in two areas with the first being just north of Bow City and the second Rosemary.

Irrigation Rehabilitation Program (IRP)

The IRP program is an Alberta Government sponsored program for irrigation districts located in southern Alberta. It is a cost shared program based on a 75:25 cost sharing agreement.

The 2019 expenditures amounted to approximately \$2,503,400 for the District to complete two projects at a combined length of 6.0 km. For 2019/2020, 9.0 km of pipeline are planned under the program.



Irrigation Rehabilitation Program (IRP)

Project	Description	Engineer	Contractor	2019 Project Cost	Total Project Cost
Spring					
09 Secondary A Rolling Hills	3.0 km Pipeline	EID	EID	\$1,938,600	\$1,979,400
09 Secondary A Springhill	3.0 km Pipeline	EID	EID	\$559,400	\$559,400
11 B Springhill	19.0 km Pipeline	EID	EID	\$300	----
Fall					
06 Bow Slope	9.0 km Pipeline	EID	EID	\$5,100	----
Total:				\$2,503,400	\$2,538,800



Irrigation Rehabilitation Report

Ryan Gagley, Engineering Manager

EID Capital Construction Program

Funds for this program are provided entirely from the District's Irrigation Works Reserve Fund. The 2019 expenditures amount to approximately \$27,068,400 for the installation of 21.5 km of pipeline, 0.3 km of canal rehabilitation and final construction of the Bassano Dam Emergency Spillway. The fall of 2019/spring 2020 will see the construction of approximately 19 km of pipe and 3 km of canal rehabilitation under this program.

EID Capital Construction Program

Project	Description	Engineer	Contractor	2019 Project Cost	Total Project Cost
Various Years Projects	Smaller Projects	EID	EID	\$857,500	-----
11H West Bantry	16.8 km Pipeline	EID	EID	\$11,740,900	\$11,884,300
17 Bow Slope	0.3 km Canal Rehab.	EID	EID	\$190,400	\$198,800
09 Secondary A Springhill	1.7 km Pipeline	EID	EID	\$364,900	\$364,900
Structures Program		EID	EID	\$903,900	
Culvert Replacement Program		EID	EID	\$313,900	
EID/County Joint Partnership		EID	EID	\$1,078,100	
Cost Shared Projects		EID	EID	\$160,800	
2019/2020 Project Engineering		EID	EID	\$247,000	
Small Drains		EID	EID	\$112,000	
District Automation		EID	EID	\$510,600	
Land Acquisition (Right-of-Way)				\$517,700	
Bassano Dam Emergency Spillway				\$9,900,800	
Campgrounds				\$169,900	
Total				\$27,068,400	

EID Capital Construction Program: 2019/2020

Project	Description	Project	Description
E North Bantry	10 km Pipeline	District Automation	Automation
6 Bow Slope (IRP)	9 km Pipeline	2019/2020 Structures Program	Structure Replacement
West Bantry	3 km Canal Rehab	EID/County Joint Partnership	Drainage Program

11 H West Bantry Pipeline

54" (1,350 mm) Pipeline Installation

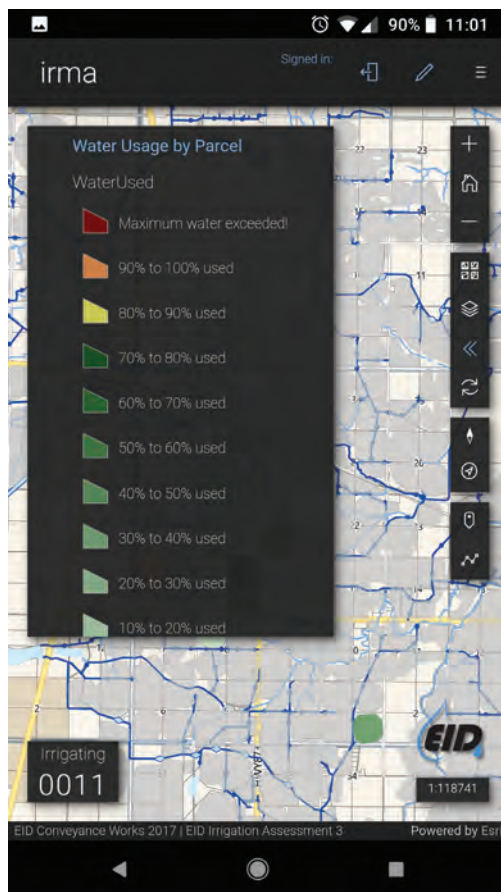




Irrigation Recording and Management App

Historically, the Eastern Irrigation District has tracked all of the water that is diverted from the Bow River at Bassano Dam and delivered to various water users throughout the District. In the past, this tracking was done by hand on paper and it was a very inefficient process to summarize data to know how much water was being used in the District. Original attempts to improve the process for management decision making purposes included entering the reported water usage data into a data base and having the computer produce the water usage records. This was better than the older paper process, but it still had 2 problems. The summary for water usage data that was being reported to management was up to 2 weeks old and was in a tabular print out format. This made it difficult to visualize where the water was being used across the District. It also often led to some parcels being well over the 24" limit before the data was reviewed. Enter IRMA.

The District embarked on a process to find a way to record water usage data in as close to real time as possible. This process led the District to leverage the GIS Mapping system as the basis for the water recording system. The Irrigation Recording and Management App (IRMA) is the result of this review process. IRMA went through several versions to reach where we are at this time. The IRMA app was developed in house by District staff as a web-based application that can be used on any internet connected device from a smart phone to a desktop computer. IRMA is a graphical representation of the EID where the assessment can be displayed in a color-coded format to indicate the amount of water each irrigated parcel has used for the current water season year to date.



IRMA also provides District staff with many other management decision making capabilities. The app allows staff and management to view water statistics in all aspects of the operation. Staff can view water usage on a parcel by parcel basis, flow rates of the delivery system are shown at various locations across the District, reservoir levels are monitored with current elevations and the firm live storage information is available at a click. The number of irrigators currently irrigating (turning on, turning off and pending), along with the "demand cfs" that those parcels require are displayed on the user interface of the app. All this information makes it easier for staff to anticipate and meet the water usage demands across the District.

After a few water seasons of testing and usage, the District added the capability for water users to sign up for access to IRMA. Each water user account is a secure login that ONLY allows them to view their parcels (owned/rented parcels) and the water that they have used for the current water season. When a water user selects a parcel, information on crops and water usage are displayed as close to real time as possible. Dates and times can be viewed as well as the flow rate in cfs that has been recorded for the parcel for each on/off irrigation cycle. The inches of water used for each run, as well as the total inches of water used on the parcel for year to date are also displayed. This information can prompt a water user to contact their Water Operator as the season progresses to circumvent any misunderstandings of water flows or total usage.

The District encourages all water users to sign up for access to IRMA to aid in the efficient usage of water within the EID. For more information or to sign up, please call the main office in Brooks at 403-362-1400.



Financial Report

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 not for profit organizations as recommended by the Chartered Professional Accountants of Canada.

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

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INDEPENDENT AUDITOR'S REPORT

To the Members of Eastern Irrigation District

Opinion

We have audited the financial statements of Eastern Irrigation District (the Company), which comprise the statement of financial position as at September 30, 2019, and the statements of revenues and expenditures, changes in net assets and cash flow 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 Company as at September 30, 2019, and its results of operations and its cash flow 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 Company 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.

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 Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report to the Members of Eastern Irrigation District (*continued*)

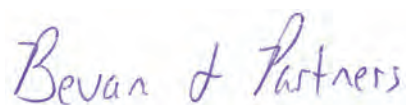
Auditor's Responsibilities for the Audit of the Financial Statements

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 auditor's 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 these 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 Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Company 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 represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.

Brooks, Alberta
January 28, 2020



CHARTERED PROFESSIONAL ACCOUNTANTS



EASTERN IRRIGATION DISTRICT

STATEMENT OF FINANCIAL POSITION

As at September 30, 2019

ASSETS

Current

	General Fund	Irrigation Works Fund	2019 Total	2018 Total
Cash	\$7,110,958	\$1,483,940	\$8,594,898	\$13,162,159
Short term deposits (Note 4)	3,306,840	21,816,861	25,123,701	44,126,134
Investments (Note 6)	0	21,954,082	21,954,082	12,920,735
Accounts receivable (Note 5)	2,701,386	353,970	3,055,356	3,263,620
Materials and supplies (Note 8)	2,442,627	0	2,442,627	1,857,207
Prepaid expenses	933,575	0	933,575	941,925
	16,495,386	45,608,853	62,104,239	76,271,780
Accounts receivable (Note 5)	0	1,438,485	1,438,485	1,372,995
Investments (Note 6)	0	39,991,652	39,991,652	38,891,108
Deposits	154,052	0	154,052	108,229
Trust funds held (Note 16)	242,087	0	242,087	211,622
	16,891,525	87,038,990	103,930,515	116,855,734
Property and Equipment (Note 7)				
Buildings and equipment, net	12,207,690	2,401,725	14,609,415	14,684,163
Irrigation works, net	0	424,561,735	424,561,735	411,745,785
Land (Note 2)	0	4,085,516	4,085,516	1,865,596
	12,207,690	431,048,976	443,256,666	428,295,544
	\$29,099,215	\$518,087,966	\$547,187,181	\$545,151,278

LIABILITIES

Current

Accounts payable and accrued liabilities	\$2,303,577	\$509,861	\$2,813,438	\$6,353,444
Goods and services tax payable	33,407	0	33,407	31,446
Payroll taxes payable	2,245	0	2,245	0
Unearned revenue (Note 2)	14,143,855	138,589	14,282,444	15,357,056
	16,483,084	648,450	17,131,534	21,741,946
Trust funds held (Note 16)	242,087	0	242,087	211,622
Provision for gravel pit closure and post closure (Note 17)	0	820,202	820,202	803,389
Unearned revenue (Note 2)	0	133,393	133,393	246,412
Deferred grants and contributions, net (Note 7)	16,763	135,378,877	135,395,640	141,580,724
	16,741,934	136,980,922	153,722,856	164,584,093
Commitments (Note 19)				
Contingencies (Note 20)				

FUND BALANCES

Invested in property and equipment (Notes 7 & 10)	12,190,927	295,670,099	307,861,026	286,714,820
Unrestricted (Note 10)	0	0	0	0
Internally restricted, to be used for future community pasture development (Notes 2 & 10)	166,354	0	166,354	163,504
Internally restricted, to be used for future irrigation works additions (Notes 2 & 10)	0	80,467,701	80,467,701	85,206,951
Externally restricted by the Province of Alberta, to be used for Bassano Dam Spillway project (Notes 2 & 10)	0	973,316	973,316	2,097,336
Externally restricted by the Province of Alberta, to be used for future irrigation works additions (Notes 2 & 10)	0	3,995,928	3,995,928	6,384,574
	12,357,281	381,107,044	393,464,325	380,567,185
	\$29,099,215	\$518,087,966	\$547,187,181	\$545,151,278

