



**FINANCIAL STATEMENTS  
AND  
ANNUAL REPORT  
For the year ended  
DECEMBER 31, 2024**

The Board of Directors invites you  
to attend the annual meeting  
**Wednesday, April 16, 2025 at 1:30 p.m.**  
**Vauxhall Community Hall**  
Please bring this report with you.



## Turbulent Shores - Badger Lake



**FINANCIAL STATEMENTS AND ANNUAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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# DIRECTORS AND STAFF OF THE BOW RIVER IRRIGATION DISTRICT

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## **\*\*BOARD OF DIRECTORS\*\***

Walter Unruh, Chairman - Div. #7	John DeVries, Director - Div. #4
James Larson, Vice-Chairman - Div. #3	Vic Van Dyk, Director - Div. #5
Glenn Logan, Director - Div. #1	Kerby Redekop, Director - Div. #6
Kale McMorris, Director - Div. #1	
John Kolk, Director - Div. #2	

## **\*\*STAFF\*\***

### **Administration/Engineering**

Richard Phillips, P. Eng.	General Manager
Jessica Robbins, CPA, CA	Assistant General Manager–Finance and HR
George Thiessen	Land Administrator/Safety Officer
Dana Fleming/Les Olson	Landman
Muriel Golby	Accounts Payable
Anne Cazemier	Accounts Receivable
Lori Van Hal	Receptionist
Darryl Row	Systems Administrator/Draftsman
Dylan Fletcher	Engineering Technologist
Evan Blindback	Land Classification Technologist

### **Operations/Maintenance**

Bill Skelly	Superintendent of Maintenance
Daryl Brouwers	Operations Supervisor
Donnell Schlosser	Maintenance Foreman
Marlin Hill	Survey Crew Chief
Mark Borle	Operations Assistant
Nicholas May	Headworks Operator
Louise Christie	Assistant Headworks Operator – Seasonal
Adam Locke	Ditchrider
Bryden Geremia	Ditchrider
Conrad Cazemier	Ditchrider - Seasonal
Kelly Howg	Ditchrider
Lonnie Howg	Ditchrider - Seasonal
Ray Friesen	Ditchrider
Richard Church	Ditchrider
Vince Row	Ditchrider
Cory Hull	Purchaser
Daniel Wiebe	Mechanic
Allan Friesen	Tandem Gravel Truck Operator
Curtis Johnson	Semi Tractor Operator
Jared Willis	Weed Control Operator/Labourer

Armand Lautier	Equipment Operator
Jaarno Van Der Wielen	Equipment Operator
Keith Gertzen	Equipment Operator
Kelvin Wright	Equipment Operator
Kevin Jorgensen	Equipment Operator
Glen Andruschak	Equipment Operator
Westin Hlatky	Equipment Operator
Ernie Crowson	Weed Control Operator/Welder
Ivan Bolen	Labourer
Miguel Hiebert	Labourer
Kaleb Unrau	Labourer
Cory Bougie	Labourer
Jake Penner	Labourer
Xavier Hull	Labourer

## CHAIRMAN'S REPORT

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To the irrigators of the Bow River Irrigation District:

### Board Elections

In Division 1 Kale McMorris was elected by acclamation. In Division 7 Walter Unruh was elected by acclamation.

### Meetings

The board and management attended more meetings mainly due to the Alberta Government's Water Availability Engagement process. Richard Phillips was active in his role on the AIDA executive committee to help bring forward Irrigation's concerns and provide solutions. We attended open houses and met with government officials who assured us that our water licenses were secure.

In our board meetings we continued to work on current projects as well as the ongoing needs of our irrigators. Deadhorse Reservoir, Carseland canal upgrade and planning an expansion process were items of almost each month's agenda.

### Conferences Event Tours

Our board and staff attended many functions this year. We, the board, want to make the most of every opportunity to promote irrigation. We held a tour for BRID irrigators, and another for the U of C staff. Richard also toured the Federal Department of Fisheries and Oceans in our district.

Minister RJ Sigurdson made the IRP funding announcement here in April. When asked why he came to the BRID to make the announcement, he stated that "we were central in irrigation in Southern Alberta". He and his staff left with food products produced throughout our district. Thank you to those who donated products, opened your farming operations, and gave time for tours.

We have attended many events in 2024, to celebrate milestones, learn from our partners in irrigation, reach out to our urban friends, and help our government representatives and leaders to make informed decisions.

### Appreciation

The board thanks all the management and staff again this year for a job well done. We so appreciate your commitment to supplying water, maintaining and building infrastructure and managing the office details of the day-to-day needs for the BRID.

Richard and Jessica did a great job as our management team to handle the extra workload this year and help our board be efficient at our job.

My thanks to the board members who represented their areas and worked together for the district as a whole.

Thanks to our federal government and staff. Thank you, MP Martin Shields, for your support for us again this year. Thank you for your years of service and we wish you all the best in your retirement.

