

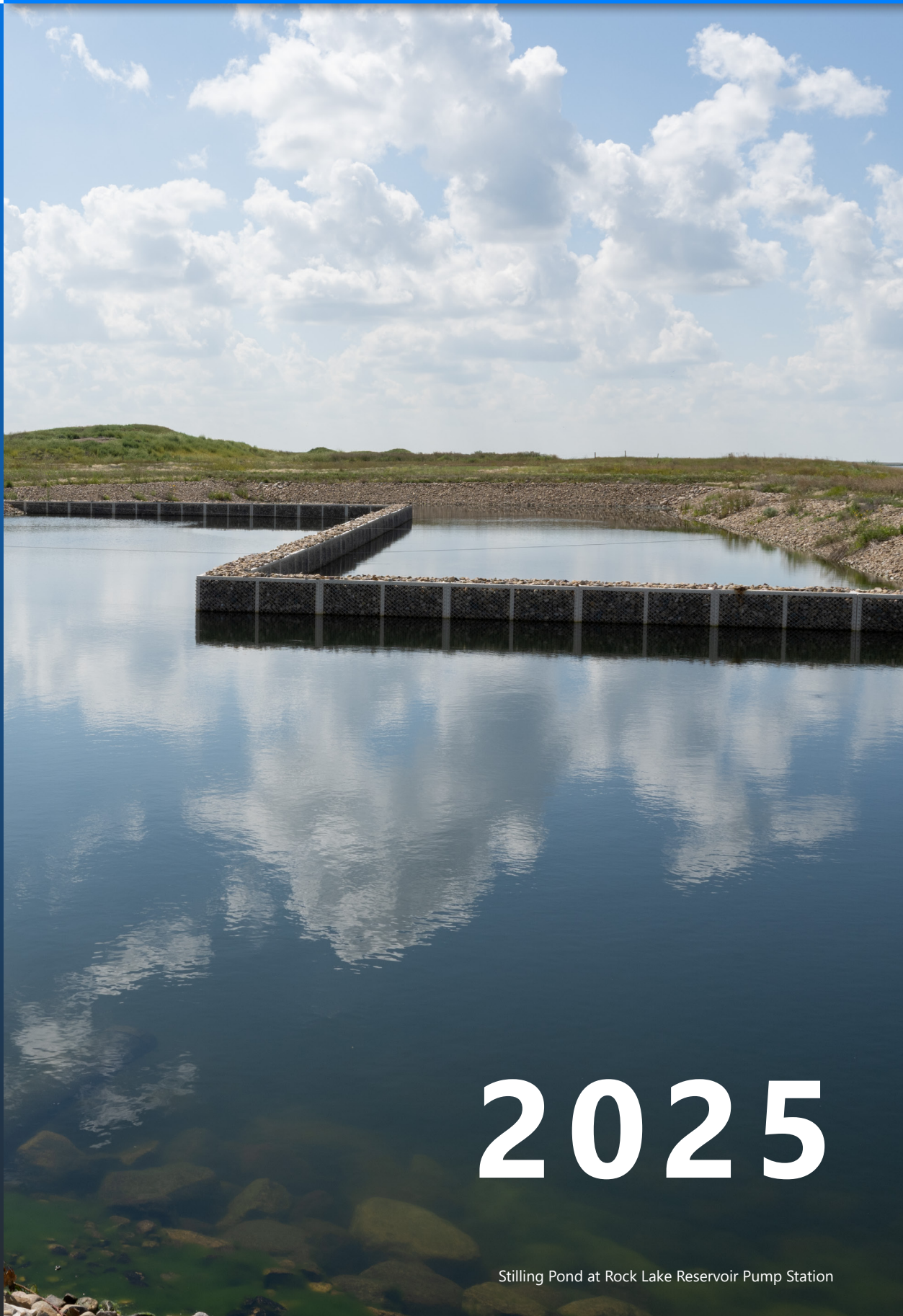


Annual Report



Lake Newell Reservoir Inlet Structure

Eastern
Irrigation
District



2025

Phone: (403) 362-1400
Fax: (403) 362-6206
Email: eid@eid.ca
www.eid.ca

Stilling Pond at Rock Lake Reservoir Pump Station

NOTICE OF ANNUAL MEETING

TAKE NOTE that the annual meeting of the irrigators of the Eastern Irrigation District is scheduled to be held on **Tuesday, March 3rd, 2026, 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 1900s. 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

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

Phone: (403) 362-1400
Fax: (403) 362-6206

email: eid@eid.ca
web: www.eid.ca

Index to Reports

Notice of Annual Meeting	Page 1
2025 Board of Directors	Page 2
Chairman and Board of Directors' Report	Page 3
EID Scholarship Award Recipients	Page 4
General Manager's Report	Page 5
Maintenance of Irrigation Works	Page 8
Crop and Irrigation Statistics	Page 10
Water Delivery Statistics	Page 11
Irrigation Rehabilitation Report	Page 12
EID Financial Report	Page 15
Independent Auditor's Report	Page 16
2026 Annual Meeting Agenda	Page 31
2025 Annual Meeting Minutes	Page 32
2026 Election Documents	Following Page 40



2025 Board of Directors



Tracy Hemsing
(Chairman)
Division 7
Rolling Hills

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.



Richard Hiebert
Division 1
Gem/Bassano



David Peltzer
(Vice-Chair)
Division 2
Rosemary/Duchess



Brad Deschamps
Division 3
Patricia/Millicent



Jeff Alberts
Division 4
Cassils/Brooks



John Ketchmark
Division 5
Scandia/Rainier



Brent Schroeder
Division 6
Tilley

Vision Statement

The Eastern Irrigation District is dedicated to providing water security to the area and managing the District's diverse resources in a manner that will provide the greatest economic, social, and environmental benefit.

Mission Statement

The Eastern Irrigation District will divert and convey water through a maintained and continually improved infrastructure system while providing good stewardship of District lands and promotion of agriculture and the local economy in a collaborative, informed, sustainable, and fiscally responsible manner through District policy and practices.



14H West Bantry Rock Wall Installation

Chairman and Board of Directors' Report

The past year has presented both challenges and opportunities for the Eastern Irrigation District and I am pleased to report that our Board and staff have remained focused on delivering reliable water services to our irrigators while advancing initiatives that support the long-term sustainability of our District. As we navigate the complexities of water management in a changing climate, we are committed to transparency, collaboration and responsible stewardship of this vital resource. 2025 was more of a typical year with timely rains in May and June and ample water supply throughout the growing season.

In April elections were held in Divisions 2, 4, and 7. David Peltzer (Div 2 – Rosemary/Duchess), Jeff Alberts (Div 4 – Cassils/Brooks), and Tracy Hemsing (Div 7 – Rolling Hills) were all acclaimed for a 3-year term. Thank you to Brian Schmidt for his 6 years of service to the Board.

With operating costs being \$31/acre, the Board agreed to increase the irrigation rate from \$5/acre to \$6/acre with all funds being allocated to the Snake Lake Reservoir Expansion project. The project requires several provincial regulatory approvals. It is currently in the environmental impact assessment (EIA) process. This process typically involves the issuance of Supplementary Information Requests (SIR) from Alberta Environment and the Natural Resources Conservation Board. Staff are actively working on responses to SIRs right now to move the EIA forward..

The EID Board and staff were pleased that the Provincial Government is considering many of the recommended amendments put forward by the Alberta Irrigation Districts Association (AIDA) regarding water sharing. The government continues to commit to the First-In-Time, First-In-Right system with no reductions or claw backs to licenses and no royalties or volumetric fees for water.

This Summer, the EID Board is prioritizing aquatic invasive species prevention. We are budgeting for additional staff to manage campgrounds and conduct inspections to protect our reservoirs.

The District's irrigated lease auction in August was a success with 12 irrigated parcels leasing out for 5 years and averaging \$413/acre. This includes 8 renewals and 4 new leases. Looking ahead, 4 new parcels in the Rolling Hills area will be auctioned in 2026, for farming in 2027.

The Board is exploring irrigation expansion on other District lands with a portion of 3,000 acres east of Crawling Valley Reservoir showing promising soil test results. We are also looking at testing ground west of the Rolling Hills Reservoir and have confirmed passing soils east of Lake Newell Reservoir.

In November, the Board increased the capital asset rate for new acres from \$3,672/acre to \$4,000/acre. Infill acres and converting term acres increased to \$2,000/acre. The Board is considering eliminating the infill acre rate category which would mean that all new acres would be assessed at the new acre capital asset rate. In addition, the Board is considering increasing the rate to convert terminable acres to irrigation acres to be on par with the capital asset rate for new acres.

The District, along with the County, obtain aerial photos every three years to assess irrigated acres, among other matters. If you have made any changes to your irrigation system without notifying EID staff, it is best to touch base with the staff to make sure that you are not irrigating beyond your assessed limits.

This year saw the completion of the Kinbrook Connection Pathway as well as a donation of land for the new JBS access road. Through these initiatives and ongoing support for local organizations, we are proud



Chairman and Board of Directors' Report

to contribute to the quality of life in our community and look forward to continuing this momentum.

Staff are working with the Provincial Government towards finalizing the transfer of the group camping area southeast of Kinbrook Island to the Province and leasing the adjacent District owned lands to the Province for Kinbrook Island Provincial Park use.

A big shout out to the field staff and office crew for their hard work. The Board recognizes the effort to update safety protocols, and it's awesome to see staff prioritizing employee well-being. Protecting workers

and getting them home safe is number 1, and it's great they're embracing change for a safer workplace.

In closing, we would like to thank our dedicated staff, our irrigators and the community for their continued support. We are committed to responsible water management and contributing to the prosperity of our region. Thanks again, and I am looking forward to what is ahead.

*Respectfully submitted,
Mr. Tracy Hemsing, Chairman, Board of Directors*



Maclaire Anderson

Eastern Irrigation District Scholarship Recipients

2025



Liam Bryant



Camdyn Cockerill



Chelsea Good



Jayna Hale



Dakota Hanson



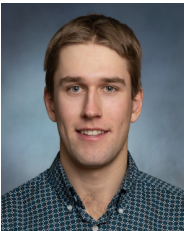
Kytt Henry



Kylea Janzen



Rachel
Jewan-Zawadzki



Levi Johnson



Micah Johnson



Amy Mills



Anja Muller



Nicola Muller



Kyra Owen



Graycee Porter



Jayce Rasmuson



Cassidy Rose



Tori Rose



Rhys Schroeder



Laura Simo



Abbie Wiebe



Yanting Zhao

General Manager's Report

Ivan Friesen, General Manager



Late winter snowfall events helped the snowpack for the Bow Basin; however, the snowpack was still generally average to below average prior to entering the water diversion season. Diversion began on April 7th, filling reservoirs to full operating supply levels prior to water deliveries in anticipation of a dry spring and the weaker snowpack

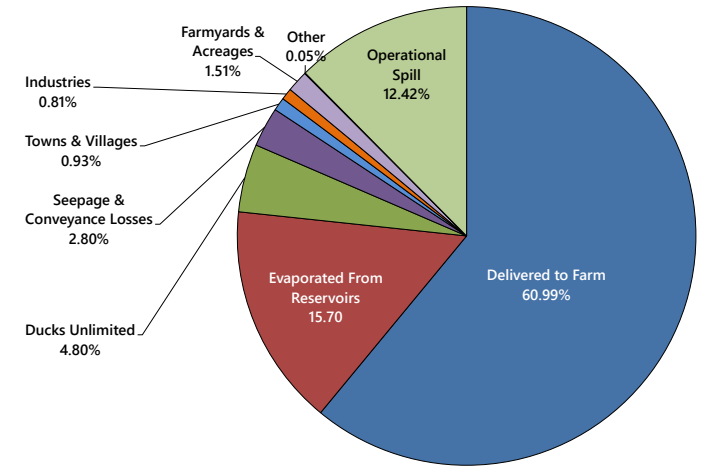
readings. The earliest water delivery date was May 1st, with the system fully operational in all areas by May 8th. Pursuant to the Maximum Amount of Water Bylaw, the District began its operating season at stage 2 of the Drought plan (max. 18"/acre with 6"/acre in transfers). In late spring and early summer, appreciable rainfall was received in the majority of the EID, allowing the District to confidently move to Stage 1 (max. 24"/acre and up to 4"/acre of additional water deliveries that could be purchased). Water shut down to irrigators was on October 9th, but due to the dry fall conditions and the later than usual irrigation demands, the District was required to extend river diversion to October 16th to ensure reservoirs were topped off to normal winter levels in preparation for the spring of 2026. Currently, snowpack levels are well above average and will continue to be monitored as the spring of 2026 draws closer.