EASTERN IRRIGATION DISTRICT

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

For the year ended September 30, 2019



	General Fund	Irrigation Works Fund	2019 Total	2018 Total
REVENUE				
WATER EARNINGS				
Water conveyance agreements	\$668,055	\$0	\$668,055	\$619,916
Oil and gas drilling water	295,574	0	295,574	140,425
Penalties	2,636	0	2,636	2,240
Irrigation rates (Note 11)	3,939	0	3,939	0
	970,204	0	970,204	762,581
Less discounts allowed	(65,900)	0	(65,900)	(63,700)
	904,304	0	904,304	698,881
LEASE REVENUE AND COMPENSATION				
Oil and gas well leases	24,911,497	0	24,911,497	24,836,785
Right of entry and initial consideration - oil and gas	916,895	0	916,895	980,436
Oil and gas administration fees	32,400	0	32,400	36,600
Powerlines	227,647	0	227,647	226,555
Right of entry and initial consideration - powerlines	13,705	0	13,705	30,859
Community grazing leases	1,163,245	0	1,163,245	1,208,970
Irrigated leases	706,245	0	706,245	784,263
Private grazing leases	226,961	0	226,961	199,947
Other lease revenues	121,569	0	121,569	116,029
OTHER REVENUE				
Amortization of deferred grants and contributions	0	6,183,222	6,183,222	6,189,408
Investment income	1,222,592	1,275,387	2,497,979	2,735,565
Gain (loss) on sale of land, equipment and buildings	(46,391)	1,898,774	1,852,383	3,054,313
Capital asset charges, net	0	958,650	958,650	776,200
Operational grant	721,462	0	721,462	719,687
Gravel royalties and miscellaneous	0	99,815	99,815	(28,517)
	31,122,131	10,415,848	41,537,979	42,565,981
EXPENSES				
Amortization of irrigation works and buildings	0	17,022,768	17,022,768	16,461,226
Operations and administration (Schedule 1)	8,384,684	0	8,384,684	8,819,492
Community grazing expenses (Note 12)	1,421,290	0	1,421,290	1,126,225
	9,805,974	17,022,768	26,828,742	26,406,943
Revenue over expenses (Deficiency), before special projects	21,316,157	(6,606,920)	14,709,237	16,159,038
Special projects, net (Note 14)	(2,001,941)	0	(2,001,941)	(2,344,125)
EIDNet, net (Note 15)	189,844	0	189,844	(13,252)
REVENUE OVER EXPENSES (DEFICIENCY)	19,504,060	(6,606,920)	12,897,140	13,801,661
TRANSFER TO IRRIGATION WORKS FUND	(19,417,609)	19,417,609	0	0
FUND BALANCES, BEGINNING OF YEAR	12,270,830	368,296,355	380,567,185	366,765,524
FUND BALANCES, END OF YEAR	\$12,357,281	\$381,107,044	\$393,464,325	\$380,567,185



EASTERN IRRIGATION DISTRICT

STATEMENT OF CASH FLOWS

For The Year Ended September 30, 2019

	General Fund	Irrigation Works Fund	2019 Total	2018 Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Revenue from water operations	\$904,304	\$0	\$904,304	\$698,881
Compensation from oil and gas operations	25,860,792	0	25,860,792	25,853,821
Compensation from powerline operations	241,352	0	241,352	257,414
Revenue from lease operations	2,218,020	0	2,218,020	2,309,209
Capital asset charges, net	0	958,650	958,650	776,200
Operational grant	721,462	0	721,462	719,687
Cash receipts from gravel royalties and miscellaneous	0	99,815	99,815	(28,517)
Operations and administration expenses (Schedule 1)	(8,384,684)	0	(8,384,684)	(8,819,492)
Community grazing expenses (Note 12)	(1,421,290)	0	(1,421,290)	(1,126,225)
Add: Amortization in expenses, not using cash	1,753,101	0	1,753,101	1,591,395
Net cash expenditure on special projects (Note 14)	(2,001,941)	0	(2,001,941)	(2,344,125)
Net cash expenditure on EIDNet	391,015	0	391,015	201,792
Investment income	1,222,592	1,275,387	2,497,979	2,735,565
Non-cash investment income	0	(1,011,717)	(1,011,717)	(1,020,260)
Change in GST receivable and payable	1,961	0	1,961	(5,984)
Change in Payroll taxes payable	2,245	0	2,245	0
Change in non-cash current assets and liabilities	(1,075,606)	50,938	(1,024,668)	700,043
	20,433,323	1,373,073	21,806,396	22,499,404
CASH FLOWS USED IN FINANCING AND INVESTING ACTIVITIES				
Grants from Province of Alberta	0	0	0	13,370,426
Proceeds on sale of land, buildings and equipment	324,543	1,898,774	2,223,317	3,594,097
Purchase of land, buildings and equipment	(1,931,110)	(2,330,291)	(4,261,401)	(3,262,823)
Pasture development and reseeded (Note 13)	(477,698)	0	(477,698)	(517,250)
Expenditures on irrigation works (Note 7)	0	(29,571,859)	(29,571,859)	(38,065,399)
Change in non current accounts receivable	0	(65,490)	(65,490)	607,495
Change in irrigation works unearned revenue	0	(187,232)	(187,232)	(499,456)
Proceeds on sale of investments	0	12,927,824	12,927,824	16,856,707
Purchase of investments	0	(22,050,000)	(22,050,000)	(13,000,000)
Change in deposits	(45,823)	0	(45,823)	(3,399)
Change in provision for gravel pit closure and post closure (Note 17)	0	16,813	16,813	34,933
Change in irrigation works accounts payable	0	(3,884,541)	(3,884,541)	1,793,744
	(2,130,088)	(43,246,002)	(45,376,090)	(19,090,925)
NET INCREASE (DECREASE) IN CASH	18,303,235	(41,872,929)	(23,569,694)	3,408,479
Cash, beginning of year	11,532,172	45,756,121	57,288,293	53,879,814
Transfer from general fund	(19,417,609)	19,417,609	0	0
CASH, END OF YEAR	\$10,417,798	\$23,300,801	\$33,718,599	\$57,288,293
Cash is comprised of:				
Cash	\$7,110,958	\$1,483,940	\$8,594,898	\$13,162,159
Short term deposits	3,306,840	21,816,861	25,123,701	44,126,134
	\$10,417,798	\$23,300,801	\$33,718,599	\$57,288,293



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. Significant Accounting Policies

The financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

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, EIDNet 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.

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, provision for gravel pit closure and post closure costs and the amount of allowance required for uncollectible accounts receivable.

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 (except for grazing pasture reseeding which uses the straight-line method) at rates intended to amortize the cost of these assets over their estimated useful lives. The annual rates are as follows:

Computer and radio equipment	25%
Heavy Equipment	25%
Mobile equipment	20%
Agricultural equipment	15%
Buildings	10%
Other equipment	10%
Grazing pasture reseeding	7%

Irrigation works assets are recorded at cost to the District. 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, except for irrigation works automation projects which are amortized on a straight-line basis over their estimated average useful lives of 5 years.

Work in Progress - Capital additions that are not completed or are not in use are not amortized. The amount is included in Property and Equipment.

Land

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

Income Taxes

The District is exempt from income taxes under section 149(1)(e) of the Income Tax Act.



EASTERN IRRIGATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2019

2. Significant Accounting Policies (continued)

Materials and Supplies

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

Financial Instruments

The District initially measures its financial assets and liabilities at fair value; it subsequently measures all its financial assets and financial liabilities at amortized cost. The financial assets subsequently measured at amortized cost include cash and short term investments, accounts receivable and prepaids. The financial instruments measured at amortized cost include accounts payable, accrued liabilities and deferred revenue.

Impairment

At the end of each reporting period, the District assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. When there is an indication of impairment, the District determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset. Any impairment to the financial asset is charged to income in the period in which the impairment is determined. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement, but not in excess of the impairment loss. The amount of the reversal is recognized in income in the period the reversal occurs.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, bank balances and member deposits with maturities of less than 90 days.

Unearned Revenue

Annual compensation related to oil and gas well and powerline leases is charged to the lessee 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 Statement of Financial Position as unearned revenue. The outstanding balance from land sale agreements is reflected on the Statement of Financial Position as unearned revenue. Land sale revenue is recognized in the period in which the payment is received.

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 by the defined contribution method.

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%).

Gravel Pit Closure and Post Closure Liability

Pursuant to the Alberta Environmental Protection and Enhancement Act, the District is required to fund the closure of its gravel pits and provide for post closure care. Closure and post closure activities include contouring the site, replacing the soil, re-establishing vegetation and submitting the final reclamation report. The accrued liability is based on an estimate of future costs.

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 and the District's share of the Bassano Dam Spillway project.

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 share 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 District participate in the Local Authorities Pension Plan (LAPP), which is covered by the Public Sector Pension Plans Act. The Plan serves about 265,813 people and 421 employers. It is financed by employer and employee contributions and investment earnings of the LAPP fund. Contributions for current service are recorded as expenditures in the year in which they become due. The District is required to make current service contributions to the Plan of 9.39% of pensionable earnings up to the Canada Pension Plan's Maximum Pensionable Earnings and 13.84% for the excess. Total current and past service contributions by the District to the Local Authorities Pension Plan in 2019 were \$671,423 (2018 - \$706,946). Total current and past service contributions by the employees of the District to the Local Authorities Pension Plan in 2019 were \$611,544 (2018- \$649,060). At December 31, 2018, the Plan disclosed an actuarial surplus of \$3.47 billion (December 31, 2017 - actuarial surplus of \$4.84 billion).

4. Short Term Deposits

Short term deposits in the amount of \$25,123,701 (2018 - \$44,126,134) are maturing in the next 90 days and include GICs, term deposits and notice demand accounts at interest rates varying from 1.90% to 2.61% (2018 - 1.80% to 2.76%). At year end these deposits have an average annual interest rate of 2.42% and will mature within the next 90 days.