Thanks to our Premier Danielle Smith, Minister Sigurdson, Minister Schultz, Deputy Ministers, local MLA's, and various staff who have met with us in meetings, open houses, and at different events to listen to our concerns with the Water Act Review, We expressed the importance of water security for irrigation and agriculture in our district.

### Conclusion

Our irrigators produce high quality commodities which drive our economy and generate jobs throughout southern Alberta and provide food for consumers here in Alberta and worldwide. The BRID irrigators, board, management and staff operated efficiently and responsibly this year to manage the special resource of water to produce food.

A quote I heard recently was "If you eat, you are involved in agriculture". This shows the importance of what we do here in the BRID. Blessings to all in 2025.

Respectfully submitted,

Walter Unruh  
Chairman, Board of Directors

**BOARD OF DIRECTORS REMUNERATION REPORT  
JANUARY 1, 2024 – DECEMBER 31, 2024**

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Members of the Board of Directors of the Bow River Irrigation District receive remuneration for their time spent in attendance at meetings and compensation for whatever expenses are incurred in attending those meetings, such as meals and mileage. For attendance at meetings, directors receive \$572 per day. The board chairman receives an extra \$127 per day for each board meeting and for each day of official district business when specifically performing duties of board chairman. The board members who review the monthly bank reconciliations and investment summaries receive an extra \$64 per day for each board meeting.

The following is a listing of fees incurred through operations of the Board of Directors of the Bow River Irrigation District:

<u>Year</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Directors' Fees	\$148,292	\$148,443	\$128,475	\$73,542	\$111,285
Miscellaneous	\$17,086	\$14,653	\$40,260	\$33,942	\$27,877
<b>TOTAL:</b>	<b>\$165,378</b>	<b>\$163,096</b>	<b>\$168,735</b>	<b>\$107,484</b>	<b>\$139,162</b>

<u>Director</u>	<u>Fees</u>	<u>Mileage</u>	<u>Expense</u>	<u>Total</u>
John DeVries	\$14,872	\$480	\$1,339	\$16,691
John Kolk	\$16,588	\$1,320	\$1,013	\$18,921
James Larson	\$13,156	\$2,552	\$1,169	\$16,877
Glenn Logan**	\$3,432	\$315	\$304	\$4051
Kale McMorris*	\$10,296	\$1642	\$865	\$12,803
Kerby Redekop	\$15,068	\$0	\$1,113	\$16,181
Walter Unruh	\$32,853	\$3,407	\$4,048	\$40,308
Vic Van Dyk	\$17,928	\$2,408	\$2,123	\$22,459
<b>Totals:</b>	<b>\$124,193</b>	<b>\$12,124</b>	<b>\$11,975</b>	<b>\$148,292</b>

\* 10 months vs. 12 months for other directors.

\*\* 2 months vs. 12 months for other directors.



## REPORT ON ADDING AND REMOVING PARCELS

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Section 46(1)(d) of the IRRIGATION DISTRICTS ACT states that each district must report all parcels added to or removed from the district; the following parcels have been added to the Bow River Irrigation District in 2024:

### **N.W. 31-12-18-W4M**

No parcels were removed from the Bow River Irrigation District in 2024.

## GENERAL MANAGER'S REPORT

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### Water Operations

Last year was an interesting year with relatively wet conditions, although most news stories continued to suggest that our region was again affected by drought. Our diversion from Little Bow reservoir was well below average, and the lowest it has been since 2011. The diversion from Bow River at Carseland was slightly above average because reservoirs were refilled after the 2023 drought. Storage at the end of the season was approximately 30,000 acre feet higher than at the beginning, but slightly below normal to allow erosion control work to be done on McGregor Reservoir. Reservoirs were full at the end of June.

### Water Sharing Agreements

The water supply situation was concerning in mid-winter, with a low mountain snowpack and our reservoir levels at only 88% of normal winter storage. The situation was far worse in the Oldman River Basin, so Alberta Environment and Protected Areas encouraged all major water users to work together to develop a process to share water within their river basins if the drought persisted. Major water users such as irrigation districts, cities, TransAlta, Ducks Unlimited Canada, and industries worked together with the province and their consultant, WaterSmart Solutions, to develop memoranda of understanding detailing how water would be shared in each river basin if necessary. Thanks to good snowfall in the mountains and prairies in late winter and spring followed by abundant rain in spring and early summer there was no need to implement water sharing in the Bow River basin last year, but the work we did will be useful in the future.

### Deadhorse Coulee Reservoir

Design of the project progressed throughout the year, with the application for approval to construct the reservoir ready to submit in early 2025. The spring of 2026 is likely when construction will begin.

