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### **March 3, 2026, Annual General Meeting**

The Eastern Irrigation District held its Annual General Meeting on Tuesday, March 3, 2026, 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 conveyed perspectives shared with him at a tour of the EID last summer and from his viewpoint after attending a recent conference in Boise, ID. He thanked the previous boards and management for their forethought, helping make the EID the top-grade district it is today. He welcomed those in attendance at the Annual General Meeting, including Jamie Wuite – Agriculture & Irrigation Natural Resource Management Branch Executive Director and Irrigation Council Member; Jennifer Nitschelm – Irrigation Secretariat Director; and Margo Jarvis Redelback – AIDA Executive Director.

#### **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 Ryan Andrews that Holly Johnson be nominated for Chair.**

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

**Stephen Anderson moved nominations cease.**

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

#### **3.0 Adoption of the Agenda**

Mrs. Johnson advised of the format for making comments and asking questions from the floor and asked for a motion to adopt the agenda.

**Moved by Greg Andrew, seconded by Dan Baumgarten, that the agenda be adopted as presented.**

Mrs. Johnson asked if there were any additions or deletions to the agenda. None being made, a vote on the motion was requested.

**The motion to adopt the agenda was carried.**

#### **4.0 Approval of the Minutes – March 4, 2025, Annual General Meeting**

Mrs. Johnson called for a motion to accept or revise the minutes from the March 4, 2025, Annual General Meeting.

**Moved by John Graham, seconded by Tjark Stikker, that the minutes of the 2025 Annual General Meeting be approved as distributed.**

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 4, 2025, Annual General Meeting**

Mrs. Johnson called for items of business arising from the minutes of the 2025 Annual General Meeting; none were raised.

## **6.0 Presentation of Reports**

Mrs. Johnson invited Mr. Hemsing to present his report.

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

Mr. Hemsing introduced the Board and Staff and presented the Chairman's Report as summarized below:

- The Board and staff have remained focused on delivering reliable water services to irrigators while advancing initiatives that support the long term sustainability of the District.
- April elections had all candidates acclaimed in their divisions: Division 2 – David Peltzer, Division 4 – Jeff Alberts, and Division 7 – Tracy Hemsing. Brian Schmidt was thanked for his 6 years of service on 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 is currently in the Environmental Impact Assessment (EIA) process.
- The Provincial Government is considering many of the recommended amendments put forward by the Alberta Irrigation Districts Association (AIDA) regarding water sharing, while maintaining the First-In-Time, First-In-Right system.
- The EID budgeted for additional staff to be deployed this summer in the District's Aquatic Invasive Species Prevention program.
- 8 previously long term and 4 new irrigated leases were each auctioned for a term of 5 years, averaging \$413/acre. 4 new parcels will be auctioned in 2026 for farming in 2027.
- Irrigation development on other District lands is being explored through soils testing, including east of Crawling Valley Reservoir, west of Rolling Hills Reservoir and east of Lake Newell Reservoir.
- Capital Assets Charges were increased: New Acres - \$4,000, Infill Acres - \$2,000, and Converting from Term Acres - \$2,000. Considered by the Board in 2025 and confirmed in 2026, all irrigation acres will be charged at the New Acre rate beginning in 2027.
- Landowners are encouraged to notify EID staff of any changes to their irrigation systems that may affect assessment.
- The District contributed land towards the Kinbrook Connection Pathway and JBS access road.
- The group camping area SE of Kinbrook Island is being sold and transferred to the Province to be included in the Kinbrook Island Provincial Park. A renewed lease to the Province is being finalized for District lands adjacent to the Park.
- Field and office staff were thanked for their hard work, the effort to update safety protocols, and prioritizing employee well-being.

- A thank you was also extended to irrigators and the community for their continued support.

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

**Moved by Gordon Frank that the 2025 Chairman of the Board of Directors' Report be accepted as presented. Seconded by Kathlyn Peltzer.**