5. Accounts Receivable

Accounts receivable consist of:

	2019	2018
Lease rentals and seismic	\$1,710,326	\$1,750,393
Reclassification agreements	910,498	715,359
Property and equipment	824,207	1,059,379
Sundry debtors	450,340	582,845
Water rates and charges	389,271	371,967
Water conveyance agreements	189,297	168,769
Gravel and dirt	57,751	3,165
Less: Allowance for doubtful accounts	(37,849)	(15,262)
	<u>\$4,493,841</u>	<u>\$4,636,615</u>
Accounts receivable - current	\$3,055,356	\$3,263,620
Accounts receivable - non current	1,438,485	1,372,995
	<u>\$4,493,841</u>	<u>\$4,636,615</u>

6. Investments

Investments consist of:

	2019	2018
Investments - current: term deposits, GIC and notice demand accounts that mature within 1 year	\$21,954,082	\$12,920,735
Investments - non current:		
Term deposits	38,504,252	37,409,324
Corporate bonds	1,349,761	1,349,572
Credit union common shares	137,639	132,212
	<u>39,991,652</u>	<u>38,891,108</u>
	<u>\$61,945,734</u>	<u>\$51,811,843</u>
Fair market value at September 30	<u>\$61,946,059</u>	<u>\$51,794,046</u>



EASTERN IRRIGATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2019

7. Property and Equipment

	Cost	Accumulated Amortization	2019 Net	2018 Net
General Fund:				
Equipment	\$22,725,408	\$11,695,748	\$11,029,660	\$10,399,657
Community pasture reseeding	3,354,118	2,176,088	1,178,030	1,726,294
Irrigation Works Fund:				
Buildings	9,091,720	6,689,995	2,401,725	2,558,212
Irrigation works	724,480,615	299,918,880	424,561,735	411,745,785
Land	4,085,516	0	4,085,516	1,865,596
	<u>\$763,737,377</u>	<u>\$320,480,711</u>	<u>443,256,666</u>	428,295,544
Deferred grants and contributions	<u>(\$288,078,565)</u>	<u>\$152,682,925</u>	<u>(135,395,640)</u>	(141,580,724)
Net assets invested in property and equipment			<u>\$307,861,026</u>	\$286,714,820

Included in the cost total above is \$202,541 (2018 - \$35,991,845) of work in progress that is not being amortized as it was not in use as of year end.

Changes in irrigation works assets, net of amortization are as follows:

	2019	2018
Beginning of year	\$411,745,785	\$389,861,911
Additions to irrigation works:		
District projects	26,550,685	36,614,762
Province of Alberta cost share projects	2,503,447	959,192
Survey costs and easements	517,727	491,444
Amortization	(16,755,909)	(16,181,524)
End of year	<u>\$424,561,735</u>	<u>\$411,745,785</u>

Changes in deferred grants and contributions, net of amortization are as follows:

	2019	2018
Beginning of year	\$141,580,724	\$134,401,775
Contributions from third parties	0	13,370,426
Amortization	(6,185,084)	(6,191,477)
End of year	<u>\$135,395,640</u>	<u>\$141,580,724</u>

Current year additions to irrigation works are as follows:

	District	Bassano Dam Spillway	Province of Alberta Cost Share	2019 Total	2018 Total
External Charges:					
Materials and supplies	\$8,819,870	\$858,272	\$1,759,286	\$11,437,428	\$8,716,255
Contract services	375,496	8,341,668	2,500	8,719,664	18,387,300
Equipment and other services	2,678,191	3,648	272,259	2,954,098	4,114,517
Contract services - engineering	321,630	626,911	0	948,541	1,078,187
Internal Charges:					
Equipment recovery	2,931,203	564	296,021	3,227,788	3,417,831
Labour recovery - other	1,141,600	2,737	142,673	1,287,010	1,330,728
Labour recovery - engineering	381,881	67,014	30,708	479,603	529,136
	<u>\$16,649,871</u>	<u>\$9,900,814</u>	<u>\$2,503,447</u>	<u>\$29,054,132</u>	<u>\$37,573,954</u>



8. Inventories

	2019	2018
Materials and supplies	\$2,442,627	\$1,857,207

The amount of inventories recognized as an expense during the year was \$681,956 (2018 - \$813,145).

9. Financial Instruments and Risk Management

The District is exposed to the following risks as a result of holding financial instruments.

Currency Risk

The District has limited exposure to currency risk as most all of the District's transactions are denominated in Canadian dollars.

Fair Value

The District's financial instruments consist of cash and short term investments, accounts receivable, prepaids, accounts payable, accrued liabilities and deferred revenue. The fair values of these financial instruments approximate their carrying values due to their relatively short term to maturity.

Interest Rate Risk

The District is exposed to interest rate risk dependent upon the balance of its cash and cash equivalents.

Credit Risk

The District is exposed to credit risk on its cash, fixed income investments and accounts receivable.

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.



EASTERN IRRIGATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2019

10. Continuity of Fund Balances

	Invested in Property and Equipment	Unrestricted Funds	Internally Restricted Funds - Pasture Development	Internally Restricted Funds - Irrigation Works	Externally Restricted Funds - Bassano Dam Spillway Project	Externally Restricted Funds - Province of Alberta	Total Fund Balances
Beginning of year	\$286,714,820	\$0	\$163,504	\$85,206,951	\$2,097,336	\$6,384,574	\$380,567,185
Assets received from Province of Alberta	0	0	0	0	0	0	0
District contribution to cost share projects							
Irrigation Rehabilitation Program	0	0	0	0	0	0	0
Bassano Dam Spillway Project	0	0	0	(8,684,000)	8,684,000	0	0
Additions to property and equipment, net	33,940,023	(2,037,873)	0	(19,497,889)	(9,900,814)	(2,503,447)	0
Revenue over expenses (Deficiency) allocated	(12,793,817)	21,458,332	0	4,025,030	92,794	114,801	12,897,140
Transfer to (from) community pasture development reserve	0	(2,850)	2,850	0	0	0	0
Transfer to irrigation works fund from operations	0	(19,417,609)	0	19,417,609	0	0	0
End of year	\$307,861,026	\$0	\$166,354	\$80,467,701	\$973,316	\$3,995,928	\$393,464,325

The Board of Directors has authorized the transfer of \$19,417,609 from current year operations to internally restricted funds to be used for future irrigation works additions and \$2,850 for community pasture development. As well, authorization was given to contribute \$8,684,000 of internally restricted funds to the externally restricted fund for the Bassano Dam Spillway project.

11. Irrigation Rates

Irrigation rates consist of:

	2019	2018
301,499 acres at \$0 per acre	\$0	\$0
3,939 acres at \$0 per acre terminable	0	0
39 acres subject to annual agreements at \$51 per acre (2019)	1,989	0
39 acres subject to annual agreements at \$50 per acre (2018)	1,950	0
Minimum parcel rates and adjustments	0	0
	<u>\$3,939</u>	<u>\$0</u>

The cost to deliver water to the farm gate during the current year was \$26 per acre (2018 - \$27). The Board of Directors approved using other District revenues to pay this cost so that the water rate charged to the irrigators could be set at \$0 per acre (2018 - \$0).

12. Community Grazing Expenses

Community grazing expenses consist of:

	2019	2018
Fences	\$344,244	\$294,327
Amortization of equipment and reseeded pastures	310,672	285,540
Water	293,758	159,393
Property taxes	203,923	189,219
Pasture management fees	107,874	106,313
Fire guards	65,346	61,006
Irrigated pastures	64,748	4,819
Swing fields and miscellaneous	20,522	18,112
Pasture rental fees (net of recoveries)	10,203	7,496
	<u>\$1,421,290</u>	<u>\$1,126,225</u>

EASTERN IRRIGATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2019



13. Community Grazing Property and Equipment Expenditures

Property and equipment expenditures include:

Grazing water pipeline and improvements
Pasture development and reseeding

2019	2018
\$477,698	\$487,837
0	29,413
<u>\$477,698</u>	<u>\$517,250</u>

14. Special Projects

Revenue:

Campgrounds

2019	2018
\$467,626	\$458,318

Expenses:

Farm improvement program
Campgrounds
Partners in Habitat Development
Dam safety inspections
Aquatic Invasive Species - public education
New development infrastructure program
HALO air ambulance
Engineering feasibility studies
Aerial photo
Soil testing
Environmental remediation - old truck shop property
Public Signs
Rural water initiative
Class 5 soils management guidelines
Aquatic Invasive Species - potash trial

(1,489,177)	(1,993,632)
(509,390)	(428,247)
(125,000)	(125,000)
(72,417)	(170,109)
(69,457)	(11,804)
(50,575)	0
(50,000)	0
(49,083)	0
(24,265)	0
(12,735)	0
(9,280)	(18,912)
(4,188)	(1,437)
(4,000)	(32,000)
0	(19,250)
0	(2,052)

Deficiency

<u>(\$2,001,941)</u>	<u>(\$2,344,125)</u>
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15. EIDNet

Revenue:

Wireless subscription and miscellaneous revenue
Customer installation fees
Amortization of deferred grant

2019	2018
\$1,248,364	\$1,151,030
34,979	46,443
1,862	2,069
<u>1,285,205</u>	<u>1,199,542</u>

Expenses:

Wages and operating costs
Amortization
Telecommunications and bandwidth
Customer installation expenses

(659,021)	(618,287)
(203,033)	(217,113)
(141,450)	(107,666)
(91,857)	(269,728)

Total Expenses

<u>(1,095,361)</u>	<u>(1,212,794)</u>
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Revenue over expenses (Deficiency)

<u>\$189,844</u>	<u>(\$13,252)</u>
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16. Trust Funds Held

Trust funds held include \$242,087 (2018 - \$211,622) for the Partners in Habitat Development program. The District manages and administers habitat development work for the Partners in Habitat Development program and the funds held will be spent on that program.

17. Provision for Gravel Pit Closure and Post Closure

	2019	2018
Beginning of year	\$803,389	\$768,456
Contributions	16,813	34,933
Reclamation activities	0	0
End of Year	<u>\$820,202</u>	<u>\$803,389</u>



EASTERN IRRIGATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2019

18. Related Party Transactions

The members of the District's board of directors are related parties by virtue of their influence. The District entered into transactions with the Directors in the normal course of business and on the same terms as are applicable to transactions with unrelated parties.

These transactions are recorded at their fair value, as follows:

Division	1	2	2	3	4	4	5	6	7	
Director's Name	Jason Hale	David Peltzer	Jim Culligan	Ross Owen	Brian Schmidt	Rod Johnson	Tony Brummelhuis	Bob Chrumka	Tracy Hemsing	2018 Totals
Amounts included in the District's accounts receivable at year end:										
Sundry debtors	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$137	\$0	\$137 \$4,415
Amounts included in the District's accounts payable at year end:										
Unearned EIDNet fees	(188)	(77)	0	(77)	(77)	0	(58)	0	(115)	(592) (364)
Revenues of the District:										
Irrigation works constructed by the District	0	0	0	26,158	0	0	0	0	0	26,158 2,162
Gain (loss) on sale of land	0	0	0	0	17,174	0	0	0	0	17,174 0
Private grazing, irrigated lease fees and cost recoveries	1,620	0	0	0	0	379	0	0	3,581	5,580 9,006
EIDNet fees	1,675	101	119	220	101	720	220	715	101	3,972 5,770
Capital assets charges	0	1,200	2,700	0	0	0	0	0	0	3,900 59,400
Gravel and dirt sales and miscellaneous	0	0	0	0	0	100	0	1,500	0	1,600 6,665
Water conveyance agreements	0	0	0	0	0	0	284	0	277	561 63,390
Expenses of the District										
Irrigation works additions	0	0	0	(88,870)	0	0	0	0	0	(88,870) (2,892)
Director per diems	(10,511)	(3,428)	(5,941)	(19,194)	(3,656)	(5,255)	(10,739)	(20,794)	(4,113)	(83,631) (86,602)
Farm improvement program	0	0	(1,800)	0	0	(14,100)	0	0	0	(15,900) (176,641)
Directors benefits*	(473)	(145)	(269)	(912)	(157)	(235)	(483)	(992)	(180)	(3,846) (3,882)
Scholarships	(2,000)	0	0	0	0	0	0	0	0	(2,000) 0
Infrastructure Savings Program	0	0	0	0	0	0	0	0	0	0 (20,000)
Rights-of-way purchased by the District	0	0	0	0	0	0	0	0	0	0 (917)

*Benefits include the District's share of Canada Pension Plan contributions made on behalf of the directors.