### Carseland Canal Capacity

The canal from the Bow River at Carseland to Lake McGregor reservoir was designed and licensed for a flow rate of 51.0m<sup>3</sup>/s. Following our recent study that determined that the canal could safely carry at least 53.7m<sup>3</sup>/s at the design full supply level, Alberta Agriculture and Irrigation (AGI), the canal owner, applied to increase the diversion rate to 53.7m<sup>3</sup>/s and received a temporary licence in 2024 to allow that higher flow rate, which helped us to fill reservoirs more quickly. A temporary licence has been issued to allow the higher rate again this year, and AGI is completing a study to evaluate the canal capacity.

### Water Availability Engagement

The province began a public engagement in late 2024 to consider how to increase the availability of water in Alberta. The closure of the Bow, Oldman, and South

Saskatchewan river basins to new water licence applications in 2006 combined with several dry years between 2016 and 2023 has raised awareness of the challenge of accessing water, and the Premier directed the Minister of Environment and Protected Areas (AEPA) to determine how to increase the availability of water and water licences. The BRID met with AEPA officials and provided a written submission suggesting ways to increase water availability. The Alberta Irrigation Districts Association has also been very active meeting with the Minister and other officials of AEPA to provide suggestions.

### Eyermore Dam

The feasibility study for this project is scheduled for completion in 2025. The dam would create a large new reservoir on the Bow River downstream of the Bassano Dam. Extensive modelling of water management options using the South Saskatchewan River Operational Model has shown that a new reservoir at this location would greatly improve water management on the Bow, Oldman, and South Saskatchewan rivers.

### Staff Changes

Conrad Cazemier retired after 10 years as a ditchrider. His replacement will be hired this spring.

Respectfully Submitted,

Richard Phillips, P.Eng.  
General Manager  
Bow River Irrigation District

## MAINTENANCE REPORT

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The maintenance department of the BRID experienced a normal year. With scheduled Magnacide H treatments we are experiencing fewer problems with aquatic weeds and algae. Due to timely rains, cooler weather and lower flows on the Main Canal the cost of Magnacide H treatments significantly decreased this year.

### Magnacide H Chemical Costs:

<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
\$651,274	\$1,000,060	\$762,593	\$738,067	\$563,046

The district had to place more riprap along the south dam of Badger Reservoir for erosion protection. Mainline steel fittings were changed to PVC fittings and farmer turnouts were changed to stainless risers on four pipelines.

The district with its own forces finished installing pipe on BK-2-2 and BK-3 pipelines and started installing pipe on the BK-2 pipeline all in the Circle Hill area. These projects consisted of the installation of a precast inlet structure on BK-2-2, PVC pipe, farm turnouts, domestic turnouts, structure removal and canal backfill.

The BRID spent approximately \$191,000 on Special Projects this year. Under the 2024 Special Projects program the BRID replaced brooms and chains on 8 pipeline screen cleaners, upgraded controls on 2 Main Canal structures, upgraded stop logs on Badger Lake outlet structure into Lateral H, and installed a by-pass turnout below Drop 8 on Main Canal in Hays area.

Under the domestic turnout relocation program, the district completed one farmer-initiated project at a cost of \$3000. The BRID provides up to \$3000 towards each domestic turnout relocation, to a maximum of 10 relocations per year on existing canals or pipelines.

## MAINTENANCE REPORT

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Following is a list of routine maintenance performed by the BRID in 2024:

Canal Banks Sprayed with Boom or Spot Treated by Handgun	750	km
Ditch Channel Cleaned	6	km
Ditch Channel Cleaned with Herder (Cattails)	13	km
Ditch Banks Mowed	420	km
Ditch Banks Leveled	3	km
Ditch Banks Graveled	80	km
Ditch Banks Graded	120	km
Fence Installed, Removed, or Replaced	2	km
Rock, Gravel, and Armour Placement (includes IRP projects)	8,600	m <sup>3</sup>
Beaver Dams & Weed Jams Removed	13	units
Canal Washouts Repaired (Structures & Culverts)	17	units
Catwalks & Handrails Fabricated and Installed	5	units
Domestic Turnouts Installed or Repaired	4	units
Drain Inlets Installed or Repaired	9	units
Farm Turnouts Installed in Laterals	2	units
Farm Turnouts Repaired	3	units
Farm or Lateral Crossings Replace or Repaired	6	units
Gates Repairs	9	units
Pipeline Repairs (above ground)	24	units
Pipeline Repairs (below ground)	17	units
Pipeline Turnouts Fabricated	47	units
Pipeline Turnouts Installed	6	units
Pipeline Turnouts Replaced	13	units
Road Crossings Installed or Repaired	4	units
Standpipes Installed or Repaired	1	unit
Structures Removed	3	units
Structures Installed or Repaired	2	units
Texas Gates Cleaned, Installed, or Removed	9	units
Tile Line Repair	4	units
Turnouts Removed	2	units
Wooden Bridge Removed	1	unit

Respectfully submitted,

Bill Skelly  
Superintendent of Maintenance

## OPERATIONS REPORT

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### Water Diversions

Water diversions from the Bow River at Carseland began on April 13, 2024 and ceased on October 10, 2024. A total of 339,312 acre feet was diverted this season. McGregor, Travers, and Little Bow Reservoirs started the season with 287,000 acre feet total storage and ended the season at 316,000 acre feet storage.