In late fall of 2024, the Government of Alberta (Environment and Protected Areas) initiated the "Water Availability Engagement". Proactively AIDA, with the consensus of all irrigation Districts, provided Government with identified concerns of possible amendments and suggestions to improve water access in Alberta. Through this process and through the help of irrigators engaging and promoting their improvements and concerns, the outcome to irrigation was positive. A major overhaul of the legislation wasn't enacted as it was determined the existing legislation works well and that only minor changes were proposed to enhance efficiency in the system. Largely, the irrigation industry is pleased with the outcome of this engagement.

The multiyear canal to pipeline projects that make up part of the Alberta Irrigation Modernization (AIM) Program is ongoing, and the remaining projects should be complete by 2027. Also included in the AIM

Program is the Snake Lake Reservoir expansion. The engineering, geotechnical, and regulatory work is well underway, with the Environmental Impact Assessment (EIA) submitted in early 2025. From the EIA submission the District has received Supplemental Information Requests (SIR) which District staff, along with consulting expertise, will provide the additional information in the first half of 2026. With the anticipated approval and the multimillion kilometers of driving required to haul in the necessary sands, gravels and rock, the District has completed building of the road network around the reservoir and commenced hauling of large rock

Water Balance (acre feet)		
	2025	2024
Diversion	413,300	432,000
Delivered to Farm	255,300	262,900
Evaporation from Reservoirs	65,700	63,700
Ducks Unlimited	20,100	25,800
Seepage and Conveyance Losses	11,700	8,700
City, Towns and Villages	3,900	4,100
Industries	3,400	4,100
Farmyards, Acreages and Pastures	6,300	6,300
Change in Storage	-5,300	7,900
Other Purposes	200	200
Operational Spill	52,000	48,300
Measured Return Flow	60,800	68,400
Operational Spill	52,000	48,300
Farm Spill and Run Off	8,800	20,100



General Manager's Report

Ivan Friesen, General Manager

to site. The District is optimistic that approval will be granted in late 2026 or early 2027.

29 applications for new acres were received in September. The District granted 1,200 new irrigation acres to off river areas and 1,670 new acres in the reservoir supported areas for the 2026 season. In the last couple of years there were unutilized acres in the yearly allotment of acres for private landowners in the reservoir supported areas. 578 of these "carry forward acres" were developed by the EID as irrigated leases and auctioned in August of 2025. The auction process determined the rental price of each parcel (425 acres in the Rolling Hills area, and 153 acres in the Gem area). The District will again be developing approximately 598 acres in the Rolling Hills area which will be put up for auction in the summer of 2026. If there continues to be carry forward acres, the District's intent is to develop a slate of projects that each year would be leased out by auction to determine the market rental price.

Since the 2021 plebiscite, which increased the District's expansion limit from 311,000 to 345,000 acres, approximately 18,500 acres have been developed or are to be approved for development in 2026, with the irrigation assessment anticipated to be at approximately 326,500 acres. With Snake Lake

developed, approximately 12,000 acres remain for new irrigation development (3,000 acres/year or 4 years) and approximately 6,500 acres for infill (1,000 acres/year or 6+ years). In the near future, the District along with the irrigators will need to consider the opportunity of another plebiscite to increase the District's expansion limit.

11 applications were approved under the Farm Improvement Program, totaling \$95,844 which is the smallest grant total since the early years of the program. The lower grant total can be attributed to the District now nearly 90% pivot, with only 10% left to convert to a more efficient method of irrigation, which makes up the biggest part of this program this year, along with cost-shares to accommodate pivots.

With more normal moisture conditions to start the grazing season and an increase in reserve grass, a 65 head maximum was set with entry dates for tame and native pastures being May 3rd and May 15th respectively. Total placement of cattle for 2025 was 14,495, up 704 head from 2024. Pasture conditions were again reviewed in mid to late summer and consensus from grazing associations indicated that an extension to the normal grazing season would not be determinantal to the amount of reserve grass left for next season.



Dallas Beierbach
10 Years



Daniel Buell
10 Years



Fabian Fazakas
10 Years

2025

Eastern Irrigation District Long Term Service Awards



Scott McInnis
10 Years



Rick Volek
10 Years



Michael Weiss
10 Years



Wendy Enns
20 Years



Justin Kabut
20 Years



Paul Prentice
20 Years



Mark Porter
40 Years

General Manager's Report

Ivan Friesen, General Manager

The final date for cattle to be on EID pastures was accordingly set for October 25th, approximately 10 days longer. Total AUM ended at 75,840 up from 61,766 in 2024. The maximum listing for the 2026 season has tentatively been set at 70 head.

This past fiscal year, 8 new wells were established on District owned land, with an additional 28 twinned wells on existing leases, 116 wells reclaimed, and 186 abandonment notifications. There were 16 miles or 96

acres of new pipelines. Two seismic programs were conducted.

A sincere appreciation is extended to the irrigators, Board of Directors, and staff this year for their dedication and work necessary in achieving the District's primary directive of conveying water to the farmgate.

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

Method of Irrigation: 2025

As of December 31, 2025

Low Pressure Pivot	277,245 (85.88%)
High Pressure Pivot	16,055 (4.97%)
Wheel Move	5,531 (1.71%)
Other Sprinkler	663 (0.21%)
Flood Irrigation (Leveled)	18,344 (5.68%)
Flood Irrigation (Not Leveled)	4,988 (1.55%)
Total:	322,826 Ac. (100%)

Note: percentages shown are the percentages of total irrigation.

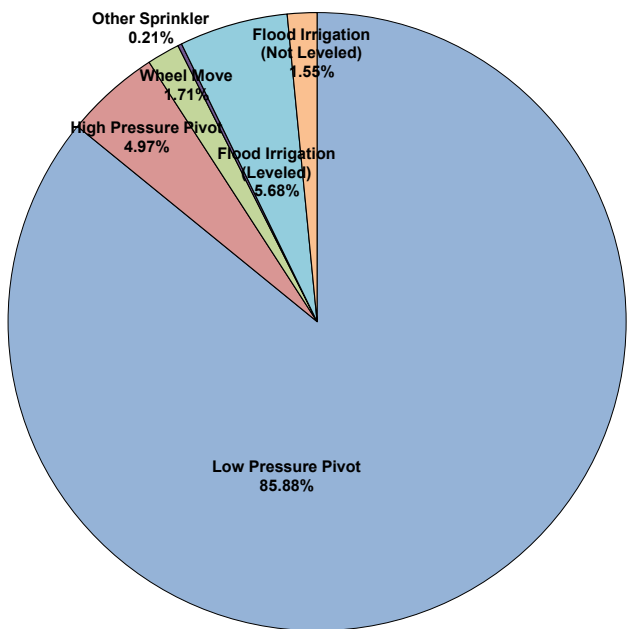
Method of Irrigation: 2002

As of December 31, 2002

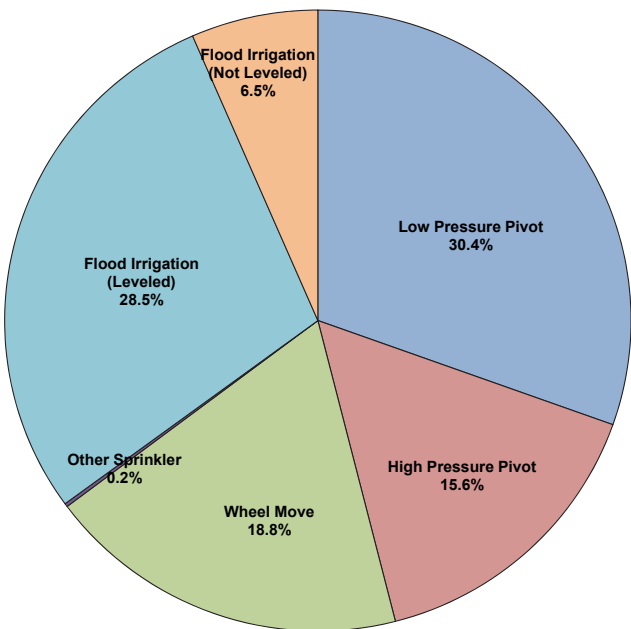
Low Pressure Pivot	86,000 Ac. (30.4%)
High Pressure Pivot	44,000 Ac. (15.6%)
Wheel Move	53,000 Ac. (18.8%)
Other Sprinkler	500 Ac. (0.2%)
Flood Irrigation (Leveled)	80,500 Ac. (28.5%)
Flood Irrigation (Not Leveled)	18,500 Ac. (6.5%)
Total:	282,500 Ac. (100%)

Note: percentages shown are the percentages of total irrigation.

Acres by Method of Irrigation: 2025



Acres by Method of Irrigation: 2002



Maintenance of Irrigation Works

As of End of 2025 Water Delivery Season

The 2025 expenses saw a slight decrease compared to the previous years' costs. Overall, there was a drop in labour costs, while most other costs stayed fairly consistent. Some of the decrease can be attributed to improvements to infrastructure through the District's rehabilitation programs. However, materials still remain high.



Replacement of the Drainage System at Crawling Valley Reservoir

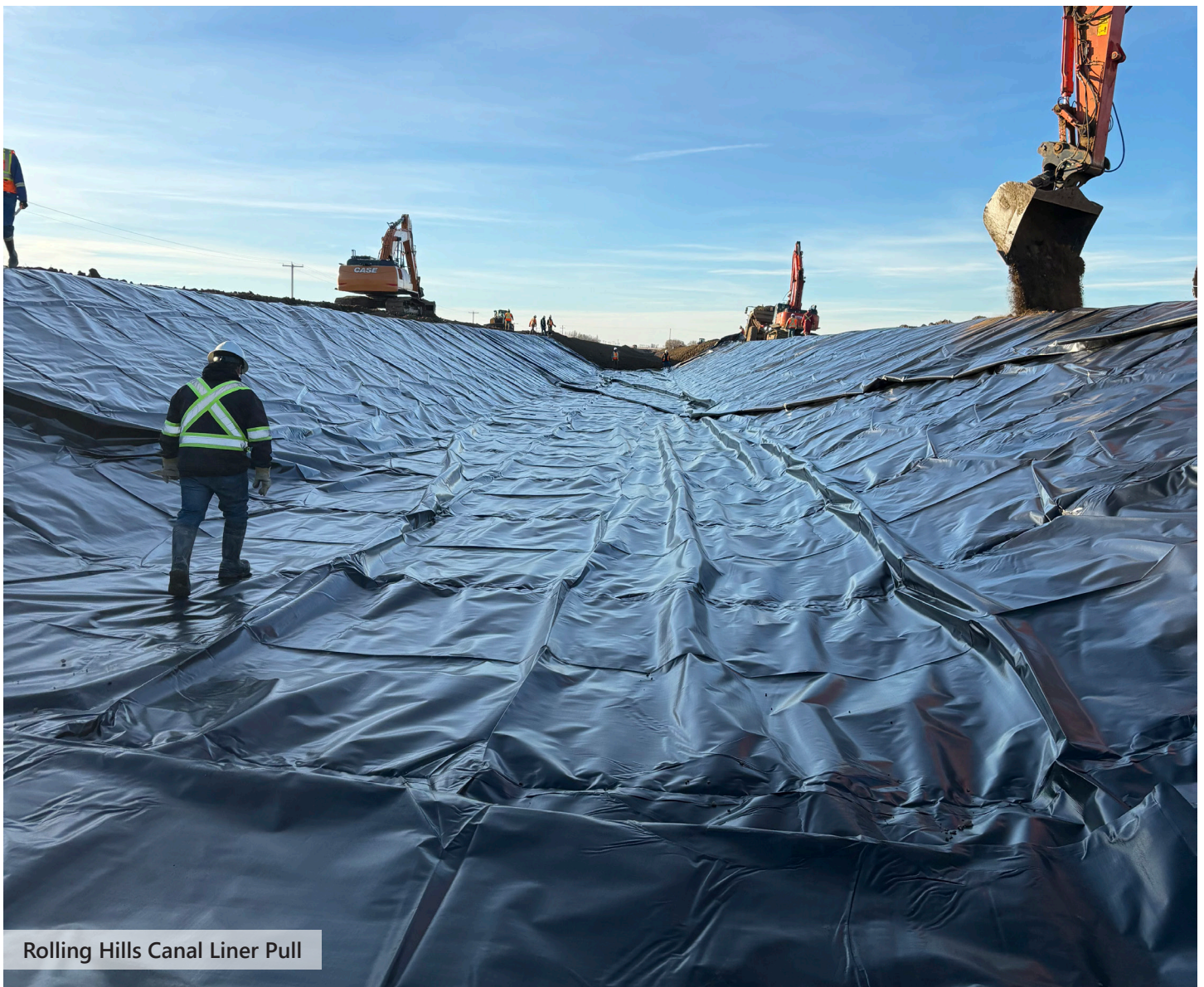
Note: The table below was revised for the 2022 Annual Report. Previous years' data is not available for the newly added items but will be filled in going forward.