19. Commitments

Uncompleted contracts:

The District has commitments in an estimated amount of \$240,804 (2018 - \$10,514,474) in respect of uncompleted work under contracts on approved projects.

The District has entered into agreements to sell land which, if all sale conditions are satisfied and the sales are completed as expected, will result in gross sale proceeds of approximately \$1,360,120 (2018 - \$136,280).

Leases with option to purchase provisions:

The District has leased 1 parcel of land for irrigation development purposes. The lease agreement has a 10 year term and contains an option to purchase provision which can be exercised during the 6th to the 10th years of the term. Revenue and any gain from the sale of this parcel will be recognized if or when the option is exercised.

20. Contingencies

There is still some contamination at the old truck shop location. The cost of remediation, if required, cannot be determined at this time.

The District is a third party defendant in a claim for damages and losses for trespass, nuisance and unauthorized use of land. The likelihood of a gain or loss is not determinable, nor is the amount reasonably estimable.

21. 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.

22. 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
For the year ended September 30, 2019

Schedule 1

	Equipment Pool	Maintenance	Water Delivery	EID Land Administration	Administration and General	2019 Total	2018 Total
Salaries and benefits							
Salaries	\$1,953,891	\$964,971	\$1,643,766	\$324,537	\$1,561,142	\$6,448,307	\$6,420,265
Pension plans	225,118	107,830	252,858	70,295	183,550	839,651	864,937
Group insurance	85,547	38,051	85,153	21,387	71,996	302,134	323,517
Employment insurance and WCB	44,725	17,872	45,103	19,636	34,086	161,422	172,529
Equipment							
Amortization of equipment	1,311,315	0	0	5	131,109	1,442,429	1,305,855
Equipment rent (recovery), net	0	970,278	101,618	20,887	0	1,092,783	1,010,107
Vehicle expense (recovery), net	(246,287)	217,382	401,604	43,858	64,828	481,385	515,719
Heavy equipment expense	379,446	0	0	0	0	379,446	445,246
Other							
Irrigation pumps and structures	0	439,772	303,493	0	0	743,265	945,242
Materials and supplies	150,169	224,409	298,436	8,942	0	681,956	813,145
Buildings and grounds	102,051	39,338	318,477	26,530	84,061	570,457	527,823
Professional fees	0	0	0	6,081	253,040	259,121	292,975
Office supplies and maintenance	0	0	0	0	169,623	169,623	157,543
Insurance	82,695	0	28,947	0	43,059	154,701	143,815
Advertising and promotion	189	0	0	12,465	123,533	136,187	161,635
Association fees	0	0	0	0	97,456	97,456	94,999
Directors per diems and CPP (Note 18)	0	0	0	0	87,477	87,477	90,484
Telephone	22,489	5,071	17,782	3,412	28,066	76,820	80,383
Water quality testing	0	0	27,329	0	0	27,329	28,739
Private and irrigated leases	0	0	0	25,310	0	25,310	22,110
Miscellaneous and freight	600	767	4,024	150	19,314	24,855	25,255
Directors expenses	0	0	0	0	21,804	21,804	19,106
Travel	1,145	866	1,384	308	8,794	12,497	12,645
Shop supplies and small tools	1,528	5,012	1,251	289	0	8,080	23,969
Total expenses	4,114,621	3,031,619	3,531,225	584,092	2,982,938	14,244,495	14,498,043
Less:							
Recovery from other capital construction	(3,926,987)	(293,808)	(595,075)	0	(574,539)	(5,390,409)	(5,350,807)
Recovery from IRP capital construction	(311,547)	(6,889)	(117,112)	0	(33,854)	(469,402)	(327,744)
	(\$123,913)	\$2,730,922	\$2,819,038	\$584,092	\$2,374,545	\$8,384,684	\$8,819,492



2020 Annual Meeting Agenda

Annual General Meeting, March 10, 2020

- 1.0 Welcome and Opening Remarks:** Mr. Ross Owen, Chairman, Board of Directors
- 2.0 Election of a Chair for the Annual General Meeting:** Mr. Ross Owen
- 3.0 Adoption of the Agenda**
- 4.0 Approval of the Minutes:** March 19, 2019 Annual General Meeting
- 5.0 Business Arising from the Minutes:** March 19, 2019 Annual General Meeting
- 6.0 Presentation of Reports**
 - 6.01 Chairman of the Board of Directors Report: Mr. Ross Owen
 - 6.02 General Manager's Report: Mr. Ivan Friesen, General Manager
 - 6.03 Maintenance Report: Mr. Ivan Friesen, General Manager
 - 6.04 Rehabilitation Report: Mr. Ryan Gagley, Engineering Manager
 - 6.05 Audited Financial Statements of the District: Mr. Kevin Bridges, Assistant GM, Corporate Services
- 7.0 Irrigation Expansion**
- 8.0 EIDNet Proposed Upgrades**
- 9.0 New Business**
 - 9.01 General Matters Raised from the Floor
 - 9.02 Report on Scheduled Elections: Mr. Ivan Friesen, Returning Officer
 - Division 1 (Gem/Bassano): Mr. Jason Hale (Term Expired)
 - Division 5 (Scandia/Rainier): Mr. Tony Brummelhuis (Term Expired)
- 10.0 Adjournment**



Annual Report Insert

Minutes From Annual General Meeting, March 19 2019

March 19, 2019 Annual General Meeting

The Eastern Irrigation District held its Annual General Meeting on Tuesday, March 19th, 2019, 1:30 p.m. at the Heritage Inn, in Brooks, Alberta. Approximately 162 people were in attendance.

The meeting was called to order by the Chair of the District, Mr. Ross Owen at 1:30 p.m.

1.0 Welcome and Opening Remarks

Mr. Owen welcomed those in attendance at the annual meeting, including Jennifer Nitschelm, Director – Irrigation Secretariat, Margo Redelback, Executive Director – AIDA, and County Councillors.

2.0 Election of a Chair for the Annual General Meeting

Mr. Owen called for nominations for chairman of the annual meeting and advised that Kelly Christman has agreed to chair the meeting. Nominations were called a second and third time. There was no objection to Mrs. Christman chairing the meeting and her appointment was approved by consensus of those in attendance. Mrs. Christman assumed the chair.

3.0 Adoption of the Agenda

Mrs. Christman introduced herself and basic guidelines for the meeting, calling for a mover and seconder to adopt the agenda. Mr. Friesen requested that “District / Landowner Efficiencies and Storage Opportunities” be added to the agenda.

Moved by David Peltzer, Seconded by Wayne Slenders that the agenda be adopted as amended.

The motion to adopt the agenda as amended was carried.

4.0 Approval of the Minutes – March 20, 2018 Annual General Meeting

Mrs. Christman called for a motion to accept or revise the minutes from the March 20, 2018 Annual General Meeting.

Moved by Harley Tateson, Seconded by Allen Nielsen that the minutes of the 2018 Annual General Meeting be approved as distributed.

The motion to approve the minutes was carried.

5.0 Business Arising from the Minutes

Mrs. Christman called for items of business arising from the minutes of the 2018 Annual General Meeting. No items were raised.

6.0 Presentation of Reports

6.01 Chairman of the Board of Directors Report – Mr. Ross Owen, Chairman

Mr. Owen presented the Chairman’s Report, as summarized below:

- 3 applications for new irrigation development were denied and subsequently appealed by the applicants via the Irrigation Council Appeal Panel. The Panel chose to rescind the District’s decision, stating that Irrigation Council, and thus the District, cannot look behind the name on the Certificate of Title to determine who would actually benefit from newly created irrigation acres. The District has chosen to attempt to overturn the decision of the Irrigation Council Appeal Panel through the courts. As a decision on the definition of clear ownership will likely have impact on Capital Asset charges, the irrigation expansion limit and much of policy, reviewing of any new applications outside of efficiencies has been halted.
- Preliminary investigations have been conducted on various water storage options.

- Provincial IRP funding for all districts has been decreased from \$19 M to \$14 M.
- The Emergency Spillway is nearly complete; will be commissioned this spring; and together with the Bassano Dam will be able to handle 50% more volume of water than was seen in the flood of 2013.
- Standardized lease agreements are being offered for farming encroachments as evident through the General Assessment. Where a sale of land is possible, policy has been set for \$2,000/acre for dryland and \$7,000/acre for irrigated land, with all associated costs of the sale passed on to the purchaser.
- A budget limit for Farm Improvement Grants was instated for the current fiscal year and conversion or upgrade projects must now be complete prior to applying for a grant.
- Preliminary lease agreements have been prepared for the SolarKrafte project.
- In addition to AIS training and monitoring for staff, and public education, a sticker certification program was implemented for efficient access to District reservoirs.
- Bob Chrumka and Ross Owen were re-elected as Directors in Division 6 and 3 in April. George Murray V resigned from Division 7 in August; this seat was left vacant until its expiry this April.
- Staff, administration and water users were thanked for the valuable contributions to the District.

Mr. Owen also thanked Jim Culligan for his time served on the Board representing Division 2 (Rosemary/Duchess).

Moved by Ross Owen, Seconded by Max Tateson that the 2018 Chairman of the Board of Directors Report be accepted as presented.

Max Tateson asked what was used to gauge overwhelming support for the Board's action in appealing the decision of the Irrigation Council Appeal Panel before the courts. Mr. Owen responded that he often seeks his water users' advice through the local coffee shop; that clarity through the courts is necessary for the impact to policies and for the District to move forward; and it is important for the District to know who the landowner/benefiter is. Mr. Tateson further asked how much money has been spent on lawyers so far. Mr. Friesen advised that \$400,000 has been budgeted for all areas of legal fees this fiscal year, but did not have the exact expenditure to date for this matter.

Stephen Anderson asked why the name on title does not fit the District's definition of clear ownership. Mr. Owen responded that for all policy, the District needs to know who the owner is, and that if that can be manipulated with a dollar transfer we don't have a definitive answer. Mr. Friesen explained that "owner" as defined under the Land Titles Act, and applicable to this matter, has to be indefeasible and bona fide.

Todd Beasley questioned whether the District has enough resources and cooperation provincially and federally to fight the threat of invasive mussels. Mr. Owen and Mr. Friesen advised that the District is in the process of hiring additional staff and continues to monitor and test its reservoirs. The EID is grateful that the government monitors the southern and eastern boundaries but is always open to more efforts and collaboration. Mr. Beasley further asked if there is a greater need for working relationships with other groups nearby and whether the District feels there is enough leverage to inspect watercraft. Mr. Friesen responded that the District is definitely open to collaboration but is not sure what level of leverage might be needed to keep invasive mussels out of its reservoirs.