Water diversions into our main canal at Little Bow Reservoir began on May 2, 2024 and ceased on October 9, 2024. A total of 223,955 acre feet of water was diverted into our main canal at Little Bow Reservoir in 2024, which is 42,945 acre feet below the 25-year average. The return flow was 50,190 acre feet, which was returned to the river through the District's drainage system.

The Lost Lake pumps returned 2,970 acre feet into the main canal. This year the Vauxhall Research Station recorded 289 mm of precipitation between April 1<sup>st</sup> and October 31<sup>st</sup>, which is 121% of the 25-year average.

### COMPARISION OF PREVIOUS YEARS

Year	Carseland Diversion (acre feet)	Little Bow Diversion (acre feet)	Acres Irrigated	Irrigation Acres & Annual Acres with Systems	Precipitation @Vauxhall (April 1 to October 31)
2024	339,312	223,955	280,163	283,723	289 mm
2023	461,000	353,433	281,737	283,228	134 mm
2022	383,092	284,294	271,843	274,552	244 mm
2021	465,433	338,535	266,379	272,878	120 mm
2020	284,400	251,000	252,144	260,856	307 mm
2019	389,000	313,914	250,832	251,750	165 mm
2018	290,400	300,000	239,295	248,318	145 mm
2017	422,000	351,500	242,150	245,224	124 mm
2016	328,085	262,391	225,566	242,598	281 mm
2015	331,900	298,800	226,042	239,957	156 mm
2014	222,191	231,167	224,942	232,422	256 mm
2013	240,000	238,955	216,571	225,222	247 mm
2012	260,000	230,618	208,217	217,218	305 mm

The assessment roll at the close of the 2024 irrigation season was 293,713 acres. The expansion limit of the district is 295,000 acres.

Monthly Little Bow Diversions with comparison to 2023 and the last 25-Year Average (in acre feet):

	<u>2024</u>	<u>2023</u>	<u>25-Year average</u>
April	0	1,587	3,092
May	17,105	50,667	34,281
June	45,961	93,719	51,295
July	82,551	110,975	86,537
August	48,341	50,975	50,545
September	23,551	43,140	32,277
October	<u>6,445</u>	<u>2,380</u>	<u>8,850</u>
	223,955	353,433	266,877

These totals include all water uses downstream of Little Bow Reservoir, as well as water which is not used and spilled as return flow.

In addition to irrigation, the BRID supplied water to farmsteads, acreages, small livestock operations, grazing associations, the East Sundial Water Users, the Retlaw Water Users Co-op, and small wildlife habitat projects controlled by the Alberta Conservation Association.

The BRID has agreements for uses other than irrigation under its amended license: agricultural, municipal, commercial and one habitat enhancement project.

Water was also conveyed to many other users, who have their own water licences. These include the communities of Hays, Vauxhall and Enchant (through the Vauxhall and District Regional Water System), and Lomond, the Vauxhall Agricultural Research Station and numerous livestock operations. Our district also conveyed water for several wildlife habitat projects controlled by Ducks Unlimited, and for use by recreation areas and parks including the Vauxhall and Enchant golf courses and the Enchant Park.

**CROP RECORDS**

Crops on parcels with irrigation systems:

<b>CROP</b>	<b>ACRES</b>	<b>CROP</b>	<b>ACRES</b>
Hard Spring Wheat	49,253	Flax	2,139
Durum Wheat	31,040	Triticale	2,104
Barley	21,954	Malt Barley	1,927
Potatoes	18,653	Green Feed	1,339
Canola - seed	18,241	Faba Beans	875
Dry Peas	16,765	CPS Wheat	789
Dry Beans	16,720	Hemp	608
Sugar Beets	11,282	Misc.	512
Grain Corn	10,752	Peas Fresh	457
Canola	10,323	Summer Fallow	362
Corn Silage	10,003	Mustard	284
Tame Pasture	9,460	Lentils	154
Alfalfa	7,879	Barley Sil. Undrsd.	147
Barley Silage	7,148	Native Pasture	143
Hay Grs./Timothy/Brome	6,551	Sorghum	137
Rye	6,173	Onions	134
Alfalfa Seed	5,629	Chickpeas	130
Winter Wheat	4,570	Misc - Yard	105
Soft Wheat	3,260	Corn Fresh (sweet)	87
Oats	3,254	Nursery	76
Grass Seed	2,288	Market Gardens	16

**Total:** 283,723

The methods of irrigation and acres of each are:

	<b>% of Total</b>	<b>Acres</b>
Pivot	95.6	271,180
Gravity (Flood)	2.6	7,414
Wheel Move/Hand Move	1.7	4,935
Subsurface Drip	0.1	194
	<b>100.0</b>	<b>283,723</b>

Respectfully Submitted,  
 Daryl Brouwers  
 Operations Supervisor



## REHABILITATION AND MODERNIZATION PROGRAM REPORT

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Rehabilitation and modernization of the BRID's irrigation works is funded partially through the provincial government's Irrigation Rehabilitation Program (IRP), which requires the district to provide 25% of the cost, with the government providing the remaining 75%. IRP funds are used only on projects which are approved by Irrigation Council.