Type of Maintenance		Amount					
		2021	2022	2023	2024	2025	Avg.
Canal/Drain	Cleaning	0 km	10 km	3 km	8 km	10 km	6 km
	Erosion/Sloughing Repair	-----	0 km	0 km	1 km	1 km	1 km
Canal and Access Roads	Graveling	31 km	6 km	20 km	18 km	30 km	21 km
	Grading	-----	50 km	184 km	142 km	240 km	154 km
Canal Banks	Mowing	740 km	700 km	460 km	750 km	830 km	696 km
	Spraying	1,603 km	1,521 km	1,387 km	1,210 km	1,185 km	1,381 km
Aquatic Weed Control		-----	305 km	405 km	445 km	460 km	403 km
Pipeline Repairs	Air Vents	-----	38	78	132	64	78
	Valves	-----	26	51	33	31	35
	Pipe Leaks	-----	10	10	14	12	12
Replacement of Farm Turnouts		16	6	10	10	14	11
Replacement of Road Crossings		6	4	7	6	2	5
Repairs to Gates and Hoists		-----	17	15	12	35	20
Repairs to Pumps		-----	21	7	8	8	11
Repairs/Maintenance to	Water Meters	-----	6	3	2	0	3
	Hydrometric Stations	-----	0	0	0	0	0

Maintenance of Irrigation Works

As of End of 2025 Water Delivery Season

Maintenance Cost	2021	2022	2023	2024	2025	Average
Heavy equipment	\$986,220	\$1,026,644	\$1,052,747	\$991,604	\$992,501	\$1,009,943
Labour	1,109,696	1,171,470	1,035,421	1,266,560	925,128	1,101,655
Vehicles	170,472	170,130	177,605	193,818	233,692	189,143
Repairs to pump stations and control structures	305,847	394,705	267,829	317,437	343,455	325,855
Materials (culverts, gates, fence posts, etc.)	185,410	211,744	195,513	115,782	135,535	168,797
Chemical for broad leaf weed control	110,310	119,765	126,609	130,360	106,650	118,739
Maintenance of buildings and grounds	68,403	38,939	64,131	52,669	53,998	55,628
Total Costs:	\$2,936,358	\$3,133,397	\$2,919,855	\$3,068,230	\$2,790,959	\$2,969,760



Rolling Hills Canal Liner Pull

Crop and Irrigation Statistics

2025 Crop Summary

Crop Class	Crop Type	Acres
Forage	Alfalfa: 2 Cuts	34,959
	Alfalfa: 3 Cuts	6,380
	Alfalfa: Hay	1,269
	Barley: Silage	3,297
	Barley: Silage Under Seeded	249
	Corn: Grazing	1,527
	Corn: Silage	22,052
	Custom Variety Forage	1,755
	Grass Hay	14,224
	Green Feed	4,567
	Pasture: Native	1,213
	Pasture: Tame	33,671
	Sorghum Sudan Grass	110
	Timothy Hay	4,555
Cereals	Barley	20,976
	Corn: Grain	14,191
	Oats	2,487
	Rye	1,293
	Triticale	6,166
	Wheat: CPS	1,466
	Wheat: Durum	19,512
	Wheat: Hard Spring	45,995
Oil Seeds	Canola	23,710
	Flax	2,605



Crop Class	Crop Type	Acres
Specialty	Alfalfa: Seed	13,132
	Beans: Dry	2,965
	Beans: Faba	1,108
	Beans: Pinto	830
	Beets: Sugar	985
	Canola: Seed	10,433
	Carrots	206
	Clover: Yellow	147
	Dill	500
	Hemp	1,717
	Market Gardens	319
	Mint	125
	Nursery	503
	Peas: Dry	9,503
	Potato	7,217
	Potato: Seed	1,150
Non Irrigated	Soybean	432
	Sunflower	427
	Misc.	300
	Non-Crop	146
	Summer Fallow	76

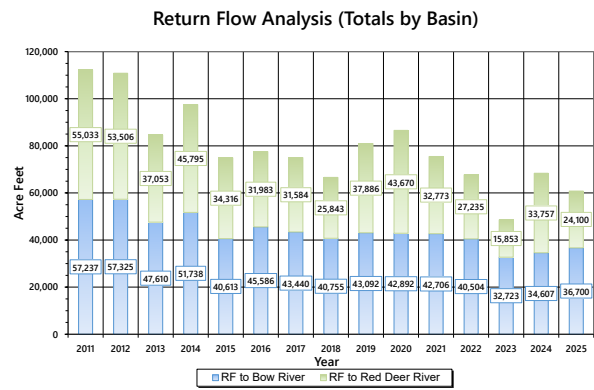
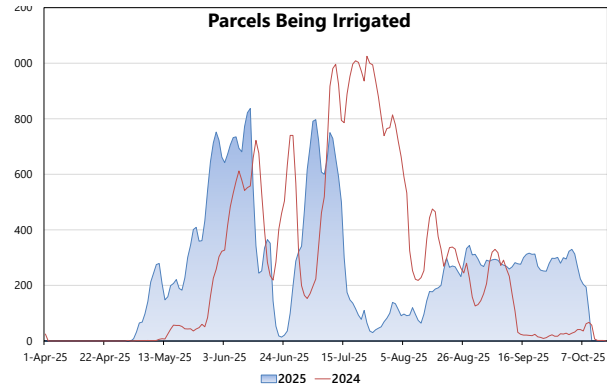
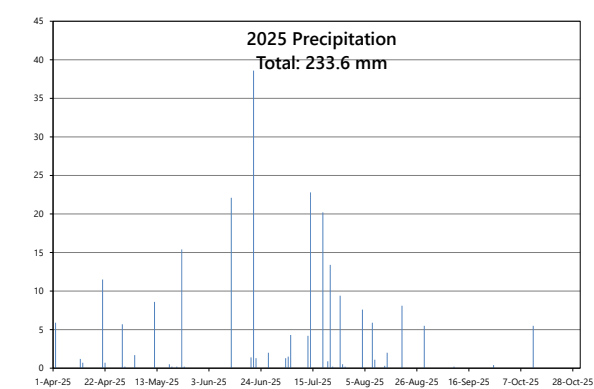
Total of All Crops (As of December 31, 2025)		
Crop Class		Acres
Summary	Forage Crops	129,828
	Cereal Crops	114,462
	Oil Seed Crops	26,315
	Specialty Crops	51,699
	Non-Irrigated	522
Total:		322,826

Water Delivery Statistics

As of December 31, 2025

2025 System Water Delivery Summary

Water Operator Area	Water Operator	Irrigated Area (acres)	Volume Delivered (acre feet)	Water Use/Acre (acre feet/acre)
WOA-01 (Bassano)	Levi Lepp	16,134	8,500	0.53
WOA-02 (Crawling Valley / Countess)	Dustin Fika	21,685	13,500	0.62
WOA-03 (Gem)	Derek Kroschel	22,682	15,700	0.69
WOA-04 (Rosemary)	BJ Hasper	24,557	15,500	0.63
WOA-05 (North Duchess / Steveston)	Scott McInnis	16,838	12,300	0.73
WOA-06 (Duchess)	Dylan Kime	25,702	18,500	0.72
WOA-07 (Patricia / Millicent)	Lee Deschamps	26,407	21,400	0.81
WOA-08 (West Brooks / Bow City)	Willy Friesen	22,392	16,500	0.74
WOA-09 (East Brooks / Bantry)	Troy Canning	20,636	15,800	0.77
WOA-10 (West Bantry)	Carson Becker	23,904	19,500	0.82
WOA-11 (Tilley)	CJ Westwick	20,507	18,100	0.88
WOA-12 (Rainier)	Duce Currie	20,523	19,400	0.95
WOA-13 (Scandia)	Frank Klassen	21,908	22,700	1.04
WOA-14 (North Rolling Hills)	Jim Olund	19,725	19,400	0.98
WOA-15 (South Rolling Hills)	Dallas Beierbach	19,226	18,500	0.96
Totals:		322,826	255,300	0.79



Irrigation Rehabilitation Report

Ryan Gagley, Engineering Manager

2025 Rehabilitation

Throughout 2025, in a continued approach to reducing operational spill, seepage, and evaporation, the District rehabilitated 5 km of canal and installed 17 km of PVC pipe. Under the EID structure program, one concrete structure was replaced and 4 gabion walls were erected.

As is typical for the District, the majority of our projects were designed, managed, and constructed by EID staff. Capital and IRP projects completed throughout the 2024/2025 construction season cost a total of \$25,497,100.

Irrigation Rehabilitation Program (IRP)

The Irrigation Rehabilitation Program (IRP) 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. Under this program, for the 2025/2026 construction season, the Snake Lake Canal will have its capacity increased from 300cfs to 800cfs, providing the ability to fully support the 50,000 irrigation acres downstream. The canal and the cast in place structures were designed by Stantec, with the earthworks underway by EID's construction team.

Alberta Irrigation Modernization Program Projects

The EID is continuing to complete rehabilitation works under the Alberta Irrigation Modernization (AIM) program, a program where the Government of Alberta contributes 30% in funding, irrigation districts contribute 20%, and the Canadian Infrastructure Bank provides a loan that must be repaid for the remaining amount. Projects completed under this program are marked accordingly in the tables opposite.

EID/County Drainage Program

The District and the County of Newell are both contributing \$1M to a program that addresses drainage concerns in specific areas within the District/County. The EID surveys, designs, and rehabilitates road borrow ditches, including the District's infrastructure, ensuring proper drainage as a complete system. Much of the survey needed to complete the next phase in Rolling Hills is complete and design is underway.

Irrigation Rehabilitation Program (IRP)					
Project	Description	Engineer	Contractor	2025 Project Cost	Total Project Cost
Spring 2025					
West Bantry Canal Armouring	8.9 km Canal Armouring	EID	EID	\$993,000	\$993,000
Fall 2025					
Snake Lake Canal Upsizing	5 km Canal Rehabilitation	Stantec/ EID	EID/Unknown	\$838,100	-----
Total:				\$1,831,100	

Irrigation Rehabilitation Report

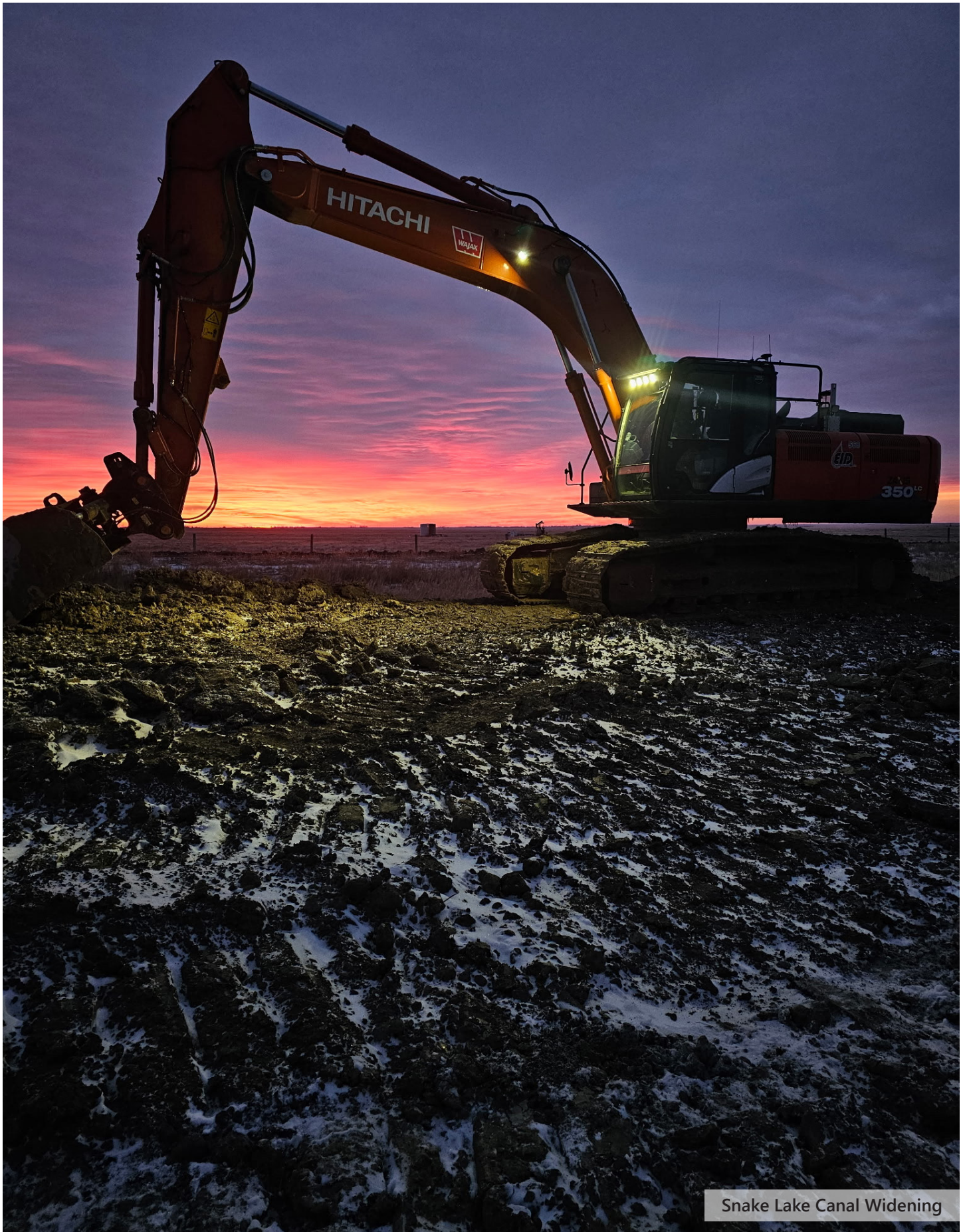
EID Capital Construction Program

Funds for the EID Capital Construction Program are provided entirely from the District's Irrigation Works Reserve Fund. The 2025 expenditures amount to approximately \$23,665,200 for the installation of 17 km of pipeline and 3 km of canal rehabilitation. The breakdown is in the table below.