Don Jacobson commented that one of the District's goals as quoted from 6(1)(d) the Irrigation Districts Act is "...to maintain and promote the economic viability of the district...". He added that he believed the decision to shut down irrigation development was wrong as the Irrigation Council Appeal Board said the EID rules do not apply, that the District policy is wrong. He further voiced his frustrations that while the EID is entangled with this appeal, other districts are expanding their irrigation base.



Annual Report Insert

Minutes From Annual General Meeting, March 19, 2019

Floyd George questioned whether the District is trying to appeal or change the IDA or the Land Titles Act. Mr. Owen answered that it is believed Irrigation Council's interpretation of the IDA is incorrect.

Wayne Slenders cited the manner in which another irrigation district dispersed 35,000 new irrigation development acres in a short period of time, and asked if management is running the District or if the Board is directly involved in the management of the District. Mr. Slenders also asked what the mission statement was. Mr. Owen responded that the Board directs the manager and referenced that the process used by the district mentioned had its complications as well.

Arno Doerksen asked what the District's plans were for irrigation development. Mr. Friesen advised that the District is potentially at 307,000 irrigation acres of the 311,000 acre expansion limit, stressing that the limit cannot be exceeded until approval has been gained through an expansion plebiscite. He advised that information on the District's expansion plans will be presented later in the meeting.

Don Jacobson expressed disagreement with the District's sale of land and expansion acre policies. Mr. Owen replied that the minutes could be referenced for the sale of land policy approval, showing that the Board was not in full agreement on valuing dry and irrigated land, but the motion was passed by the majority of the Directors.

Further to Arno Doerksen's question regarding policy limiting irrigation development, Mr. Hale responded that there was quite a bit of discussion in the boardroom and although some feel it is very important to not limit infill, decisions are passed by a majority of the Board.

The motion to adopt the report was carried.

6.02 General Manager's Report – Mr. Ivan Friesen, General Manager

Mr. Friesen presented the General Manager's Report, as summarized below:

- A large snow melt caused widespread overland flooding in late spring; minor damage to District drains, channels, culverts and crossings was prevalent. Major damage was incurred on the Bow Slope Spillway, although it is believed relief funding will be received for repairs.
- A later water startup due to lingering cold temperatures and snow and ice filled canals created a narrow window for system charging, spring planting and water demand.
- Snowpack was generally above average but depleted 2-3 weeks earlier than average. 459,500 acre feet were diverted, with approximately 12" delivered to the farm gate across the District. Reservoir levels were maintained on the higher side, even though 2018 was drier than 2017.
- The Bassano Dam Emergency Spillway was near complete at the end of December. Minor earthworks, placement of rip rap and the majority of electrical wiring remains. Commissioning of this structure will be completed to be operationally ready prior to the 2019 water season. Appreciation is given to Siksika Nation, Government of Alberta, Niitsitapi-Graham LP, MPE Engineering Ltd., Kohn Crippen Berger, Instream Water Control Projects Ltd., Earl Wilson – EID Special Projects Manager, and staff that brought the largest single structure since the inception of the District to fruition.
- 27 km of pipelines and 8 km of canals were constructed under the 2017/2018 rehab program.
- 8.4 km of drainage was completed through the County/EID Joint Drainage Program.
- 354 applications (the greater majority for upgrades) were granted under the Farm Improvement Program, totaling \$218,839 **\$2,218,839**; compared to 165 applications and \$1,808,000 in 2017.
- The irrigation assessment review has been completed, identifying 3,551 acres to be added to the assessment roll; 1,915 have been resolved, 1,636 are still outstanding or still under review.

- 2,878 acres were added to the assessment roll. With the remaining outstanding acres yet to be added and previously approved projects, the total will be approximately 307,000 or within 4,000 acres of the 311,000 expansion limit.
- Preliminary results of modeling from Alberta Agriculture and Alberta Environment indicate that an expansion of 29,000 irrigation acres within the District would be defensible. Once available, additional information will be brought to the water users who ultimately approve or deny an increase to the expansion limit through a plebiscite vote.
- 17,375 cow/calf pairs grazed community leases in 2018. Due to weather differences, grass conditions were generally better in the north and more pressured in the south.
- 49 new wells were acquired and an additional 26 wells were twinned on existing leases. New pipeline acquisitions totaled 1,518 miles or 253 acres, and there were 2 seismic projects totaling 200 miles.
- District efforts towards the awareness and education of a number of Aquatic Invasive Species, most particularly mussels, is ongoing. Of the 31,799 watercraft inspected mainly at the eastern and southern Alberta borders, 15 boats were found to have mussels, 15 had Eurasian Watermilfoil and 2 had Curly-Leaf Pondweed.
- 2 long term employees retired, 6 employees left the District and 6 new staff were hired.
- Water Users, Board and Staff were thanked for the dedication and hard work necessary for achieving the primary directive of conveying water to the farm gate, resulting in continued enhancements throughout the District.

Moved by Ivan Friesen, Seconded by Max Tateson that the 2018 General Manager's Report be accepted as presented.

Mrs. Christman asked if there were any questions of the General Manager; none were raised.

The motion to adopt the report was carried.

6.03 Maintenance Report – Mr. Ivan Friesen, General Manager

Mr. Friesen presented the Maintenance of Irrigation Works Report, as summarized below:

- Maintenance costs for 2018 totaled \$3,036,102 due to higher than normal water demands and damage from spring overland flooding. Heavy equipment, pump stations, control structures and materials costs were most impacted.

Moved by Ivan Friesen, Seconded by John Douglass that the 2018 Maintenance Report be accepted as presented.

Mrs. Christman asked if there were any questions of the General Manager; none were raised.

The motion to adopt the report was carried.

6.04 Rehabilitation Report – Mr. Ryan Gagley, Engineering Manager

Mr. Gagley reviewed the 2016/2017 ~~2017/2018~~ 2017/2018 Irrigation Rehabilitation Report, displayed information on completed projects and advised of plans for future IRP and capital projects.

- In 2017/2018, \$11,435,000 of District funds was spent on Capital Construction, installing 7 pipeline projects (26.9 km) and rehabbing 1 canal (8.0 km).
- The 2018/2019 Capital Construction program will consist of 4 major projects as well as the continuation of the County/EID Joint Drainage Program in the Rainier area.



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- The new Bassano Dam Emergency Spillway will be fully operational by May 1, 2019; the cost for the 2018 fiscal year was \$21,391,000.
- \$959,000 was spent on Irrigation Rehabilitation Program (IRP) projects rehabbing 1.4 km of canal in the winter of 2017/2018. Plans for 2018/2019 are to install 2 pipelines totaling 7.7 km. IRP funding is cost-shared 75:25 between the Province and the District.

4 major construction projects planned for 2018/2019 consist of: 06 Bow Slope Pipeline, C Springhill Pipeline, E North Bantry Pipeline and West Bantry Canal – Reach 1. Work under the County/EID Joint Drainage Program will continue in the Rainier area.

Moved by Ryan Gagley, Seconded by Stephen Anderson that the 2018 Rehabilitation Report be accepted as presented.

The motion to adopt the report was carried.

Mrs. Christman asked if there were any questions of the Engineering Manager.

Max Tateson enquired as to what the District's plans for new reservoirs are. Mr. Gagley advised that various options are being looked at and have been discussed with the Board. The biggest option is the Eyremore Dam, although there are numerous hurdles involved.

Don Jacobson emphasized that the Eyremore proposal would benefit most irrigation districts and stressed that the District should not procrastinate in storage projects that would promote irrigated agriculture.

6.05 Audited Financial Statements of the District – Mr. Kevin Bridges, Assist. GM, Corp. Services

Kevin Bridges, Assistant General Manager – Corporate Services, presented the independent auditor's report and the audited financial statements, highlighting the following:

Compared to 2017:

- Changes in assets:
 - Current assets increased by \$6.8 million. Cash, short term investments and current investments are up \$7.2 million, which is a reflection of the District's cash requirements planning and investment rates. Accounts receivable decreased primarily due to payments received on those accounts.
 - Non-current assets decreased by \$7.2 million, which is primarily due to a decrease in non-current accounts receivable and the reclassification of long-term investments to short term investments.
 - Property and equipment assets, in total, increased by \$23.0 million net of amortization expense. Building changes include improvements to the main office and to two of the District's residences. The equipment changes involved the usual truck and equipment replacements. \$38.1 million were invested into irrigation works which was partially offset by an amortization expense of \$16.2 million. The investment in irrigation works includes \$21.4 million for the Bassano Dam Emergency Spillway project.
- Accounts payable and accrued liabilities increased by \$1.9 million, primarily due to two factors: (1) a \$2.0 million increase in construction holdbacks on the Bassano Dam Emergency Spillway project and (2) a reduction in the amount held as land sale deposits as a result of the sale of some of the former irrigated lease lands.
- GST payable was down \$6,000 from 2017, which is a normal variation.
- Unearned revenues (current and non-current) in total are down \$278,500 from 2017. Within the unearned category, unearned revenues from oil and gas are up by \$238,400, unearned revenues from

land sales are down by \$512,400 and unearned revenues from powerlines and rent are down by \$4,500.

- The change in deferred grants and contributions is made up of the \$3.37 million grant received from the Province under the IRP program plus the \$10.0 million grant received from the Province for the Bassano Dam Emergency Spillway project, less the \$6.2 million of deferred grants that were drawn into income.

Fund Balances:

- The Internally Restricted Pasture Development Fund started the year at \$158,254. \$5,250 was added during the year for a yearend balance of \$163,504.
- The Internally Restricted Fund for Future Irrigation Works started the year with a balance of \$79.7 million. \$1.12 million were transferred to the Externally Restricted Fund to pay the District's share of the Provincial IRP program. \$16.04 million were withdrawn to pay for land & building purchases and capital projects funded solely by the District. \$5.2 million were added to the fund from capital asset charges, gravel royalties and dirt sales, the gain on the sale of land, and from interest earnings. \$17.43 million was contributed from current year's operations. Over the year, the fund balance increased by about \$5.5 million.
- The Bassano Dam Emergency Spillway fund started the year at \$13.25 million. The \$10.0 million Provincial grant was added. \$21.39 million were spent on the project and \$235,000 of interest income was added, for a yearend total of \$2.1 million.
- The Externally Restricted Fund, which holds a combination of grant money from the Province plus the District's 25% share, started the year at \$2.77 million. The \$3.37 million grant from the Province was added to the fund. The \$1.12 million District's share was also added. \$959,192 were spent on eligible capital projects and \$77,800 of interest earnings were also added. Over the year, this fund balance increased by about \$3.6 million.