The BK-3 and most of the BK-2 pipelines are being funded under the Alberta Irrigation Modernization program. Funding for this program includes a 30% grant from the province, with the district funding the remainder. The Canada Infrastructure Bank provides a loan for 50% of the total approved costs.

Brief descriptions of projects that were completed last year, those that are now under construction, and those that are planned for next year follow.

### **Projects Constructed in the 2023/2024 Construction Season**

<u>Project Description</u>	<u>Estimated Final Cost</u>
BK-3 (Vauxhall Block) Pipeline Phase 2 (cost inc. Phase 1)	\$8,805,000
IRP 2400 BK-2-2 (Vauxhall Block) Pipeline	\$1,766,000

### **Projects Under Construction in the 2024/2025 Construction Season**

<u>Project Description</u>	<u>Cost Estimate</u>
IRP 2403 BK-2 (Vauxhall Block) Pipeline Phase 1	\$2,772,000
BK-2 (Vauxhall Block) Pipeline Phase 2	\$9,400,000

### **Projects Beginning Construction in the 2025/2026 Construction Season**

<u>Project Description</u>	<u>Preliminary Cost Estimate</u>
IRP 2419 BK-1 (Vauxhall Block) Pipeline Phase 1	\$4,403,000
IRP 2420 Laterals C-1 and Y-3 (Hays Block) Rehabilitation	\$151,000
IRP 2421 Lomond Lateral Check Structures Gate Replacements	\$811,000

The BK-1, 2 and 3 and the BK-2-2 pipelines will replace Lateral B and all its sub-laterals (Laterals K-1 through K-11), with funding under both the IRP and AIM programs. Construction of the BK-3 pipeline began in 2022 and was completed in 2024 for operation that spring. Most of the BK-2-2 pipeline was installed in 2023/2024 with some work completed in 2024/2025 for operation in the spring of 2025. Most of the BK-2 pipeline is being installed in 2024/2025, and it will be completed in 2025/2026 for operation in the spring of 2026. Construction of the

BK-1 pipeline will begin in the fall of 2025, with completion expected in the spring of 2027.

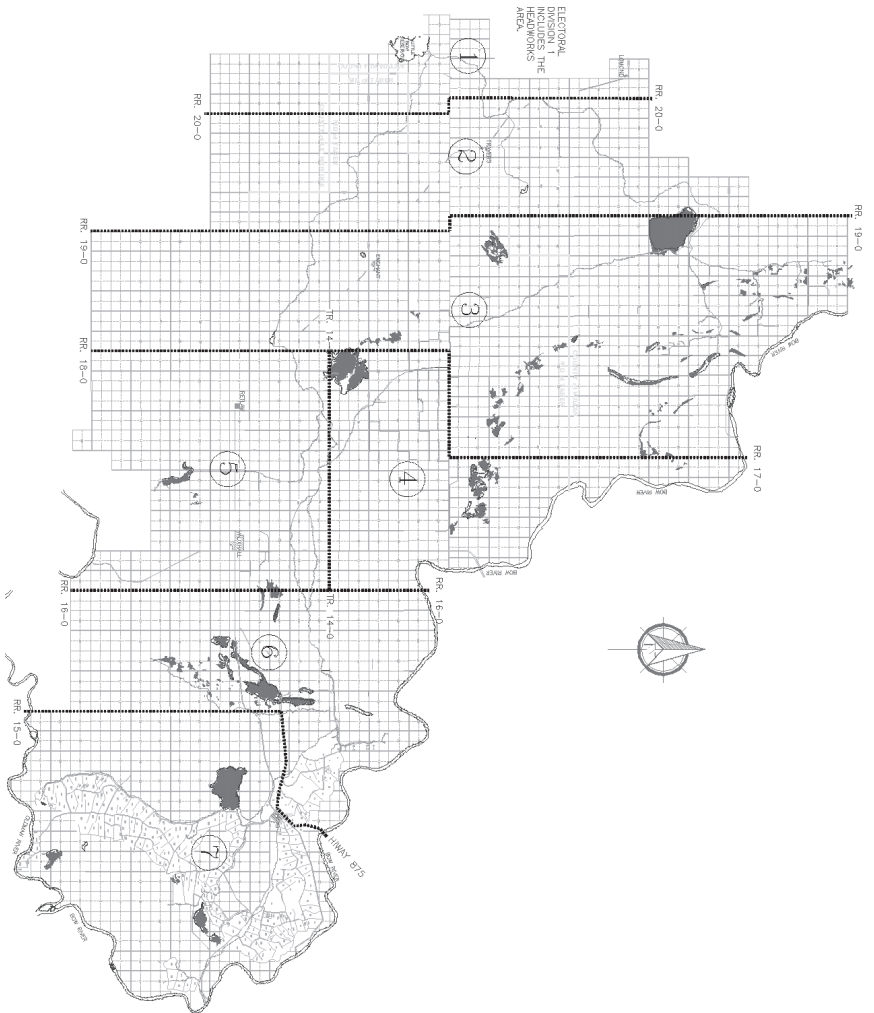
The Laterals C-1 and Y-3 project includes eliminating these small laterals by relocating turnouts to existing pipelines with excess capacity due to the conversion of flood irrigation to pivots since they were installed. There are three large check structures on the Lomond Lateral with old radial gates in poor condition which require replacement with new automated overshot gates.