EID Capital Construction Program

		Project	Description	Engineer	Contractor	2025 Project Cost	Total Project Cost
2024/2025		U02 Tilley (AIM)	0.3 km Pipeline	EID	EID	\$205,200	\$230,100
		J Tilley (AIM)	1 km Pipeline	EID	EID	\$318,800	\$369,800
		Rolling Hills Canal (AIM)	2 km Canal Rehab	EID	EID	\$1,569,100	\$1,752,600
		14 H West Bantry (AIM)	7.3 km Pipeline	EID	EID	\$4,654,500	\$7,292,000
		V Tilley Pipeline (AIM)	3.3 km Pipeline	EID	EID	\$3,162,100	\$3,264,200
		Sec C Nbr Isolation Valves	Valve Install	EID	EID	\$105,200	*\$112,200
		Main Canal Apron	Concrete Repair	EID	Armour Building	\$120,000	\$120,000
		03 East Branch Pipeline	5 km Pipeline	EID	EID	\$2,657,800	\$2,699,400
		CV Tile Replacement	0.6 km Tile	EID	Iron Horse/EID	\$662,600	\$842,000
		Springhill Canal Rehabilitation		EID	EID	\$344,800	\$2,574,900
		West Bantry Reach 3	3.1 km Canal Rehab	EID	EID	\$956,800	\$962,700
		District Automation & Controls		EID	EID	\$248,300	
		Reservoir Enhancements		EID	EID	\$81,200	
		Culvert Replacement Program		EID	EID	\$250,000	
		Structure/Gabion Wall Program		EID	EID	\$821,900	
		Riser Replacement Program		EID	EID	\$243,300	
		Various Years Projects	Smaller Projects	EID	EID	\$303,200	
		Small Drains	Drain Rehab	EID	EID	\$137,800	
		Cattle Guards for pipelines		EID	EID	\$5,900	
		Land Equities - legal surveys		EID	EID	\$179,800	
		Cost Shared Projects - Capital Portion		EID	EID	\$218,000	
		EID/County Drainage Program		EID	EID	\$271,300	
		Structures - Safety Alterations		EID	EID	\$49,600	
2025 & Beyond		Snake Lake Reservoir Expansion (AIM)	Reservoir Expansion	MPE/EID	EID	\$5,870,100	*\$32,715,000
		U03 Tilley (AIM)	1 km Pipeline	EID	EID	\$12,700	
		U04 South Tilley (AIM)	1 km Pipeline	EID	EID	\$12,700	
		U04 Tilley (AIM)	1.5 km pipeline	EID	EID	\$13,500	
		T Tilley (AIM)	1.2 km Pipeline	EID	EID	\$18,300	
		17G Springhill (AIM)	7.7 km Pipeline	EID	EID	\$99,500	
		S Tilley (AIM)	1.7 km Pipeline	EID	EID	\$40,200	
		X Tilley (AIM)	5.2 km Pipeline	EID	EID	\$31,700	
Total:						\$23,665,900	

*Total Costs to Date



Snake Lake Canal Widening

Eastern Irrigation District Financial Report

Stephanie Barlow, Financial Services Supervisor

Financial Report

The Eastern Irrigation District operates under the authority of the *Irrigation Districts Act, Alberta*. 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*.

Index to Financial Statements

EID Financial Report	Page 15
Independent Auditor’s Report	Page 16
Statement of Financial Position	Page 18
Statement of Operations & Changes in Fund Balances	Page 19
Statement of Cash Flows	Page 20
Notes to the Financial Statements	Page 21
Schedule of Operations & Administration Expenses	Page 30

Independent Auditor's Report

BEVAN AND PARTNERS CHARTERED PROFESSIONAL ACCOUNTANTS

PARTNERS

J.T. (Jack) Gerrard CPA, CA*
Carrie J. Gronemeyer CPA, CA*
Ed G. Chapman CPA, CA*
Robbie F. Hodgson CPA, CA*

* denotes professional corporation

Box 460
Brooks, Alberta T1R 1B5
Tel: (403) 362-3472
Toll free: 1 (844) 462-3472
Fax: (403) 362-7448
office@bevanandpartners.ca

PROFESSIONAL STAFF

Thomas A. (Andy) Rice CPA, CGA
Vanda L. Marcy CPA, CGA
Thomas G. Crews CPA
Kaylyn M. Kennedy CPA

INDEPENDENT AUDITOR'S REPORT

To the Members of Eastern Irrigation District

Opinion

We have audited the financial statements of Eastern Irrigation District (the "organization"), which comprise the statement of financial position as at September 30, 2025, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at September 30, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 organization in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

Independent Auditor's Report

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 organization'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 organization'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 organization 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 27, 2026

CHARTERED PROFESSIONAL ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION

As At September 30, 2025

ASSETS

Current

	General Fund	Irrigation Works Fund	2025 Total	2024 Total
Cash	\$7,929,827	\$43,513,861	\$51,443,688	\$36,645,641
Short term deposits (Note 4)	0	28,783,416	28,783,416	26,822,902
Investments (Note 7)	0	0	0	22,257,594
Accounts receivable (Note 5)	6,098,442	1,609,321	7,707,763	14,013,476
Materials and supplies (Note 9)	4,412,101	0	4,412,101	4,411,489
Prepaid expenses	605,184	0	605,184	863,032
	19,045,554	73,906,598	92,952,152	105,014,134
Accounts receivable (Note 5)	0	7,772,755	7,772,755	8,156,847
Long term deposit in-trust (Note 6)	0	16,844,048	16,844,048	11,030,935
Investments (Note 7)	0	20,351,539	20,351,539	5,673,688
Deposits	239,993	0	239,993	196,226
Trust funds held (Note 17)	558,315	0	558,315	540,016
	19,843,862	118,874,940	138,718,802	130,611,846
Property and Equipment (Note 8)				
Buildings and equipment, net	35,661,040	2,809,717	38,470,757	32,395,351
Irrigation works, net	0	493,468,750	493,468,750	488,504,787
Land (Note 2)	0	14,680,938	14,680,938	13,293,594
	35,661,040	510,959,405	546,620,445	534,193,732
	\$55,504,902	\$629,834,345	\$685,339,247	\$664,805,578

LIABILITIES

Current

Accounts payable and accrued liabilities	\$3,317,617	\$1,404,284	\$4,721,901	\$5,610,761
Goods and services tax payable	81,222	0	81,222	32,438
Unearned revenue (Note 2)	15,875,308	0	15,875,308	15,705,632
	19,274,147	1,404,284	20,678,431	21,348,831
Long term debt (Note 10)	0	31,176,793	31,176,793	30,090,567
Trust funds held (Note 17)	558,315	0	558,315	540,016
Provision for gravel pit closure and post closure (Note 18)	0	985,801	985,801	950,772
Unearned revenue (Note 2)	0	352,128	352,128	352,128
Deferred grants and contributions, net (Note 8)	5,084,520	138,920,135	144,004,655	142,639,981
	24,916,982	172,839,141	197,756,123	195,922,295
Commitments (Note 21)				
Contingencies (Note 22)				

FUND BALANCES

Invested in property and equipment (Notes 8 & 11)	30,576,520	372,039,270	402,615,790	391,553,751
Unrestricted (Note 11)	0	0	0	0
Internally restricted, to be used for future community pasture development (Notes 2 & 11)	11,400	0	11,400	10,200
Internally restricted, to be used for future irrigation works additions (Notes 2 & 11)	0	76,815,068	76,815,068	79,982,882
Externally restricted by the Province of Alberta, to be used for future irrigation works additions (Notes 2 & 11)	0	8,140,866	8,140,866	(2,663,550)
	30,587,920	456,995,204	487,583,124	468,883,283
	\$55,504,902	\$629,834,345	\$685,339,247	\$664,805,578

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

For The Year Ended September 30, 2025

	General Fund	Irrigation Works Fund	2025 Total	2024 Total
REVENUE				
WATER EARNINGS				
Water conveyance agreements	\$800,627	\$0	\$800,627	\$780,738
Oil and gas drilling water	194,700	0	194,700	235,586
Penalties	8,742	0	8,742	8,182
Irrigation rates (Note 12)	1,953,341	0	1,953,341	1,495,634
	2,957,410	0	2,957,410	2,520,140
Less discounts allowed	(64,800)	0	(64,800)	(66,300)
	2,892,610	0	2,892,610	2,453,840
LEASE REVENUE AND COMPENSATION				
Oil and gas well leases	24,815,628	0	24,815,628	24,994,100
Right of entry and initial consideration - oil and gas	1,170,091	0	1,170,091	965,207
Oil and gas administration fees	19,200	0	19,200	19,800
Powerlines	282,661	0	282,661	272,783
Right of entry and initial consideration - powerlines	63,306	0	63,306	51,830
Community grazing leases	1,774,426	0	1,774,426	1,256,034
Irrigated leases	1,288,041	0	1,288,041	1,260,747
Private grazing leases	372,683	0	372,683	385,951
Other lease revenues	216,962	0	216,962	307,909
OTHER REVENUE				
Amortization of deferred grants and contributions	0	7,105,049	7,105,049	7,104,650
Investment income	1,788,263	2,309,268	4,097,531	4,838,798
Gain (loss) on sale of land, equipment and buildings	693,712	72,820	766,532	445,707
Capital asset charges, net	0	9,507,501	9,507,501	8,650,530
Gravel royalties and miscellaneous	0	(69,245)	(69,245)	63,833
	35,377,583	18,925,393	54,302,976	53,071,719
EXPENSES				
Amortization of irrigation works and buildings	0	20,845,284	20,845,284	20,722,892
Operations and administration (Schedule 1)	11,202,918	0	11,202,918	9,262,936
Community grazing expenses (Note 13)	1,636,063	0	1,636,063	1,521,634
	12,838,981	20,845,284	33,684,265	31,507,462
Revenue over expenses (Deficiency), before special projects	22,538,602	(1,919,891)	20,618,711	21,564,257
Special projects, net (Note 15)	(1,353,184)	0	(1,353,184)	(780,147)
EIDNet, net (Note 16)	(565,686)	0	(565,686)	(210,916)
REVENUE OVER EXPENSES (DEFICIENCY)	20,619,732	(1,919,891)	18,699,841	20,573,194
TRANSFER TO IRRIGATION WORKS FUND	(15,980,284)	15,980,284	0	0
FUND BALANCES, BEGINNING OF YEAR	25,948,472	442,934,811	468,883,283	448,310,089
FUND BALANCES, END OF YEAR	\$30,587,920	\$456,995,204	\$487,583,124	\$468,883,283

STATEMENT OF CASH FLOWS

For The Year Ended September 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