Statement of Operations & Changes in Fund Balances:

- Total 2018 water earnings were down from 2017 by \$154,700. This change is almost completely due to a decrease of \$146,700 in oil and gas drilling water revenues.
- Oil and gas well lease fees were down \$62,000 due primarily to the 5 years' worth of surface rentals received as part of the sale of the former irrigated lease lands in the previous year. Oil and gas right of entry fees and administration fees were down due to decreased levels of exploration and development activity.
- Irrigated lease fees decreased in 2018 primarily due to the sale of 5 former irrigated lease parcels.
- Other lease revenues increased by \$7,600 over 2017 due to increased revenues from a variety of leases, including license fees at Lake Newell Reservoir.
- The gain on the sale of land, equipment and buildings is made up of:
 - a gain of \$46,200 from the usual disposal of various pieces of equipment;
 - a gain on the sale of land of \$3.0 million from the sale of two dry parcels totaling about 68 acres in the south part of the District, the K300 mortgage principal and interest payments, the sale of five former irrigated lease parcels and the sale of five lots in the City of Brooks industrial park.
- Investment income increased due to higher interest rates and more funds being invested.
- The capital assets charges revenue is made up of \$764,200 from issuing irrigation acres plus \$12,000 from new acreage agreements.

- In 2018, the District received \$719,700 from the Province as an operational grant.
- The District did some extra work maintaining its gravel pits in 2018 and the cost of that work exceeded the gravel royalties and dirt sales income by \$28,500.
- In 2018, total operating and administration costs of \$14.49 million were incurred compared to \$14.18 million in 2017. Of the \$14.49 million, \$5.68 million were recovered from or charged to capital construction projects leaving net 2018 operating costs of \$8.82 million, which is \$656,500 more than 2017. The increase is primarily attributable to higher professional fees, equipment expenses and irrigation system maintenance and repair costs.
- Community grazing expenses decreased by \$102,700 due to decreases in water, swing field, rented pasture and irrigated pasture expenses which were partially offset by increases in fencing, amortization and property taxes.
- The net cost of Special Projects increased in 2018 by \$1.6 million. Special Project costs increased for the Campgrounds, Farm Improvement Program grants, Dam safety inspections, and the Class 5 Soils Management Guidelines project. Special Project costs decreased for the Rural Water Initiative, remediation of the old truck shop property, Aquatic Invasive Species programs, public signs, and the New Development Infrastructure grant program.
- The net cost of operating EIDNet decreased by \$182,000 in 2018 due to an increase in revenues of \$130,500 and a decrease in expenses of \$51,500. Costs for customer installations and for amortization decreased while the cost of bandwidth and telecommunications increased.

Moved by Kevin Bridges, Seconded by Arno Doerksen that the 2018 Independent Auditor's Report and Financial Statements be accepted as presented.

Mrs. Christman asked if there were any questions of the Assistant General Manager – Corporate Services.

Holly Johnson commented that at a recent regionalization meeting it was advised to expect an estimated 1/3 or \$8 M forecasted drop in local oil and gas revenues; asking what were the plans of the District in this regard. Mr. Bridges advised that this has not yet been evident to the EID. It is projected, however, that a decrease in revenues will result as abandoned wells complete the reclamation process and the rental income is terminated. The District has also seen a decrease in new takings. Both factors are taken into account with annual budgeting and planning.

Wayne Slenders requested that the value of EIDNet equipment and depreciation data be presented openly in the financial statements. Mr. Bridges noted that the EIDNet amortization expense is shown in Note 15.

The motion to adopt the report was carried.

6.06 District/Landowner Efficiencies and Storage Opportunities – Mr. Ivan Friesen, General Manager

Mr. Friesen presented a report on District/Landowner Efficiencies and Storage Opportunities, highlighting the following:

- In review of on-farm and District improvements, and present and future storage capabilities, Alberta Agriculture and Alberta Environment were asked to model a 29,000 acre expansion. Modelling is near complete; the findings will be presented to the Board for review and discussion, followed by information meetings and a plebiscite.
- Average combined precipitation for 2017 and 2018 equaled that of 2000 and 2001.
- Although Lake Newell elevations dipped dramatically in 2001, levels in 2018 remained along the 15 year

average.

- Gross diversion in 2018 for 304,000 acres was 460,000 acre feet or 18"; gross diversion in 2001 for 281,727 acres was 695,000 acre feet or 30".
- All 3 irrigation districts on the Bow are diverting less water, even though the irrigated areas have increased substantially.
- Potential storage opportunities and water efficiencies lie in pipelines, particularly those directly upstream of reservoirs and those immediately fed by reservoirs.
- Other storage and efficiencies can potentially be created by switching off-river acres to under reservoir support where possible, raising the existing Snake Lake Reservoir, or construction of the Eyremore Dam.
- Eyremore Dam is by far the most promising project for drought mitigation and water security; it would be located on the Bow River in Township 18 near the Eyremore gravel pit. Low, intermediate and high options were studied, with a dam pool length of 45 km or more back to the Bassano Dam.
- The project was first proposed in the 1960's for hydropower; was studied by PFRA and Alberta Agriculture in the 1970's for EID water supply; was modelled in the Bow River Project in 2012 for flow regulation and water supply; and is now being lobbied for flood and drought mitigation (2017 Bow River Working Group Report to the Government and AIDA highest rated for benefits to irrigation).
- Benefits include assisting in meeting apportionment requirements in the South Saskatchewan river basin, increasing flexibility in upstream and downstream water use, flood water capture for downstream flood mitigation (Medicine Hat), ensuring requirements for environmental flows, the prospect of hydropower, and recreation.

Stephen Anderson asked what the proposed Eyremore Dam project is estimated to cost and what would be the main delay. Mr. Friesen advised that the lesser sized Eyremore Dam project could cost anywhere between \$500 M to \$1 B. At this point, none of the geotechnical work has been done and often it is opposition from environmental groups that can be one of the major delays for construction projects.

George Graham encouraged the Board in the meantime to look at off-stream storage to mitigate risk for water users on-stream.

Rudy Peltzer stressed that the mandate of the Board should be to support the present water users in their use of the land and water and not necessarily to expand irrigation.

7.0 Bassano Dam Emergency Spillway Update – Mr. Earl Wilson, Special Projects Manager

Mr. Wilson presented the Bassano Dam Emergency Spillway Update, displaying a number of pictures, with comment summarized as follows:

- the structure is immediately west of the existing spillway, built into the earth dam which runs 2.5 km long
- once flood waters reach 1' below the normal operating levels with all gates open, the emergency spillway would be operated
- the 2 structures can now handle a flood 50% bigger than in 2013
- if there were a flood twice as big as 2013, the fuse plug would also be cut
- the site consists of a Lacustrine layer (silts and sand), gravels, clay, gravels and bedrock; the water level is about 2' below the natural ground
- the first contract was called in the winter of 2016/2017 to build the cofferdam, remove the portion of earth dam,

construct the working pad, install the sheet steel piling, and drill the 8 dewatering and 6 depressurization wells

- the following year the main contract involved excavation of the Lacustrine layer and placement of compacted gravel to mitigate any potential earthquake damage
- the site was excavated 30' below the water table, 170 anchors were screwed into bedrock, filter gravels were placed and a skin coat of concrete poured prior to the end of 2017
- a batch plant was set up onsite; the first concrete pour was April 5th and the last one in late August
- compaction was completed that summer, cofferdam removed, then gates, stop logs, bridge deck and railing installed; sheet steel piles were cut off in fall and winter
- gates were dry commissioned in March and will be wet commissioned in early April
- the structure will be fully complete by May

Allen Nielsen asked if anything changed with the existing road west of the Dam. Mr. Wilson advised that the bridge deck of the Emergency Spillway allows for traffic, but the road beyond remains a private road of Siksika Nation.

David Peltzer asked whether there would be resultant damage when the structure was used. Mr. Wilson replied that when use of the Emergency Spillway is required it is expected that the silt layer below the structure will be washed out to some degree and may require some repair.

Wayne Slenders enquired if limiting damage to the fuse plug would be the next step in a larger flood. Mr. Wilson responded that it is not anticipated to ever have to use the fuse plug; also, if a flood of that magnitude occurred, the city of Calgary would incur catastrophic damage.

Wayne Slenders questioned what the maximum option of the Eyremore Dam proposal would do to the newly constructed emergency spillway. Mr. Wilson agreed wholeheartedly for the Eyremore Dam proposal, but would only recommend the option of flooding back to the toe of the dam; anything more than that would have huge complications.

Mrs. Christman thanked Mr. Wilson for his report.

8.0 New Business

8.01 General Matters Raised from the Floor

Mrs. Christman asked if there were any questions from the floor.

Rod MacLean expressed on-farm safety concerns of Bassano stormwater and described sewage water overtopping a drainage ditch onto his lands. Frustrations with the EID, Town of Bassano, County of Newell and Alberta Environment were further expressed, as well as not being granted access to the District boardroom. Cody Jensen continued, recounting that Mr. MacLean was served papers by Alberta Environment concerning the plug he put in to block the drain and that the EID was served as well to remove the plug. The EID entered the property and removed the plug; the RCMP were also on-site. Mr. MacLean asked the RCMP to charge the EID or Ivan Friesen with trespassing, and subsequently Mr. MacLean put the plug in again. Mr. MacLean and Mr. Jensen were told that AB ENV is threatening to take the EID's license away if they did not cooperate; they are not sure if this is true. There is also confusion as to who is liable for the stormwater – the discharger or the conveyor. Mr. MacLean demanded an explanation from Mr. Friesen and the Board as to the status of this matter, further asking if the EID has an easement and asking him to admit to trespassing. Mr. Friesen responded that, as it is part of public record, the plaintiffs Rod MacLean and Cody & Tanis Jensen have filed a law suit against the Town of Bassano, and the Town 3rd partied the EID, adding beyond that this is a legal issue and he or the Board would be ill advised to comment any further.

Max Tateson asked if the District is selling "1st water rights – lite", where a water user would pay the same for water rights but the EID could take those rights away whenever it wishes, also asking if 1st water with a delivery point is

meaningless. Mr. Friesen identified that the question is referencing water users who pump out of reservoirs, and that around 2000, irrigation districts were given the authority to make bylaws and policies for water deliveries, specifically for those pumping out of drains and reservoirs. The EID did establish these rules and water users who chose to pump out of reservoirs are subject to the bylaws and policies. Mr. Friesen further clarified by displaying and reading the last paragraph of clause 3.2 of the "Water Delivery and Operations Policy", which is available in its entirety on the District's website. "All irrigators and/or users who receive water for irrigation acres from a point of delivery designated as being from a lake or reservoir, are entirely responsible for the installation and operation of the means of accessing the water for their irrigation and/or agreement purposes and to adapt to all fluctuations in the water levels in the lake or reservoir." Mr. Friesen explained that the District is not changing the delivery point, but if the water level changes it is up to the water user to go and get it. The water user does not have the right to dictate to the District to not use the reservoir as storage.