I wish to thank all those involved in the projects which have been completed and which are underway, including the BRID staff, the Board of Directors, the irrigators, contractors, suppliers, engineering consultants, Irrigation Council, the Irrigation Secretariat, Alberta Agriculture and Irrigation, and the Canada Infrastructure Bank.

Respectfully submitted,

Richard Phillips, P. Eng.  
General Manager  
Bow River Irrigation District

# BOARD ELECTORAL DIVISION BOUNDARIES



**ANNUAL MEETING OF THE BOARD OF DIRECTORS  
AND IRRIGATORS OF THE  
BOW RIVER IRRIGATION DISTRICT**

**WEDNESDAY, APRIL 16, 2025, 1:30 P.M  
VAUXHALL COMMUNITY HALL**

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**AGENDA**

1. Welcoming Remarks - General Manager - Richard Phillips, P. Eng.
2. Appointment of a Meeting Chairperson
3. Adoption of Agenda
4. Approval of the Minutes of the last Annual Meeting: April 11, 2024
5. Business from the Minutes of Last Year's Meeting
6. Auditor's Report and Review of Financial Statements  
Period Ending December 31, 2024  
- Assistant General Manager-Finance & HR- Jessica Robbins, CPA, CA
7. Chairman of the Board's Report - Chairman – Walter Unruh
8. General Manager's Report - General Manager- Richard Phillips, P. Eng.
9. Annual Maintenance of Irrigation Works Report  
- Superintendent of Maintenance - Bill Skelly
10. Presentations
11. New Business
12. Recognition
13. Adjournment

**ANNUAL MEETING OF THE BOARD OF DIRECTORS  
AND IRRIGATORS OF THE  
BOW RIVER IRRIGATION DISTRICT**

**THURSDAY, APRIL 11, 2024 - 1:30 PM  
VAUXHALL COMMUNITY HALL**

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**MINUTES**

Following are the minutes of the Annual General Meeting of the Board of Directors and irrigators of the Bow River Irrigation District, held on Thursday, April 11, 2024 at the Vauxhall Community Hall at 1:30 p.m.

Attendance included 67 irrigators, 6 board members, 4 BRID staff members, 1 representative from the Alberta Irrigation Districts Association, 1 representative from ATB Financial, 2 representatives from Irrigation Council, 1 representative from MPE Engineering Ltd., and 1 representative from MWG Chartered Professional Accountants for a total of 83 attendees.

The meeting was called to order at 1:37 p.m. by General Manager Richard Phillips.

1) **Welcoming Remarks – Richard Phillips, P. Eng., General Manager**

In opening the meeting, Richard Phillips welcomed all attendees. He asked all attendees to write their names on the sign-in sheet near the entrance when they leave if they hadn't already done so.

2) **Appointment of a Meeting Chairperson**

Richard Phillips introduced John DeVries, Director, whom the board had previously appointed as Chairperson for the meeting.

3) **Adoption of Agenda**

John DeVries welcomed all attendees and thanked the Vauxhall Co-op for sponsoring coffee and donuts. He then introduced the BRID board members: Walter Unruh, Vic Van Dyk, Kerby Redekop, John Kolk and Kale McMorris; and BRID management: Richard Phillips, P.Eng. and Jessica Robbins, CPA,CA.

John DeVries asked meeting attendees to review the annual meeting agenda and asked if there were any additions to the agenda. Ron Schlaht asked if there would be a discussion regarding new policies surrounding trading water allocation and alternate parcel agreements. Richard Phillips said that he expected questions regarding those items to come up following various reports. Randy Howg asked that a discussion regarding Deadhorse Reservoir be added to the agenda. John DeVries requested a motion to accept the agenda .