	General Fund	Irrigation Works Fund	2025 Total	2024 Total
Revenue from water operations	\$2,892,610	\$0	\$2,892,610	\$2,453,840
Compensation from oil and gas operations	26,004,919	0	26,004,919	25,979,107
Compensation from powerline operations	345,967	0	345,967	324,613
Revenue from lease operations	3,652,111	0	3,652,111	3,210,641
Capital asset charges, net	0	9,507,501	9,507,501	8,650,530
Cash receipts from gravel royalties and miscellaneous	0	(69,245)	(69,245)	63,833
Operations and administration expenses (Schedule 1)	(11,202,918)	0	(11,202,918)	(9,262,936)
Community grazing expenses (Note 13)	(1,636,063)	0	(1,636,063)	(1,521,634)
Add: Amortization in expenses, not using cash	3,410,881	0	3,410,881	2,546,237
Net cash expenditure on special projects (Note 15)	(1,353,184)	0	(1,353,184)	(780,147)
Net cash expenditure on EIDNet	(112,666)	0	(112,666)	149,448
Investment income	1,788,263	2,309,268	4,097,531	4,838,798
Non-cash investment income	0	(183,246)	(183,246)	(749,719)
Change in GST receivable and payable	48,784	0	48,784	14,368
Change in non-cash current assets and liabilities	4,001,983	3,066,222	7,068,205	(7,529,335)
	27,840,687	14,630,500	42,471,187	28,387,645

CASH FLOWS USED IN FINANCING AND INVESTING ACTIVITIES

Grants from Province of Alberta	0	7,225,153	7,225,153	8,423,214
Grants from Universal Broadband Fund	1,463,693	0	1,463,693	3,989,636
Proceeds on sale of land, buildings and equipment	1,466,705	72,820	1,539,525	1,017,634
Purchase of land, buildings and equipment	(10,003,742)	(1,892,122)	(11,895,864)	(9,264,363)
Pasture development and reseeded (Note 14)	(735,092)	0	(735,092)	(2,517,517)
Expenditures on irrigation works (Note 8)	0	(25,497,058)	(25,497,058)	(36,041,234)
Change in non current accounts receivable	0	384,092	384,092	(3,576,183)
Change in long term deposit in-trust	0	(5,813,113)	(5,813,113)	(4,886,713)
Change in irrigation works unearned revenue	0	0	0	0
Proceeds on sale of investments	0	50,762,990	50,762,990	49,019,446
Purchase of investments	0	(43,000,000)	(43,000,000)	(34,000,000)
Advances of long term debt	0	1,086,226	1,086,226	4,627,680
Change in deposits	(43,767)	0	(43,767)	(29,870)
Change in provision for gravel pit closure and post closure (Note 18)	0	35,029	35,029	29,967
Change in irrigation works accounts payable	0	(1,224,440)	(1,224,440)	397,235
	(7,852,203)	(17,860,423)	(25,712,626)	(22,811,068)

NET INCREASE (DECREASE) IN CASH

Cash, beginning of year	3,921,627	59,546,916	63,468,543	57,891,966
Transfer from general fund	(15,980,284)	15,980,284	0	0

CASH, END OF YEAR

	\$7,929,827	\$72,297,277	\$80,227,104	\$63,468,543
Cash is comprised of:				
Cash	7,929,827	43,513,861	51,443,688	36,645,641
Short term deposits	0	28,783,416	28,783,416	26,822,902
	\$7,929,827	\$72,297,277	\$80,227,104	\$63,468,543

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025

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*.

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 the projects in the fund. The Irrigation Rehabilitation Program with the Province of Alberta contributes to this fund 75% of the expenditures on projects approved by the Irrigation Council. The Alberta Irrigation Modernization program with the Province of Alberta contributes to this fund 30% 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%
Fibre lines and equipment	4%

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)(l) of the *Income Tax Act*.

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025

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 liabilities 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, sector radios, and fiber lines 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 towers and sector radios is provided using the declining balance method (sector radios at 25%; towers at 10%). Amortization of deferred grants related to fibre lines is provided on a straight-line basis over a 25 year period.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025

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 316,938 people and 453 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 8.45% of pensionable earnings up to the Canada Pension Plan's Maximum Pensionable Earnings and 11.65% for the excess. Total current and past service contributions by the District to the Local Authorities Pension Plan in 2025 were \$667,461 (2024 - \$626,534). Total current and past service contributions by the employees of the District to the Local Authorities Pension Plan in 2025 were \$596,972 (2024 - \$560,785). At December 31, 2024, the Plan disclosed an actuarial surplus of \$19.6 billion (December 31, 2023 - actuarial surplus of \$15.1 billion).

4. Short Term Deposits

Short term deposits in the amount of \$28,783,416 (2024 - \$26,822,902) are maturing in the next 90 days and include GICs, term deposits and notice demand accounts at interest rates varying from 3.1% to 5.05% (2024 - 4.85% to 5.25%). At year end these deposits have an average annual interest rate of 3.49% and will mature within the next 90 days.

5. Accounts Receivable

Accounts receivable consist of:

	2025	2024
Lease rentals and seismic	\$2,176,746	\$1,747,897
Reclassification agreements	115,642	621,798
Property and equipment	9,544,044	16,176,974
Sundry debtors	1,142,248	1,380,326
Water rates and charges	2,316,245	2,011,461
Water conveyance agreements	187,186	211,660
Gravel and dirt	1,574	23,254
Less: Allowance for doubtful accounts	(3,167)	(3,049)
	<u>\$15,480,518</u>	<u>\$22,170,323</u>
Accounts receivable - current	\$7,707,763	\$14,013,476
Accounts receivable - non current	<u>7,772,755</u>	<u>8,156,847</u>
	<u>\$15,480,518</u>	<u>\$22,170,323</u>

6. Long Term Deposit In-Trust

Long term deposit in-trust is the balance of all incremental revenue paid towards the loan set out in note 10 less annual loan and interest payments and any applicable fees associated with the loan. The balance is to be applied to the loan, interest, and fees in future years as set out in the loan agreement.

	2025	2024
Long Term Deposit In-Trust	<u>\$16,844,048</u>	<u>\$11,030,935</u>

7. Investments

Investments consist of:

	2025	2024
Investments - current: term deposits, GIC and notice demand accounts and corporate bonds that mature within 1 year	\$0	\$22,257,594
Investments - non current:		
Term deposits	20,176,037	5,505,395
Credit union common shares	175,502	168,293
	<u>20,351,539</u>	<u>5,673,688</u>
	<u>\$20,351,539</u>	<u>\$27,931,282</u>
Fair market value at September 30, 2025	<u>\$20,351,539</u>	<u>\$27,931,282</u>

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025

8. Property and Equipment

	Cost	Accumulated Amortization	2025 Net	2024 Net
General Fund:				
Equipment	\$53,169,958	\$17,979,153	\$35,190,805	\$29,170,550
Community pasture reseeding	3,691,351	3,221,116	470,235	607,672
Irrigation Works Fund:				
Buildings	10,964,273	8,154,556	2,809,717	2,617,129
Irrigation works	911,301,219	417,832,469	493,468,750	488,504,787
Land	14,680,938	0	14,680,938	13,293,594
	<u>\$993,807,739</u>	<u>\$447,187,294</u>	<u>546,620,445</u>	534,193,732
Deferred grants and contributions	<u>(\$339,517,164)</u>	<u>\$195,512,509</u>	<u>(144,004,655)</u>	(142,639,981)
Net assets invested in property and equipment			<u>\$402,615,790</u>	<u>\$391,553,751</u>

Included in the cost total above is \$34,237,045 (2024 - \$29,717,940) 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:

	2025	2024
Beginning of year	\$488,504,787	\$472,924,308
Additions to irrigation works:		
District projects	7,458,738	4,783,142
Province of Alberta cost share projects	17,858,510	31,203,473
Survey costs and easements	179,810	54,619
Amortization	(20,533,094)	(20,460,756)
End of year	<u>\$493,468,751</u>	<u>\$488,504,787</u>

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

	2025	2024
Beginning of year	\$142,639,981	\$137,492,467
Contributions from third parties	8,688,846	12,412,849
Amortization	(7,324,172)	(7,265,335)
End of year	<u>\$144,004,655</u>	<u>\$142,639,981</u>

Current year additions to irrigation works are as follows:

	District	Province of Alberta Cost Share	2025 Total	2024 Total
External Charges:				
Materials and supplies	\$2,480,571	\$6,540,858	\$9,021,429	\$12,726,003
Contract services	582,669	524,634	1,107,303	4,675,380
Equipment and other services	1,898,366	3,892,148	5,790,514	6,326,299
Contract services - engineering	51,811	3,444,074	3,495,885	4,927,536
Internal Charges:				
Equipment recovery	1,784,712	2,464,546	4,249,258	5,449,557
Labour recovery - other	676,798	729,258	1,406,056	1,524,117
Labour recovery - engineering	163,621	262,992	426,613	412,342
	<u>\$7,638,548</u>	<u>\$17,858,510</u>	<u>\$25,497,058</u>	<u>\$36,041,234</u>

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025

9. **Inventories**

	2025	2024
Materials and supplies	\$4,412,101	\$4,411,489

The amount of inventories recognized as an expense during the year was \$776,994 (2024 - \$768,160).

10. **Long Term Debt**

Long term debt consists of a term loan with Irrigating Alberta Inc. which is repayable in variable annual installments including interest at 1.0%.

Annual payments began in January 2022 and the loan is due in 2056.

The loan is secured by Incremental Revenues earned by the District. Incremental Revenues are generally defined in the loan agreement as revenues earned, as a result of the Alberta Irrigation Modernization program above the baseline revenues for irrigation rates, capital asset and capital construction charges and any other revenues directly attributable to the projects. The net book value of the Incremental Revenues received during the current fiscal year is \$9,559,273.

Current portion of long term debt

The current portion of the long term debt described above is not known as of the date of the financial statements. The Incremental Revenues that will be transferred to the Irrigating Alberta Inc. on January 31, 2026 is \$9,824,155. The current portion of the loan will be paid from those funds.

Five year repayment schedule

The loan repayment schedule is not determinable at the date of the financial statements as the amount of the loan is determined by the Irrigation Works projects that will be completed in the future and the repayments are impacted by the Incremental Revenues collected in the future.

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025

11. Continuity of Fund Balances

	Invested in Property and Equipment	Unrestricted Funds	Internally Restricted Funds - Pasture Development	Internally Restricted Funds - Irrigation Works	Externally Restricted Funds - Province of Alberta	Total Fund Balances
Beginning of year	\$391,553,751	\$0	\$10,200	\$79,982,882	(\$2,663,550)	\$468,883,283
Assets received from						
Province of Alberta	(7,225,153)	0	0	0	7,225,153	0
Universal Broadband Fund	(1,463,693)	1,463,693	0	0	0	0
District contribution to cost share projects						
Irrigation Rehabilitation Program	0	0	0	(1,532,649)	1,532,649	0
Alberta Irrigation Modernization	0	0	0	(17,713,783)	17,713,783	0
Additions to property and equipment, net	37,355,021	(9,965,842)	0	(9,530,669)	(17,858,510)	0
Revenue over expenses (Deficiency) allocated	(17,604,136)	24,483,633	0	9,629,003	2,191,341	18,699,841
Transfer to (from) community pasture development reserve	0	(1,200)	1,200	0	0	0
Transfer to irrigation works fund from operations	0	(15,980,284)	0	15,980,284	0	0
End of year	\$402,615,790	\$0	\$11,400	\$76,815,068	\$8,140,866	\$487,583,124

The Board of Directors has authorized the transfer of \$15,980,284 (2024 - \$19,136,186) from current year operations to internally restricted funds to be used for future irrigation works additions and \$1,200 (2024 - \$1,650) for community pasture development.

12. Irrigation Rates

Irrigation rates consist of:

	2025	2024
319,493 acres at \$6 per acre	\$1,916,958	\$1,580,355
2,487 acres at \$6 per acre terminable	14,922	14,465
381 acres subject to annual agreements	32,385	0
367 acres at \$6 per acre 5R soils	2,202	1,870
Adjustments for deferred portion	(13,126)	(101,056)
	<u>\$1,953,341</u>	<u>\$1,495,634</u>

The cost to deliver water to the farm gate during the current year was \$30.00 per acre (2024 - \$25.50).