**The motion to adopt the report was carried.**

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

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

- Snowpack for the Bow Basin continued average to below average through to spring. Diversion began April 7<sup>th</sup>, with the system fully operational in all areas by May 8<sup>th</sup>. The District began its operating season at Stage 2 and was confident to move up to Stage 1 after receiving appreciable rainfall in the majority of the District. Water Shut Down to irrigators was October 9<sup>th</sup>. Total diversion was 413,000 acre-feet and 9.49" delivered to the farm gate. Seasonal precipitation was near the long term average for the area.
- The Provincial Government's "Water Availability Engagement" resulted in a positive outcome for the irrigation industry, influenced by AIDA, all irrigation districts, and participating irrigators. A major overhaul of the legislation was not enacted; it was determined that only minor changes could be proposed to enhance water access and the efficiency of the system.
- The multi-year Alberta Irrigation Modernization (AIM) projects, which include canal to pipeline conversions, are continuing and should be complete by 2027. Also included is the Snake Lake Reservoir expansion. Engineering, geotechnical, and regulatory work is well underway, with the Environmental Impact Assessment (EIA) being submitted to the Government in early 2025. From this, a Supplemental Information Request (SIR) was received which District staff along with consulting expertise will provide the additional information in the first half of 2026. With the anticipated approval and the multi-million kms of driving necessary for material hauling, the building of the road network around the reservoir has been completed. The District is optimistic that approval will be granted in late 2026 or early 2027.
- The District granted 1,200 new off river acres and 1,670 new reservoir supported acres for the 2026 season. In the last couple of years there were unutilized acres (carry forward acres) in the yearly allotment for reservoir supported areas. 578 acres were developed by the EID as irrigated leases in Rolling Hills and Gem and auctioned in August 2025. 598 acres in the Rolling Hills area will be auctioned 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.
- 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. Approximately 12,000 acres remain for new irrigation development and approximately 6,500 acres for infill. Given this 4-6 year timeline, another plebiscite to increase the District's expansion limit will need to be considered.
- 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. This can be attributed to the District now being nearly 90% pivot.
- With more normal moisture conditions and an increase in reserve grass, a 65 head grazing maximum was set, along with average entry dates. 14,495 head of cattle were placed on

pastures, up 704 from 2024; total Animal Unit Months (AUMs) were 75,840, up from 61,766 in 2024. The maximum listing for the 2026 grazing season has tentatively been set at 70 head.

- 8 new wells were established on District owned land, 28 wells were twinned, 116 wells were reclaimed, and 186 abandonment notifications were received. 16 miles or 96 acres of new pipelines were added. 2 seismic programs were conducted.
- The 4 Phase EIDNet fibre optic build will be completed in early 2026, followed by the Bassano fibre project to also be completed in 2026.
- Topics that were before the Board in 2025:
  - Snake Lake Reservoir Expansion Project
  - Irrigation Development Pace – *continue 3,000 acres new, 1,000 acres infill/year*
  - Capital Asset Rate – *rates increased November 25, 2025, to \$4,000 for new acres and \$2,000 for all other acres, noting that next year all acres will be at the new acre rate*
  - Water Rate – *rate increased from \$6/acre to \$7/acre on January 27, 2026*
  - New Irrigation Development Leases – *4 EID quarters are scheduled to be auctioned in late summer*
  - How can large scale developments be facilitated? – *some large developments are occurring within the current structure*
  - 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?
- Irrigators were encouraged to reach out to Directors to discuss any matters of interest including the following topics before the Board in 2026:
  - Snake Lake Reservoir Expansion Project - *ongoing*
  - Capital Asset Rate – *reviewed annually*
  - Water Rate – *reviewed annually*
  - Irrigation Expansion – *how soon to start the next plebiscite*
  - New Irrigation Development Leases – *future potential on EID lands*
  - How does the EID compare to other districts – *capital asset rate, water rate*
  - What role beyond irrigation development does the District play in the economic development of the area?
    - *Should selling minimal small-scale pieces of District lands to boost the local economy and provide revenue for the District be considered?*
- 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.

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

**Moved by Blaine Johnson that the 2025 General Manager's Report be accepted as presented.**

Mrs. Johnson asked if there were any questions of the General Manager. A number of questions were responded to by Mr. Friesen and Directors with regard to a future plebiscite, sale of District owned lands, leasing land vs selling, and grazing revenue. As there were no further questions, Mrs. Johnson requested a seconder and a vote on the motion.

**Seconded by John Brummelhuis.**

**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 2025 totaled \$2,790,959; somewhat below the past 5 year average.
- The decrease in costs is mostly due to a drop in labour costs and improvements to infrastructure through the District's rehabilitation program.

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

**Moved by Leonard Parker that the 2025 Maintenance Report be accepted as presented. Seconded by John Brummelhuis.**

Mrs. Johnson asked if there were any questions of the Operations Manager. A few questions were answered regarding pipeline monitoring and aquatic weed control. As there were no further questions, Mrs. Johnson requested a vote on the motion.