Scott Tateson identified himself as the affected water user with 480 irrigation acres, on the water roll, with a legal delivery point on a reservoir, and 1st water. Mr. Tateson stated that they have always maintained the channel from the legal delivery point, that is not the dispute, but did have objection to what he sees as the delivery point being moved a mile. He has appealed for 12 months to meet with the Board to address the facts, has a legal delivery point and water rights, and is frustrated with the level of water and conditions for pumping. Mrs. Christman summarized by asking Mr. Tateson if he would like a date to meet with the Board. Mr. Tateson confirmed that he did.

Stephen Anderson asked when District policy was enacted in this regard and stated that he found it difficult to believe that any water user would sign up for water under those terms. Mr. Friesen confirmed that around 20 years ago this type of agreement has been in place and that there are water users who have signed up. Prior to when policy allowed it, water users in this type of arrangement would only have had terminable acres.

Scott Tateson argued that at the time of converting to 1st water the reservoir was a slough, catching spill water from flood in the Tilley area.

Don Jacobson asked if the water user had accessed water off the Tilley canal or always pumped out of a slough, and if all the facts were being heard.

Scott Tateson stated that in 1981 he moved off the Tilley main canal and onto a slough as a mutual benefit for spill water. He is concerned that there will be enough spill water there in the future and does not see moving the delivery point as a solution. Mr. Friesen specified that he was hesitant to review the full matter in a public forum without the expressed approval from Mr. Tateson. Mr. Tateson gave his consent and Mr. Friesen began his review, which Mr. Tateson then intervened by saying he would rather discuss the matter in the boardroom.

Rod MacLean again appealed to Mr. Friesen to speak to his issue. Mr. Friesen repeated that as this is a legal matter, he is not free to talk about it and that is also why he was not brought into the Board meeting; the insurance company is representing the District.

Wayne Slenders asked the Board if there are PR problems or information problems, as multiple entities have had issues accessing the boardroom and he sees lots of problems. Mr. Owen replied that where possible meetings with the Board are granted. When it is acknowledged that nothing can be offered according to policy, or that legal counsel or the insurer advises against it, the requests are not granted.

Rod MacLean questioned the Chairman whether he or the other Board members condone the EID to break the law and what he should do in his circumstance of trespassing concerns and described sewage contamination. Mr. MacLean further posed a hypothetical question of trespassing on Mr. Owen's land and his comparative response then to charge Mr. Friesen with trespassing. Mr. Owen hesitated to respond to Mr. MacLean's assertions but did reply that he is not in favour of the EID breaking the law and that he would contact the police in a trespass matter.

Adam Douglass questioned, regarding the matter of Director term limits, why would a motion be voted on at an AGM then denied by the Board, asking if the matter was brought to a Board meeting. Mr. Hale responded that a motion to impose term limits was revisited at a Board meeting in 2018 and defeated 4-3. Mr. Owen clarified that the legal advice received on this matter stated that a district cannot limit the terms for a Director; a person is free to



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Minutes From Annual General Meeting, March 19, 2019

run and the electorate is free to remove.

Adam Douglass asked if the lawsuit concerning the George Murray V matter is lost, whether the District will continue its appeal. Mr. Owen replied that he could not answer this question, it would have to be discussed as a Board.

Mike Hale stated that he felt the focus has been lost, that the District doesn't need to be involved in lawsuits, and encouraged the Board to keep expanding and concentrate on the farmers, ranchers and the basics.

Harley Tateson expressed disagreement with the grazing policy in regards to residency requirements and the District's interpretation of the rules. Mr. Owen said the decision regarding Mr. Tateson's application was based on information he supplied and a phase out was granted according to District policy.

Carl Chomistek encouraged the Board to consider an expansion limit plebiscite as soon as possible, to continue to expand irrigation and to have open discussions around irrigation acre limits for water users rather than seeing people circumventing policy through their land titles. He then asked when a plebiscite might be. Mr. Friesen responded that ultimately it is a Board decision on when to call a plebiscite, but the modelling from Alberta Environment is near complete. The information from the modelling will be discussed and it could be this fall when information could be presented to, and feedback received from, water users.

Don Jacobson stated that not charging a water rate creates difficulties in making proper decisions for the District, asking how future water storage projects would be funded and specifically where Mr. Chrumka stood on the matter. Mr. Chrumka recapped that when BSE struck in 2003 the water rate was waived. Although it has since been waived, the rate is discussed at every budget meeting and often otherwise. When he campaigned, what he heard most from his water users was to keep the \$0 water rate and that he is representing them. Another issue that will come up will be a fair rate for capital assets, which will require a lot of discussion.

Floyd George shared that with the \$0 water rate, water users have been encouraged to make efficiencies on the farm, and that efficiencies have been made; and in regards to capital assets its not what the water is worth but what can be done with it that makes it valuable. He encouraged the Board to expand and to attract potato or vegetable processing plants to the District.

Wayne Slenders commented that part of the IDA talks about prosperity of the district and reiterated Mr. Jacobson's question in asking if it was the intention of the Board to raise capital asset charges. Mr. Chrumka acknowledged a declining revenue stream and that it is worked into budget plans. The cost for expansion acres (capital assets), whether the District should benefit from that, the financial stability of the District and building revenues for large storage projects are all discussed at length at the Board table. Mr. Slenders agreed that no one disapproves of infrastructure improvements but voiced that the only time it seems a water user can vet the actions of the Board is at the AGM, going on to ask specifically if there was a 5 year strategic plan in place. Mr. Owen responded that talks are continuing and as the target moves the District adjusts its plans.

Mike Hale enquired how the Board would value increased capital assets charges, noting that in the south there is access to vegetable processing plants, for instance, and in the north the water users wouldn't be able to compete. Mr. Owen agreed that not all land is valued the same in the District, perhaps a difference in the south versus the north needs to be considered, and that staggered charges have been discussed as well. Mr. Hale suggested the Board look at more inland reservoirs to attract processing plants and to get out of the internet business.

Stephen Anderson queried a proposed Lathom area project. He also stated that the value of reserves is dropping every day, suggesting to use revenue as it comes in and to start some projects now as it appears the Eyremore Dam proposal is a long way off. Mr. Friesen advised that there are several other inland, off-stream storage proposals that have been considered: Lore Lake in the Lathom area does not benefit the District much, possibly in supplementing river flows; Antelope Lake would be a pump storage reservoir and costly to use; Snake Lake had geotechnical investigations done but currently the private landowner does not want to sell and we respect that.

Arno Doerksen appreciated hearing about possible storage projects but had concerns of Board stagnation in direction. Rather, he encouraged the Board to look forward in its planning and at opportunities for increased

irrigation expansion.

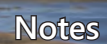
8.02 Report on Scheduled Elections – Mr. Ivan Friesen, Returning Officer

Mr. Friesen reported that the term of the members of the Board of Directors for Division 2 Rosemary/Duchess, Division 4 Cassils/Brooks and Division 7 Rolling Hills has been completed and therefore nominations are being accepted for these divisions. The nomination period will close Wednesday, March 20, 2019, at 5:00 p.m. Nomination forms can be obtained from the District Office.

9.0 Adjournment

Mrs. Christman asked if there was any further business. Being none, Mrs. Christman called for a motion to adjourn the meeting.

Moved by Lammert Lyzenga that the annual meeting be adjourned at 4:34 p.m. CARRIED



Eastern Irrigation District 2019 Annual Report



NOTICE FOR FILING NOMINATIONS

Irrigation Districts Act, Part 2 and Local Authorities Election Act, Part 1

LOCAL JURISDICTION: Eastern Irrigation District, PROVINCE OF ALBERTA (the "District")

Notice is hereby given that nominations for the election of a candidate for the office of Member of the Board of the District for each of **Electoral Divisions 1 and 5** will be received at the Eastern Irrigation District office, 550 Industrial Road West, Brooks, Alberta, until **5:00 p.m. local time on Wednesday, March 11, 2020**.

For the purposes of this election, the description of the boundaries of the electoral divisions are:

Electoral Division 1 (Gem/Bassano)

The boundaries of Division No. 1 shall enclose the following lands ["section(s)" refers to full or parts thereof]:

Township 20 Range 16 W4M	Sections 4, 5, 6, 7, 8, 9, 16, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32 and 33
Township 20 Range 17 W4M	All Sections
Township 20 Range 18 W4M	All Sections lying to the north and east of the Bow River
Township 20 Range 19 W4M	NW 36
Township 21 Range 16 W4M	Sections 4, 5, 6, 7, 8, 9, W1/2 15, 16, 17, 18, 19, 20, 21, 22, W1/2 23, 26, 27, 28, 29, 30, 31, 32, 33, 34 and 35
Township 21 Range 17 W4M	All Sections
Township 21 Range 18 W4M	All Sections
Township 22 Range 16 W4M	All Sections
Township 22 Range 17 W4M	All Sections
Township 22 Range 18 W4M	All Sections
Township 23 Range 15 W4M	Sections 5, 6, 7, 8, 17, 18, 19, 20, 29, 30, 31 and 32
Township 23 Range 16 W4M	All Sections
Township 23 Range 17 W4M	All Sections
Township 23 Range 18 W4M	All Sections
Township 24 Range 15 W4M	Sections 5, 6, 7, 8, 17, 18, 19, 20, 29, 30, 31 and 32
Township 24 Range 16 W4M	All Sections
Township 24 Range 17 W4M	All Sections
Township 25 Range 15 W4M	Sections 5, 6, 7, 8 and 18 lying to the south and west of the Red Deer River
Township 25 Range 16 W4M	All Sections lying to the south and west of the Red Deer River
Township 25 Range 17 W4M	Sections 1, 2, 3, 4, 5, and 6
Township 26 Range 16 W4M	Sections 4, 5, 6, 7 and 8 lying to the south and west of the Red Deer River

Electoral Division 5 (Scandia/Rainier)

The boundaries of Division No. 5 shall enclose the following lands ["section(s)" refers to full or parts thereof]:

Township 14 Range 14 W4M	Sections 29, 30, 31 and 32 lying to the north and east of the Bow River
Township 14 Range 15 W4M	All Sections lying to the north of the Bow River
Township 14 Range 16 W4M	All Sections lying to the north and east of the Bow River
Township 15 Range 14 W4M	Sections 4, 5, 6, 7, 8, 9, 16, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32 and 33
Township 15 Range 15 W4M	All Sections
Township 15 Range 16 W4M	All Sections lying to the north and east of the Bow River
Township 16 Range 15 W4M	All Sections
Township 16 Range 16 W4M	All Sections lying to the east of the Bow River
Township 17 Range 15 W4M	All Sections
Township 17 Range 16 W4M	All Sections lying to the north and east of the Bow River
Township 17 Range 17 W4M	All Sections lying to the north and east of the Bow River
Township 17 Range 18 W4M	Section 36 lying to the north of the Bow River

Nomination forms and additional information regarding this election are available from the Eastern Irrigation District office. If required, an **Election** will be held Tuesday the **7th** day of **April, 2020**.

Dated at the City of Brooks, in the Province of Alberta, this 6th day of February, 2020.