13. Community Grazing Expenses

Community grazing expenses consist of:

	2025	2024
Water	\$369,350	\$381,673
Amortization of equipment and reseeded pastures	277,284	289,207
Property taxes	297,481	282,365
Fences	177,204	158,606
Pasture management fees	115,010	112,545
Irrigated pastures	219,560	167,827
Fire guards	122,176	85,252
Swing fields and miscellaneous	36,083	25,107
Pasture rental fees (net of recoveries)	12,808	11,131
Insurance	9,107	7,921
	<u>\$1,636,063</u>	<u>\$1,521,634</u>

14. Community Grazing Property and Equipment Expenditures

Property and equipment expenditures include:

	2025	2024
Grazing water pipeline and improvements	\$735,092	\$2,517,517
Pasture development and reseeded	0	0
	<u>\$735,092</u>	<u>\$2,517,517</u>

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025

15. Special Projects

	2025	2024
Revenue:		
Campgrounds	\$665,506	\$662,759
Expenses:		
Farm improvement program	(95,845)	(249,563)
Campgrounds	(674,757)	(598,599)
Partners in Habitat Development	(115,000)	(115,000)
Aquatic Invasive Species - public education	(109,091)	(114,494)
Dam safety inspections	(114,478)	(251,796)
Environmental remediation - old truck shop property	(4,050)	0
Soil testing	(138,093)	0
Rural water initiative	(6,000)	(8,000)
Engineering feasibility studies	(6,185)	(4,792)
County pathway	0	(14,942)
Harper Connauton benefit	0	(9,810)
Rolling Hills School waterline	0	(8,690)
Scandia Community Hall demo	0	(4,721)
City of Brooks fire safety simulator	0	(50,000)
Halo fundraiser	0	(12,500)
Aerial Photo	(39,425)	0
Ferner Trust Deed	(330,000)	0
OH&S Sentence	(365,000)	0
Patricia Rodeo Grounds Gravel Pad	(20,766)	0
Deficiency	(\$1,353,184)	(\$780,147)

16. EIDNet

	2025	2024
Revenue:		
Wireless subscription and miscellaneous revenue	\$1,552,433	\$1,495,854
Customer installation fees	20,600	27,112
Amortization of deferred grant	219,123	160,685
Total Revenue	1,792,156	1,683,651
Expenses:		
Wages and operating costs	(1,149,465)	(979,419)
Amortization	(672,143)	(521,049)
Customer installation expenses	(425,436)	(286,055)
Telecommunications and bandwidth	(110,798)	(108,044)
Total Expenses	(2,357,842)	(1,894,567)
Revenue over expenses (Deficiency)	(\$565,686)	(\$210,916)

17. Trust Funds Held

Trust funds held include \$273,241 (2024 - \$263,762) for a land lease security deposit plus \$285,074 (2024 - \$276,255) for the Partners in Habitat Development program.

18. Provision for Gravel Pit Closure and Post Closure

	2025	2024
Beginning of year	\$950,772	\$920,805
Contributions	35,029	29,967
Reclamation activities	0	0
End of Year	\$985,801	\$950,772

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025

19. 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	3	4	4	5	6	7	
Director's Name	Richard Hiebert	David Peltzer	Brad Deschamps	Brian Schmidt	Jeff Alberts	John Ketchmark	Brent Schroeder	Tracy Hemsing	
Amounts included in the District's accounts receivable at year end:									
Sundry debtors	\$1,139	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water rates and charges	5,202	4,440	4,410	0	1,998	3,732	2,732	4,380	26,894
Amounts included in the District's accounts payable at year end:									
Unearned EIDNet fees	(794)	(265)	(424)	0	(1,184)	(1,059)	(640)	(794)	(5,160)
Revenues of the District:									
Irrigation works constructed by the District	0	0	38,375	0	0	0	0	0	38,375
Gain (loss) on sale of land	0	0	0	0	0	0	0	0	0
Private grazing, irrigated lease fees and cost recoveries	0	0	4,294	0	0	0	0	5,464	9,758
EIDNet fees	1,762	557	623	304	1,668	1,247	1,054	596	7,811
Capital assets charges	0	0	18,360	0	0	0	0	3,060	21,420
Acre Feet sales/subdivision lieu charges	0	0	0	0	0	0	0	0	0
Gravel and dirt sales and miscellaneous	0	0	0	0	300	0	0	0	300
Water conveyance agreements	600	0	379	0	619	877	0	443	2,918
Water rates and charges	5,202	4,440	4,410	0	1,998	3,732	2,732	4,380	26,894
Expenses of the District									
Irrigation works additions	0	0	0	0	0	0	0	0	0
Director per diems	(10,860)	(14,780)	(10,631)	(6,442)	(4,883)	(13,642)	(10,623)	(14,780)	(86,640)
Farm improvement program	0	0	(6,500)	0	0	0	0	0	(6,500)
Director benefits*	(577)	(810)	(563)	(349)	(256)	(742)	(563)	(810)	(4,670)
Scholarships	0	0	0	0	0	0	0	0	0
Infrastructure Savings Program	0	0	0	0	0	0	0	0	0
Rights-of-way purchased by the District	0	0	0	0	0	0	0	0	0
Totals									
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	18,395	26,894	26,894	18,395	18,395	18,395	18,395	18,395	18,395
	(2,936)	(5,160)	(5,160)	(2,936)	(2,936)	(2,936)	(2,936)	(2,936)	(2,936)
	0	0	0	0	0	0	0	0	0
	4,966	9,758	9,758	4,966	4,966	4,966	4,966	4,966	4,966
	5,098	7,811	7,811	5,098	5,098	5,098	5,098	5,098	5,098
	1,500	21,420	21,420	1,500	1,500	1,500	1,500	1,500	1,500
	0	0	0	0	0	0	0	0	0
	1,337	2,918	2,918	1,337	1,337	1,337	1,337	1,337	1,337
	18,415	26,894	26,894	18,415	18,415	18,415	18,415	18,415	18,415
	0	0	0	0	0	0	0	0	0
	(60,324)	(86,640)	(86,640)	(60,324)	(60,324)	(60,324)	(60,324)	(60,324)	(60,324)
	(13,100)	(6,500)	(6,500)	(13,100)	(13,100)	(13,100)	(13,100)	(13,100)	(13,100)
	(3,103)	(4,670)	(4,670)	(3,103)	(3,103)	(3,103)	(3,103)	(3,103)	(3,103)
	(4,000)	0	0	(4,000)	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
	(9,500)	0	0	(9,500)	0	0	0	0	0

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

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2025

20. 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.

21. Commitments

Uncompleted contracts:

The District has commitments in an estimated amount of \$4,943,294 (2024 - \$5,396,372) 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 \$54,000 (2024 - \$68,000).

22. Contingencies

The District is involved in various legal, regulatory and environmental matters in the ordinary course of business. In management's opinion, an adverse resolution of these matters would not have a material impact on operations or the District's financial position.

23. 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.

24. Approval of Financial Statements

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

SCHEDULE OF OPERATIONS AND ADMINISTRATION EXPENSES

Schedule 1

For The Year Ended September 30, 2025

	Equipment Pool	Maintenance	Water Delivery	EID Land Administration	Administration and General	2025 Total	2024 Total
Salaries and benefits							
Salaries	\$2,273,542	\$849,227	\$1,843,512	\$368,501	\$2,286,408	\$7,621,190	\$7,731,272
Pension plans	253,287	90,802	240,463	96,420	271,775	952,747	894,043
Group insurance	106,106	36,930	101,225	32,215	117,243	393,719	428,747
Employment insurance and WCB	87,053	25,437	74,610	38,945	75,018	301,063	252,802
Equipment							
Amortization of equipment	2,455,020	0	0	518,734	159,842	3,133,596	2,257,030
Equipment rent (recovery), net	0	992,501	122,257	60,715	0	1,175,473	1,204,794
Vehicle expense (recovery), net	(301,892)	257,596	439,655	93,296	94,333	582,988	615,481
Heavy equipment expense	(28,982)	0	0	0	0	(28,982)	340,663
Other							
Materials and supplies	254,999	237,649	270,051	14,295	0	776,994	768,160
Irrigation pumps and structures	0	493,291	358,273	0	0	851,564	892,803
Buildings and grounds	99,096	46,742	181,725	31,514	122,491	481,568	495,959
Office supplies and maintenance	0	0	0	0	220,299	220,299	223,098
Professional fees	0	0	0	18,534	244,078	262,612	203,844
Advertising and promotion	1,694	0	0	17,433	173,895	193,022	163,864
Insurance	94,171	840	64,883	0	36,815	196,709	203,232
Association fees	0	0	0	0	122,244	122,244	125,629
Directors' per diems and CPP (Note 19)	0	0	0	0	91,309	91,309	63,427
Private and irrigated leases	0	0	0	60,004	0	60,004	50,913
Telephone	27,519	6,415	12,788	4,411	13,076	64,209	54,677
Miscellaneous and freight	450	3,867	1,603	700	20,221	26,841	33,199
Loan interest expense	0	0	0	0	250,553	250,553	228,635
Water quality testing	0	0	26,149	0	0	26,149	25,974
Directors' expenses	0	0	0	0	30,415	30,415	18,216
Travel	1,897	669	1,666	383	23,005	27,620	27,084
Shop supplies and small tools	(45,562)	0	637	495	0	(44,430)	(44,130)
Total expenses	5,278,398	3,041,966	3,739,497	1,356,595	4,353,020	17,769,476	17,259,415
Less:							
Recovery from other capital construction	(2,230,874)	(198,908)	(295,633)	(29,202)	(355,849)	(3,110,466)	(2,717,799)
Recovery from cost share capital construction	(2,587,589)	(52,099)	(470,971)	(15,661)	(329,772)	(3,456,092)	(5,278,680)
	\$459,935	\$2,790,959	\$2,972,893	\$1,311,732	\$3,667,399	\$11,202,918	\$9,262,936

2026 Annual Meeting Agenda

Annual General Meeting, Tuesday, March 3, 2026, at 1:30 pm

1.0 Welcome and Opening Remarks: Mr. Tracy Hemsing, Chairman, Board of Directors

2.0 Election of a Chair for the Annual General Meeting: Mr. Tracy Hemsing

3.0 Adoption of the Agenda

4.0 Approval of the Minutes: March 4, 2025, Annual General Meeting

5.0 Business Arising from the Minutes: March 4, 2025, Annual General Meeting

6.0 Presentation of Reports

6.01 Chairman of the Board of Directors Report: Mr. Tracy Hemsing

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

6.03 Maintenance Report: Mr. Brent Kroschel, Operations Manager

6.04 Rehabilitation Report: Mr. Ryan Gagley, Assistant General Manager - Engineering and Operations

6.05 Audited Financial Statements of the District: Mr. Ed Chapman, Bevan and Partners

7.0 General Matters and New Business

7.01 General Matters Raised from the Floor

7.02 Report on Scheduled Elections: Mr. Ivan Friesen, Returning Officer

- Division 1 (Gem / Bassano): Mr. Richard Hiebert (Term Expired)
- Division 5 (Scandia / Rainier): Mr. John Ketchmark (Term Expired)

8.0 Adjournment

Minutes From Annual General Meeting, March 4, 2025

March 4, 2025, Annual General Meeting

The Eastern Irrigation District held its Annual General Meeting on Tuesday, March 4, 2025, 1:30 p.m. at the Heritage Inn in Brooks, Alberta. Approximately 100 people were in attendance.

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

1.0 Welcome and Opening Remarks – Mr. Tracy Hemsing, Chairman, Board of Directors

Mr. Hemsing welcomed those in attendance at the Annual General Meeting, including Jennifer Nitschelm, Director – Irrigation Secretariat, Len Ring – past Irrigation Secretariat Director, Brian Brewin, Member – Irrigation Council, Anne Marie Philipsen, Member – Irrigation Council; County of Newell Councillors Kelly Christman, Holly Johnson, Neil Johnson, Lynnette Kopp, Amanda Philpott, and Adena Skanderup; and Town of Bassano Councillor Sydney Miller.

2.0 Election of a Chair for the Annual General Meeting – Mr. Tracy Hemsing

Mr. Hemsing called for nominations for Chair of the annual meeting.

Moved by Kathlyn Peltzer that Kelly Christman be nominated for Chair.

Mr. Hemsing called for any further nominations a second and third time.

Holly Johnson moved nominations cease.

As no further nominations were placed, Kelly Christman was elected Chair by acclamation. Mrs. Christman assumed the chair.

3.0 Adoption of the Agenda

Mrs. Christman advised of the format for making comments and asking questions from the floor and asked if there were any revisions to the agenda. Mr. Friesen advised that Brent Kroschel would be presenting the Maintenance Report. A motion to adopt the agenda as revised was requested.

Moved by John Brummelhuis that the agenda be adopted as revised. Seconded by Gerwin Van Den Hoek.

Having no requests for further revisions or any deletions to the agenda, a vote on the motion was requested.

The motion to adopt the agenda was carried.

4.0 Approval of the Minutes – March 5, 2024, Annual General Meeting

Mrs. Christman called for a motion to accept or revise the minutes from the March 5, 2024, Annual General Meeting.

Moved by John Brummelhuis that the minutes of the 2024 Annual General Meeting be approved as distributed. Seconded by Gerwin Van Den Hoek.

Having no requests for revisions or corrections to the minutes, a vote on the motion was requested.

The motion to approve the minutes was carried.

5.0 Business Arising from the Minutes – March 5, 2024, Annual General Meeting

Mrs. Christman called for items of business arising from the minutes of the 2024 Annual General Meeting; none were raised.