**The motion to adopt the report was carried.**

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

Mr. Gagley reviewed the 2025 Rehabilitation Report, displayed information on completed projects, and advised of plans for future Capital and IRP projects.

- In 2024/2025, \$25,497,100 of District funds were spent on Capital and IRP construction projects. Nearly 17 km of pipeline was installed, 5 km of canal was rehabilitated, and 1 concrete structure and 4 gabion walls were installed.
- 2026/2027 capital construction will consist of 6 proposed projects, subject to Board approval: 11 Bow Slope Upper (IRP), 27 Rolling Hills (AIM), Tilley Canal – Hwy #1 to Tilley (AIM), Secondary A North Branch (AIM), 20 Bow Slope (AIM), 19 North Branch 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 was filed with the EPA Environmental Assessment Group and the Natural Resources Conservation Board (NRCB) in April 2025. A Supplementary Information Request (SIR) was received in October 2025 with EID aiming to complete our response by April 2026. It is anticipated to commence construction in 2027, taking 3 years to complete, at an estimated cost of \$273M. In the interim, riprap is being hauled and stockpiled on site.

Mrs. Johnson asked if there were any questions of the Assistant General Manager. A number of questions concerning repayment of the Snake Lake Reservoir expansion project loan were answered by Admin and Directors, and a few rehab project questions were answered by Mr. Gagley. As there were no further questions, Mrs. Johnson asked for a motion to accept the report.

**Moved by Jeff Van Wert that the 2025 Rehabilitation Report be accepted as presented. Seconded by Tjark Stikker.**

**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 decreased by \$12.06 million. The reason for the decrease was due to the decrease in Investments and Accounts Receivable.
  - 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.
  - Long term Investments, which are investments not due within the next 12 months, increased by \$14.67 million.
- Property and Equipment
  - There was a net increase of \$12.43 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 the continued expansion of the fibre optic project.
  - The net increase in irrigation works was the result of irrigation works projects capitalized of \$25.49 million and the yearly amortization of \$20.53 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 \$5.87 million spent on the Snake Lake Reservoir expansion.

Liabilities

- Long term debt increased by \$1.08 million and this is directly attributable to the AIM Program.
- Deferred grants and contributions increased by \$1.36 million during the year. The District received funding of \$8.69 million: \$7.23 million from AIM and the Province of Alberta under the IRP program and \$1.46 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 2025, \$7.32 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 11 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 increased from the previous year due to the increase in water rates from \$5 to \$6 an acre.

- Revenue for the District was up from the previous year approximately \$1.23 million.
- Capital asset charges increased by \$857,000 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 up \$1.94 million because of decreased recovery rates.
- EIDNet revenue, as laid out on Note 16, shows revenue was 6% higher than the previous year due to 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 \$18.7 million.

#### Cash Flow Statement

- 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 \$16.76 million from the previous year.

Mr. Chapman thanked management and staff for their cooperation and assistance throughout the audit process. Mrs. Johnson asked for a motion to accept the report.

**Moved by Kelsey Campbell that the 2025 Independent Auditor's Report and Financial Statements be accepted as presented. Seconded by Dan Baumgarten.**

Mrs. Johnson asked if there were any questions of the Auditor. Questions regarding District irrigated leases were responded to by the Board and Admin. As there were no further questions, Mrs. Johnson requested a vote on the motion.

**The motion to adopt the report was carried.**

## **7.0 General Matters & New Business**

### **7.01 General Matters Raised from the Floor**

Mrs. Johnson asked if there were any questions from the floor. Directors and Mr. Friesen responded to various questions from the floor regarding irrigated lease auctions and the sale of District owned lands.

### **7.02 Report on Scheduled Elections – Mr. Ivan Friesen, Returning Officer**

Mr. Friesen reported that the terms for the current Directors for Electoral Division 1 (Gem/Bassano) and Electoral Division 5 (Scandia/Rainier) have been completed; therefore, nominations are being accepted for these divisions. The nomination period will close Wednesday, March 4, 2026, at 5:00 p.m. Nomination forms can be obtained from the District Office. An election, if necessary, will be held Tuesday, April 14<sup>th</sup>.

## **8.0 Adjournment**

Mrs. Johnson called for a motion to adjourn the meeting.

**Moved by Pedro Giesbrecht that the annual meeting be adjourned at 3:48 p.m.**

FOR APPROVAL AT 2027 AGM