Moved by Joost Van Ham that the agenda be accepted as amended.

**CARRIED**

4) **Approval of the Minutes from the Previous Annual Meeting: April 11, 2023**

John DeVries requested that attendees review the minutes of the previous year's annual meeting on pages 19 through 26 of the report and asked if there were any errors, omissions or corrections required. None were noted. A motion to accept the minutes from the April 11, 2023 annual meeting was requested.

Moved by Brian Witdouck that the minutes from the April 11, 2023 annual meeting as printed and circulated in the 2023 annual report be accepted.

**CARRIED**

5) **Business from the Minutes of the Previous Annual Meeting**

John DeVries asked if there was any business from the minutes of the previous year's annual meeting. No business from the minutes of the previous year's annual meeting was brought forward.

6) **Presentation of the Financial Statements for the Year Ended December 31, 2023**

Jessica Robbins, CPA, CA, Assistant General Manger

Jessica Robbins presented the financial statements for the year ended December 31, 2023, noting the following:

- The 2019 expansion is winding down, so revenue from the sale of irrigation acres decreased compared to the prior year.
- More magnacide was used due to treatments being done at higher flows. The cost of Magnacide also increased. Due to these two factors, the overall cost of magnacide increased significantly compared to the prior year.
- Large cash outflows are expected in the next several years related to the construction of Deadhorse Reservoir, so more money has been moved from long term investments into short term investments and cash.
- Expenditures continue to be made on Alberta Irrigation Modernization program projects. The loan balance from the Canada Infrastructure Bank makes up approximately 70% of the total liabilities of the district.
- There was a surplus of \$7,400 in the operating fund.

John DeVries invited any questions regarding the review of the financial statements. No questions were noted.

Moved by Greg Stamp that the financial statements for the year ended December 31, 2023 be accepted as presented.

**CARRIED**

7) **Chairman of the Board's Report – Walter Unruh, Chairman of the Board**

Walter Unruh presented the chairman of the board's report, noting the following:

- Elections were held in two areas in 2023. John DeVries was returned by acclamation for electoral division 4. John Kolk won the election for electoral division 2.
- Drought was a concern during the 2023 irrigation season. A special meeting was held in Milo for irrigators who have concerns about low reservoir levels.
- The current snow pack is slightly less than average.
- The water allocation limit for 2024 will be set at the April 24, 2024 board meeting.
- The plebiscite to get permission from the irrigators to transfer a portion of the BRID’s water license to the Town of Cochrane passed.
- The board made the decision that all used BRID equipment being sold must go to auction and that details regarding the equipment going to auction would be posted on the BRID website.
- Pipelining continued through the year under the AIM program.
- The BRID contributed to improving some boat launches and signage was updated in the district. Studies are being completed to see where more habitat projects can be done.

Walter Unruh thanked management and staff for their efficient delivery of water and running the district well. He thanked irrigators for cooperating and following water ordering rules.

John DeVries invited questions regarding the chairman of the board’s report.

Richard Ferguson asked for clarification regarding the sale of BRID equipment. Richard Phillips said the equipment would not be sold privately. The purpose of posting the equipment being sold on the BRID website is so irrigators can attend the auction to purchase any desired equipment.

John DeVries invited any further questions regarding the chairman of the board’s report. None were noted.

**Moved** by Richard Ferguson that the chairman of the board’s report be accepted as presented.

**CARRIED**

**8) General Manager’s Report – Richard Phillips, P. Eng., General Manager**

Richard Phillips presented the general manager’s report, noting the following:

- The 2023 irrigation season was very challenging as it was the driest year since 2001. We saw a record for diversion at Carseland where 85% of the license allocation was diverted. However, 39,000 acre feet of reservoir storage was still used due to high irrigation demand.

- Less water was spilled in 2023 than previous years due to good communication from irrigators, along with the construction of the Lateral O pipeline in Hays.
- Progress continues regarding Deadhorse Reservoir. We will be applying for approval this summer.
- The Vauxhall and Hays solar farms in the district continue to progress, but construction is not expected this year.
- A study was done regarding the capacity of the canal at Carseland. It was found that the canal could carry more than the 51 cubic meters per second that we are allowed to divert under the license, so we are in the process of seeing if we can increase the license to divert an additional 2.7 cubic meters per second, or nearly 200 acre feet per day. The study also found that for a minimal amount of work, we could increase the capacity to be able to divert 60 cubic meters per second.
- Water sharing agreements for the 2024 irrigation season have been in progress for several months and they will be made public on April 19.
- We had some staff changes during the year. Rod Lowen, Shop foreman, retired after 44 years of service. We also had several labourers come and go throughout the year.

John DeVries invited questions regarding the general manager's report.

Richard Ferguson asked why dirt was hauled away when the solar farm north of Vauxhall was constructed. Richard Phillips said that this happened without preapproval. The dirt is not needed at this time, so we haven't asked that it be brought back yet.