6.0 Presentation of Reports

Mrs. Christman asked Directors to introduce themselves and their areas of representation, then invited Mr. Hemsing to present his report.

Minutes From Annual General Meeting, March 4, 2025

6.01 Chairman of the Board of Directors' Report – Mr. Tracy Hemsing

Mr. Hemsing presented the Chairman's Report as summarized below:

- Irrigators and staff were thanked for their support and cooperation on another successful irrigation season.
- The Maximum Water Bylaw was revised to make Stage 2 the default whereby the District begins each season conservatively and each operating month evaluates and may adjust the allowable limit, based on existing conditions.
- The Snake Lake Reservoir Expansion Project was officially approved by motion, at an estimated cost of \$273 million, to be funded by the District, the Government of Alberta (GOA), and a loan from the Canada Infrastructure Bank.
- After several drought meetings with the GOA, a Memorandum of Understanding (MOU) was signed by the EID and other irrigation districts formally committing to collaboratively managing water resources and prioritizing the various needs of all users.
- The Irrigation Acres Bylaw was revised, requiring that prior to an application being accepted, soils testing is to be completed and if applicable, written consent from landowners must be submitted permitting access for new infrastructure to cross their lands.
- 4 new EID quarter sections will be developed and auctioned in 2025 as irrigated farm leases.
- The District is testing soils for further possible expansion on District owned lands.
- Capital Assets Charges had a 2% inflationary increase added and for 2025 are: New Acres - \$3,672, Infill Acres - \$1,530, and Converting from Term Acres - \$765.
- The Bow City, Rainier, and Scandia EIDNet fibre project was completed.
- Free internet service was given to all fire departments to support their emergency training, as was offered to community halls to assist with remote monitoring of their buildings.
- Further prevention measures continue to be explored to bolster the AIS Prevention Program.
- Environment and Protected Areas (EPA) introduced a Provincial Water Availability Engagement (PWAE) to pursue solutions for water allocations in Alberta. In response, the Alberta Irrigation Districts Association (AIDA) put forth 13 possible solutions to address the concerns of the province. The Board and irrigators attended open houses and met with our MLA to express our concerns.
- In spring of 2024, Brad Deschamps was acclaimed in Division 3 and Brent Schroeder was re-elected in Division 6. Appreciation was given to Ross Owen for his 15 years of service. In December, after becoming ineligible to hold the Division 4 seat due to the sale of his land, the Board appointed Brian Schmidt as an additional member until the 2025 election.
- Operating costs for 2024/2025 are projected to be \$30.57/acre. With oil and gas revenue trending lower, the inflationary costs of infrastructure, and the Snake Lake Reservoir expansion project, the Board will be focusing on increasing revenue.
- The Board looks to its vision and mission statements for direction on developing policy and bylaws. Irrigators were encouraged to reach out to Directors with their feedback.

Mrs. Christman asked for a motion to accept the report.

Moved by Neil Johnson that the 2024 Chairman of the Board of Directors' Report be accepted as presented. Seconded by Adena Skanderup.

Minutes From Annual General Meeting, March 4, 2025

Mrs. Christman asked if there were any questions of the Chairman; being none, a vote on the motion was requested.

The motion to adopt the report was carried.

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

Mr. Friesen presented expanded and complementary information to the General Manager's Report, as summarized below:

- EPA facilitated discussions of formal water sharing agreements between major license holders on the Red Deer River, Bow River, Oldman River, and southern tributaries. MOUs were developed on each system that modelled reciprocal unwritten practices and verbal agreements already in place between districts and other major license holders on the Bow River. The Bow River basin did not require to activate the MOU as there was ample water to meet all demands.
- The District took a cautious approach heading into the 2024 irrigation season, setting the allocation at 15", knowing that that amount could be delivered with little to no shortages. Spring precipitation, along with good late snowpack allowed an increase to 18" and then 24". Total diversion was 432,000 acre-feet and 9.84" delivered to the farm gate. Seasonal precipitation resulted in being mostly above the long term average for the area.
- In late fall of 2024, EPA initiated the PWAE. The irrigation industry was one of the first industries to recognize and address the concerns and uncertainty the "Water Management Issue Sheets" released by EPA created for its irrigation producers, value added agricultural processors, and the agricultural industry at large. Proactively, AIDA with the consensus of all irrigation districts, provided Government with identified concerns of possible amendments and suggestions to improve water access in Alberta. Thank you to everyone who attended engagement meetings and helped in providing feedback.
- The multi-year Alberta Irrigation Modernization (AIM) projects which include canal to pipeline conversions are continuing. Also included is the Snake Lake Reservoir expansion. Engineering, geotechnical, environmental, and regulatory work is well underway, with the Environmental Impact Assessment (EIA) to be completed and submitted to the Government in early 2025.
- 1,789 acres of irrigation development applications were approved for the 2025 season.
- The Farm Improvement Program saw 30 approved applications totaling \$249,563, with the majority for converting to a more efficient method of irrigation, cost-shares to accommodate pivots, and return of deductions.
- A reduced maximum of 60 head and a 2 week delay was imposed to allow time for pastures to recover from the last couple of years of low precipitation. 13,791 head of cattle were placed on pastures, down 3,643 from 2023; total Animal Unit Months (AUMs) were 61,766, down from 81,719 in 2023. The maximum listing for the 2025 grazing season has tentatively been set at 65 head.
- 13 new wells were established on District land, 19 wells were twinned, 70 wells were reclaimed, and 84 abandonment notifications were received. 30 miles or 183 acres of new pipelines were added.
- Topics that were before the Board in 2024:
 - What cost is prohibitive to construct Snake Lake Reservoir?
 - The Snake Lake Reservoir project was approved at the February 27, 2024, Board Meeting at an estimated cost of \$273 million.
 - Should Capital Assets be increased?
 - Capital assets charges were increased on November 26, 2024:
 - \$765/acre for converting terminable acres to irrigation acres;

Minutes From Annual General Meeting, March 4, 2025

- \$1,530/acre for infill and efficiency acres up to 50 irrigation acres per parcel;
 - \$3,672/acre for infill and efficiency acres over 50 irrigation acres per parcel; and
 - \$3,672/acre for acres assessed to dry parcels (new acres).
- How can large scale projects be facilitated?
 - Discussions are still ongoing.
- What role beyond irrigation development does the District play in the economic development of the area?
 - All developments will be considered on their own merits.
- Irrigators were encouraged to reach out to Directors to discuss any matters of interest including the following topics before the Board in 2025:
 - Snake Lake Reservoir Expansion Project
 - Irrigation Expansion Pace
 - Capital Asset Rate
 - Water Rate
 - The rate was increased from \$5/acre to \$6/acre on February 25, 2025.
 - New Irrigation Development Leases
 - 4 EID quarters are scheduled to be auctioned in late summer.
 - How can large scale developments be facilitated?
 - What role beyond irrigation development does the District play in the economic development of the area?
 - Is there interest in revising the Sale of District Owned Lands Policy?
- Alberta Open Farm Days' theme this year is on water; EID will again offer Bassano Dam tours.
- Irrigators were given notice of the District moving towards digital mailings and correspondence.
- Sincere appreciation was extended to irrigators, Directors, and staff for their dedication and work necessary in achieving the District's primary directive of conveying water to the farm gate.

A number of questions throughout the report were responded to by Administration and Directors.

Mrs. Christman asked for a motion to accept the report.

**Moved by Kathlyn Peltzer that the 2024 General Manager's Report be accepted as presented.
Seconded by Carl Chomistek.**

As there were no further questions, Mrs. Christman requested a vote on the motion.

The motion to adopt the report was carried.

6.03 Maintenance Report – Mr. Brent Kroschel, Operations Manager

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

- Maintenance costs for 2024 totaled \$3,068,230; somewhat higher than the past 5 year average.
- The modest increase in costs is due to more pipeline repairs, unexpected pumphouse repairs, related increase in labour, and overall inflationary costs.

Mrs. Christman asked if there were any questions of the Operations Manager; being none, a motion to accept the report was requested.

**Moved by Gerwin Van Den Hoek that the 2024 Maintenance Report be accepted as presented.
Seconded by Gerald Trembecki.**

The motion to adopt the report was carried.

Minutes From Annual General Meeting, March 4, 2025

6.04 Rehabilitation Report – Mr. Ryan Gagley, Assistant General Manager – Engineering and Operations

Mr. Gagley reviewed the 2024 Rehabilitation Report, displayed information on completed projects, and advised of plans for future Capital and IRP projects.

- In 2023/2024, \$36,041,200 of District funds were spent on Capital and IRP construction projects. Nearly 30 km of pipeline was installed, 6 km of canal was rehabilitated, and 3 concrete structures were installed.
- 2025/2026 capital construction will consist of 7 proposed projects, subject to Board approval: T Tilley (AIM), Lower North Branch (AIM), Lower Bow Slope (AIM), 17-G Springhill (AIM), Tilley Canal Rehab and Lining, Snake Lake Canal (IRP), Main Bantry Bank Lift, as well as the continuance of the County/EID Joint Drainage Program in the south Rolling Hills area.
- Extensive fieldwork and laboratory analysis for the Snake Lake Reservoir expansion project have taken place to determine the existing ground conditions under the proposed dam and within the expanded reservoir. The EIA is nearing completion with plans to file it with the EPA Environmental Assessment Group and the Natural Resources Conservation Board (NRCB) by the end of the month. Approvals are expected to take a minimum of 1 year.

Mrs. Christman asked if there were any questions of the Assistant General Manager; being none a motion to accept the report was requested.

Moved by Harry Philipsen that the 2024 Rehabilitation Report be accepted as presented. Seconded by Lammert Lyzenga.

The motion to adopt the report was carried.

6.05 Audited Financial Statements of the District – Mr. Ed Chapman, Bevan and Partners

Mr. Chapman, Bevan and Partners, advised that at the conclusion of the audit a clean audit report on the financial statements was presented in accordance with Canadian accounting standards for Not-For-Profit organizations. A summary of the independent auditor's report and the audited financial statements were then presented, highlighted as follows:

Assets

- Current Assets
 - Overall current assets increased by \$10.35 million. The reason for the increase was the significant increase in Accounts receivable due to the unpaid amounts relating to the Fibre optic and AIM projects.
 - Changes that occurred in Materials and Supplies and Prepaid expenses are normal fluctuations that can occur year to year.
- Non- Current Assets
 - There were no significant changes; deposits and trust funds increased from the previous year because of new funds being held for a land lease security deposit.
 - Accounts receivable increased over the previous year and was the result of work billed in the current year but that was not due for repayment before September 30, 2025.
 - Long term Investments, which are investments not due within the next 12 months, decreased by \$11.7 million.

Minutes From Annual General Meeting, March 4, 2025

- Property and Equipment
 - There was a net increase of \$23.46 million net of amortization expenses compared to the previous year.
 - The increase in building and equipment was primarily the result of the irrigation development and Rock Lake pivot and the continued expansion of the fibre optic project.
 - The net increase in irrigation works was the result of irrigation works projects capitalized of \$36.04 million and the yearly amortization of \$20.46 million.
 - The irrigation works project additions were comprised of the AIM projects, IRP projects, and other EID capital projects.
 - During the year there was an additional \$10 million spent on the Snake Lake Reservoir expansion.

Liabilities

- Long term debt increased by \$4.63 million and this is directly attributable to the AIM Program.
- Deferred grants and contributions increased by \$5.15 million during the year. The District received funding of \$12.41 million: \$8.42 million from AIM and the Province of Alberta under the IRP program and \$3.99 million from a UBF Grant to be used for the fibre optic expansion.
- This money will be amortized into revenue as the funds are spent. In 2024, \$7.26 million was amortized into revenue.

Fund Balances

- Fund balances are used to track how funds have been spent and allocated for future EID projects (Note 10 will provide additional details).
- Internally restricted assets are funds that the Board of Directors have allocated to future projects relating to community pasture development and irrigation works additions.
- Externally restricted assets are funds that have been received from the province that must be used for specific cost-shared irrigation projects.

Statement of Operations

- Water earnings decreased from the previous year due to the irrigation season extending into October in 2024 and a portion of the income being deferred into the next fiscal year (view Note 11 for additional details).
- Revenue for the District was up from the previous year approximately \$1.66 million.
- The gain on sale of land, equipment, and buildings consisted of the sale of capital assets during the year.
- Capital asset charges increased by \$1.96 million over the previous year, which is a product of the AIM program.
- Amortization of irrigation works increased over the past year and was expected given the most recent capital asset additions to irrigation works.
- Total operating and administration expenses were down \$840,000 because of increased recovery rates.
- EIDNet revenue, as laid out on Note 15, shows revenue was 15% higher than the previous year due to

Minutes From Annual General Meeting, March 4, 2025

the grant received. Profitability dropped due to increased expenses when compared to the previous year.