Ivan Friesen, Returning Officer

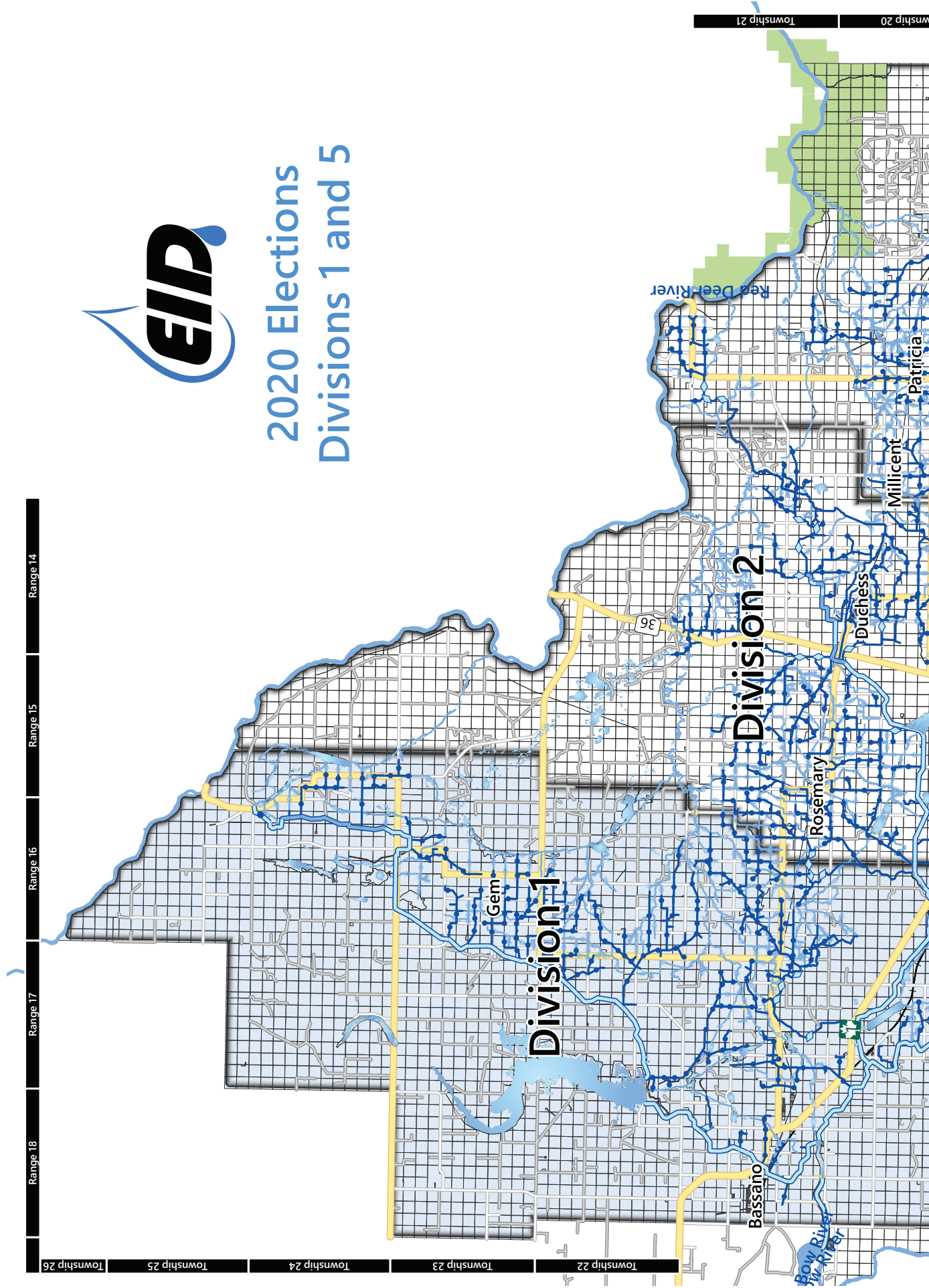


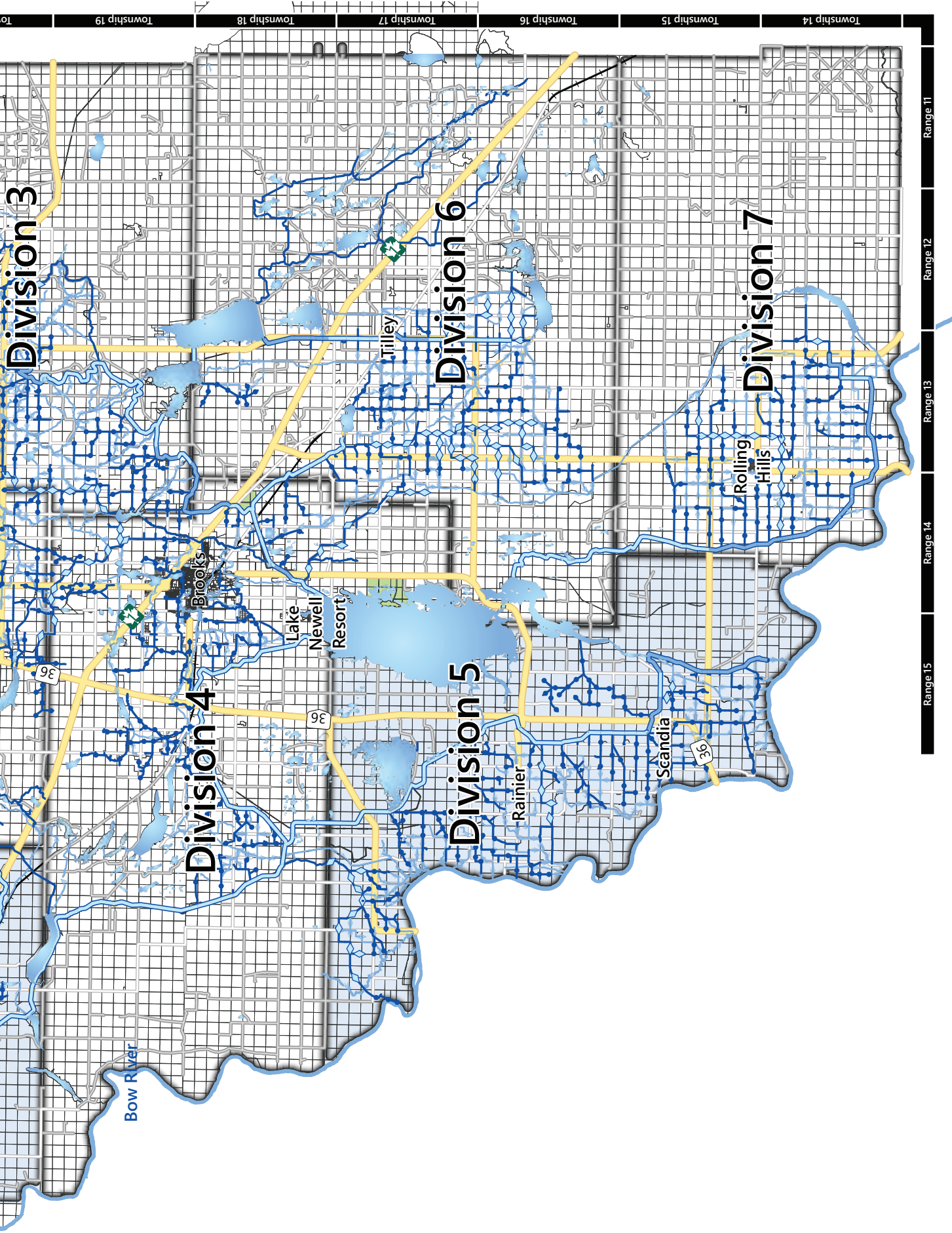
Eastern Irrigation District

Electoral Divisions Map



2020 Elections Divisions 1 and 5







NOMINATION PAPER AND CANDIDATE'S ACCEPTANCE

Irrigation Districts Act, s. 33, 35, 36 & Part 3 and Local Authorities Election Act s. 22, 28, 68.1, 151

LOCAL JURISDICTION: Eastern Irrigation District, PROVINCE OF ALBERTA (the "District")

We, the undersigned irrigators of the District, nominate:

Name: (please print) _____
(surname) (given names)

Phone: (home/cell): _____ Email: _____

Mailing Address: _____ Land Location with Irrigation Acres in this Electoral Division: _____

as a candidate at the election about to be held for the office of Member of the Board of the District for Electoral Division:

Signatures of at least 2 irrigators of the District:

Printed Name:

Land Location containing
Irrigation Acres in the District:

Signature:

1. _____
2. _____
3. _____

CANDIDATE'S ACCEPTANCE

- I, the above named candidate, solemnly swear (affirm)
- THAT I am eligible under sections 33, 35 and 36 of the *Irrigation Districts Act* to be elected to the office;
- THAT I am not otherwise disqualified under section 22 of the *Local Authorities Election Act* (as applicable);
- THAT I will accept the office if elected;
- THAT I have read sections 33, 35, 36 and Part 3 of the *Irrigation Districts Act*, and sections 22, 28, 68.1 and 151 of the *Local Authorities Election Act*, and understand their contents (documents available from the EID Office); and

THAT I am appointing: _____ (mailing address) _____
(name - must be an elector)
_____ (phone #) _____ as my official agent.

Print name as it should appear on the ballot:

(Candidate's Surname)

(Given Name(s) (may include nicknames but not titles i.e. Mr., Mrs., Dr.))

SWORN (AFFIRMED) BEFORE ME

at the _____ of _____

in the Province of Alberta,

this _____ day of _____, 20____.

(Signature of Returning Officer or Commissioner of Oaths)

(Candidate's Signature)

IT IS AN OFFENCE TO SIGN A FALSE AFFIDAVIT OR A FORM THAT CONTAINS A FALSE STATEMENT

NOTE: The personal information on this form is being collected to support the administrative requirements of the local authorities election process and the *Irrigation Districts Act*, and is authorized under section 21 and 27 of the *Local Authorities Election Act* and section 33(c) of the *Freedom Of Information and Protection of Privacy Act*. The personal information will be managed in compliance with the privacy provisions of the *Freedom of Information and Protection of Privacy Act*. If you have any questions concerning the collection of this personal information, please contact the Assistant General Manager, 362-1400.

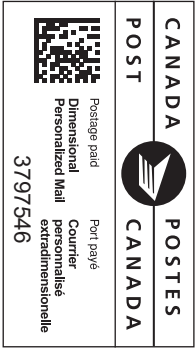
NOTE: The time for filing nominations expires at 5:00 p.m. local time on Wednesday, March 11 2020.

RETURNING OFFICER'S ACCEPTANCE

Returning Officer signals acceptance by signing this form.

(Signature of Returning officer)

Eastern Irrigation District
P.O. Box 128
550 Industrial Road West
Brooks, Alberta
Canada T1R 1B2



Cover Photos:
Bassano Dam Emergency Spillway, October 25, 2019
Bassano Dam and Emergency Spillway at Night, October 26, 2019