- The Statement of Operations shows a surplus at the end of the year of \$20.57 million.

Cash Flow Statement

- The income statement that was previously discussed shows the EID operations on an accrual basis for revenue and expenses over the last operating year, showing the EID profitability.
- Whereas the cash flow statement shows the increases and decreases in the EID cash position during the year. Unlike the income statement that uses accrual basis accounting, the cash flow statement shows the cash movements during the year only.
- The total cash shown as available on the Cash Flow Statement only shows the cash and cash equivalents at the end of the year.
- This is defined as the cash and short-term securities with maturities less than 90 days from the year end date. This is displayed at the bottom of the Cash Flow Statement.
- The cash position increased by \$5.57 million from the previous year.

Mr. Chapman thanked Mrs. Stephanie Barlow for preparing the financial statements and EID staff for their assistance when performing the audit.

Mrs. Christman asked for a motion to accept the report.

Moved by Carl Chomistek that the 2024 Independent Auditor's Report and Financial Statements be accepted as presented. Seconded by John Brummelhuis.

Mrs. Christman asked if there were any questions of Mr. Chapman; being none, she asked for a vote on the motion.

The motion to adopt the report was carried.

7.0 General Matters & New Business

7.01 Provincial Water Availability Engagement

Mr. Friesen presented a more detailed summary of the PWAE as follows:

- In October 2024, AIDA was made aware of a PWAE and its potential to affect the Water Act:
 - According to Minister Schultz's letter, the intent of the engagement was to "Review Alberta's water management strategy to increase the availability of water and water licenses to Alberta's municipalities, businesses and agricultural producers while maintaining the highest standards of water conservation and treatment."
 - Shortly after, the Province released a number of "Water Management Issue Sheets".
- AIDA promptly and proactively drafted a response paper, "White Paper", with consensus from all irrigation districts, proposing suggestions to improve water availability. White Paper messaging was based on the following key points:
 - irrigation provides significant economic and social benefits
 - the system is not broken: 2023 and 2024 saw large senior license holders working together to mitigate drought, with the result of successful water management years

Minutes From Annual General Meeting, March 4, 2025

- mitigation for droughts and floods can be achieved through increased water storage
- stripping large license holders of allocation would restrict Alberta's economy
- The engagement period was short, initially ending January 15th, then extended to the 24th.
 - November 28th all irrigation district boards met individually with EPA.
 - January 3rd the EID met with MLA/Premier Smith.
 - AIDA had multiple additional meetings with senior staff and ministers across several different ministries.
- Thank you to all those who took the time to attend one or more of the virtual or in-person meetings and those who wrote/emailed their feedback to EPA and/or their MLAs.
- The engagement is currently in the "Review Phase 1 Feedback" stage.

7.02 General Matters Raised from the Floor

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

Directors, Mr. Friesen, and Mr. Gagley responded to various questions from the floor regarding infrastructure capacity to facilitate irrigation development in the Gem area, further AIS prevention strategies, the sale of land, the rate of development for reservoir and river acres, carry forward acres, large scale irrigation development, contribution towards landowner infrastructure, revenue streams, and the capital asset rate.

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

Mr. Friesen reported that the terms for the current Directors for Electoral Division 2 (Rosemary/Duchess), Electoral Division 4 (Cassils/Brooks), and Electoral Division 7 (Rolling Hills) have been completed; therefore, nominations are being accepted for these divisions. The nomination period will close Wednesday, March 5, 2025, at 5:00 p.m. Nomination forms can be obtained from the District Office. An election, if necessary, will be held Tuesday, April 8th.

8.0 Adjournment

Mr. Hemsing thanked everyone for attending and giving input and thanked the EID field and office staff for their hard work. Mrs. Christman extended appreciation for the good working relationship between the County and the EID, then called for a motion to adjourn the meeting.

Moved by Jeff Van Wert that the annual meeting be adjourned at 4:05 p.m.

NOTICE FOR FILING NOMINATIONS

Irrigation Districts Act, Parts 2 and 3

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, AB, until **5:00 p.m. local time on Wednesday, March 4, 2026**.

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	NE 36, 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 **14th** day of **April, 2026**.

Dated at the City of Brooks, in the Province of Alberta, this 2nd day of February, 2026.

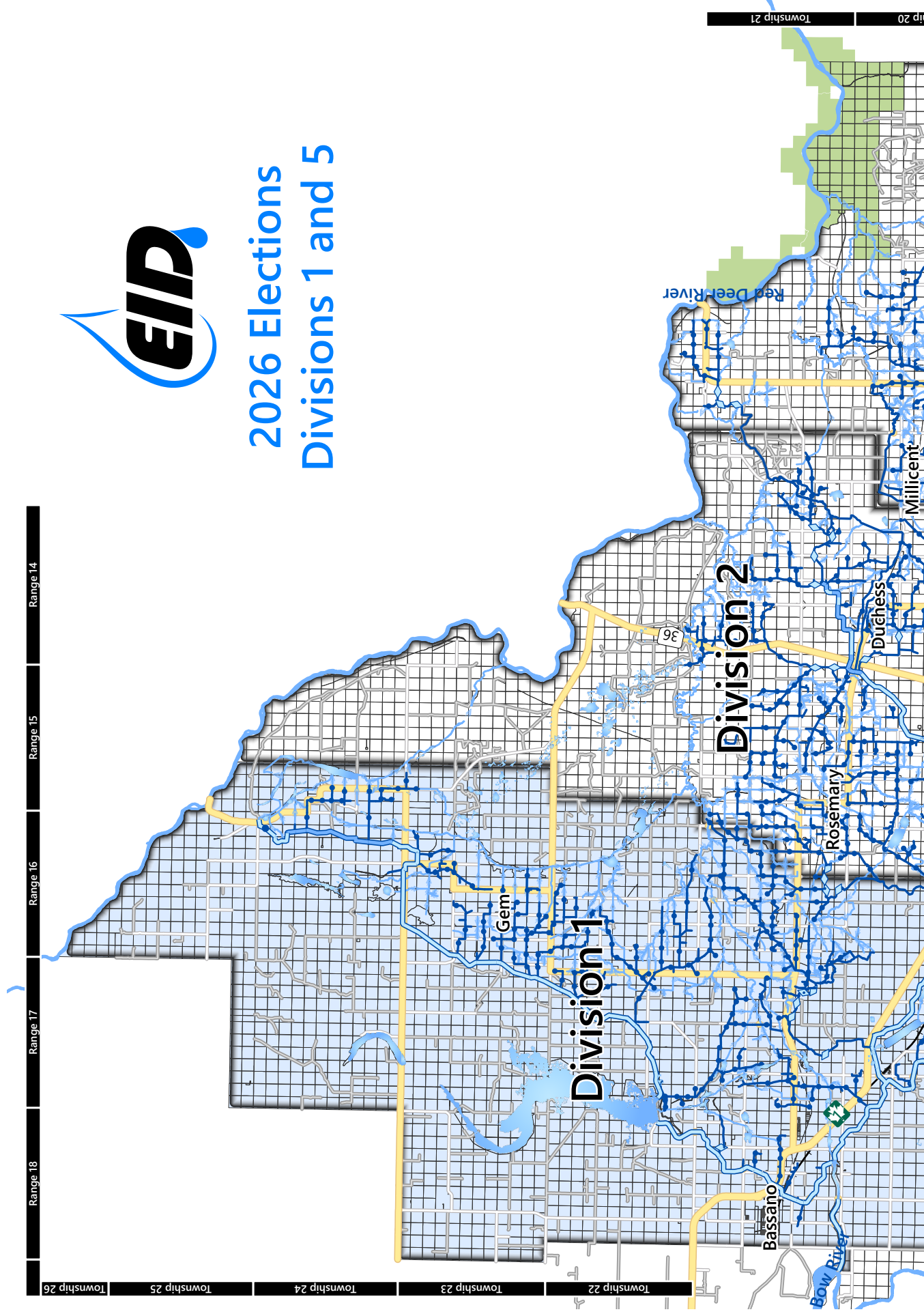
Ivan Friesen, Returning Officer

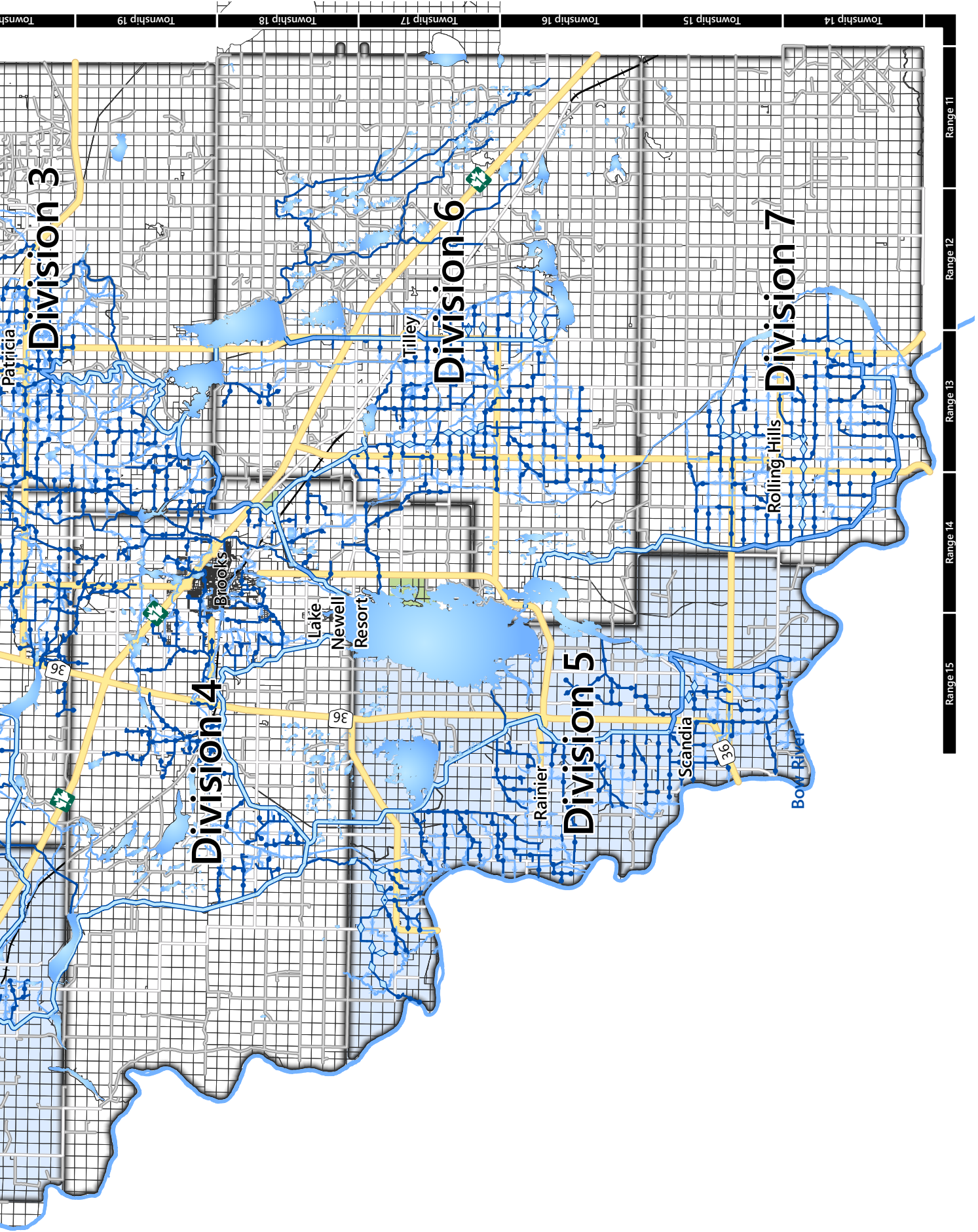
Eastern Irrigation District

Electoral Divisions Map



2026 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, 27, 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, 27, 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

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 sections 54 and 58 of the *Irrigation Districts Act*, section 27 of the *Local Authorities Election Act*, and section 4(c) of the *Protection of Privacy Act*, SA 2024, c P-28.5, and any amendments thereto. For questions about the collection and use of personal information, please contact: Assistant General Manager, Legal and Corporate Services by e-mail at privacy@eid.ca, or telephone 403-362-1400, or by mail to Box 128, 550-Industrial Road West, Brooks, Alberta, T1R 1B2.

RETURNING OFFICER'S ACCEPTANCE

Returning Officer signals acceptance by signing this form.

(Signature of Returning officer)

NOTE: The time for filing nominations expires at 5:00 p.m. local time on Wednesday, March 4, 2026.

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