Doug Stanko asked who determines when the BRID can begin diverting water. Richard Phillips said the Alberta Government determines that.

Brian Witdouck asked who owns the solar farms that have been constructed or are being constructed on BRID land. Richard Phillips said that the BRID is the landlord and collects a per acre fee which is subject to an escalation fee each year. The terms are for 25 years.

Brian Witdouck said that some farmers in Milo were not able to get water due to reservoir levels being lower and asked what the BRID's solution to that was. Richard Phillips said that in dry years, reservoir storage is there to be used, and irrigators were understanding of that. Some farmers moved their intakes to get the water needed.

David Bexte asked if the BRID received a damage deposit on the solar farms and if a bond was posted. Richard Phillips said that we did not receive a damage deposit and there is no bond, but there is a third party guarantee that requires the land to be restored back to its original state. In the future we will require bonds.

Alberta Dalton said there are predictions that solar companies might only be operational for 10-15 years and then go out of business. Richard Phillips said



that the worst case scenario for the BRID is that ownership would turn over to us and then we would own the solar farm and be able to profit from it.

Ron Huvenaars asked if the water sharing agreements could be posted on the BRID website once they are made public. Richard Phillips said that can be done.

John DeVries invited any further questions regarding the general manager's report. None were noted.

**Moved** by Richard Ferguson that the general manager's report be accepted as presented.

**CARRIED**

9) **Maintenance of the Irrigation Works Report – Richard Phillips**

Richard Phillips presented the maintenance of the irrigation works report, noting the following:

- Magnacide is always a huge part of the maintenance of the district. This year we were treating the canals at high flows, so more magnacide was used than usual.
- There was lots of sloughing on canal banks in 2022, so that was repaired in 2023.
- An on-going project is the replacement of steel fittings on pipelines.
- The old Drop 3 structure was crushed and used in maintenance of the district.
- Several special projects were completed, which included installing screen cleaners and upgrading controls. The Drop 8 bypass near Hays will be modified under special projects in 2024.

John DeVries invited questions regarding the maintenance of the irrigation works report.

Alberta Dalton asked if there were any flood outs on fields. Richard Phillips said that he was not aware of any flooding on fields.

Ron Huvenaars asked if the BRID keeps magnacide inventory on hand each year. Jessica Robbins said that because more magnacide was used in 2023, there was less inventory on hand at the end of the year. There was about 352 gallons remaining at the end of 2023, valued at about \$70,000.

Ron Schlaht asked how the concrete from Drop 3 was crushed. Richard Phillips said that it was done by a contractor. The rebar was stripped out first.

**Moved** by Ron Huvenaars that the maintenance of the irrigation works report be accepted as presented.

**CARRIED**

10) **Presentations – Richard Phillips & Daryl Brouwers**  
**2023 Operations Report** – Daryl Brouwers, Operations Supervisor

Daryl Brouwers presented the report, noting the following:

- Headworks reservoir storage was approximately 287,000 acre feet at the end of the 2023 irrigation season.
- Diversions at Carseland Weir began on April 19, 2023 and ended on November 2, 2023, with 461,000 acre feet being diverted. Approximately 353,433 acre feet was diverted into the main canal from Little Bow Reservoir.
- The return flow was 32,922 acre feet in 2023, down from 44,644 in 2022.
- Pivots accounted for 95.3% of irrigation in 2023, with 269,870 acres being wetted under pivots.
- The snow pillow at various mountain sites are currently lower than average.

Louis Claassen asked if the BRID is familiar with the IRMA (Irrigation Recording and Management App) that the Eastern Irrigation District uses. Daryl Brouwers said that the BRID also uses it to track water usage but that water users don't have access to view their own records at this time. This is something we will be trying to get in place in the near future.

Albert Dalton asked if the BRID monitors mussels. Daryl Brouwers said that we do. Richard Phillips said that due to the low temperatures of water in the district and the fact that irrigation season is only 5 months each year mussels are unlikely to go through enough life cycles to build up layers that can cause damage in pipelines.

Joost Van Ham asked if magnicide kills mussels. Richard Phillips said that it does not.

Len Ring asked how often mussels are found in Alberta. Richard Phillips said that several boats with mussels have been found at boundaries. He said that irrigation districts participate in water testing to identify veligers.

**District Rehabilitation Program Report – Richard Phillips, P. Eng., General Manager**

Richard Phillips presented the report, noting the following:

Completed projects:

- Under AIM, Lateral O and BK-3 Phase 1 were completed.

Current projects:

- Under AIM, BK-3 Phase 2 is in progress.
- Under IRP, BK-2-2 is in progress.

John DeVries invited questions regarding the district rehabilitation report. None were noted.

## **11. New Business**

### **Deadhorse Reservoir**

Randy Howg said that he is not in favor of the reservoir being built because it will split his farm in half, which will cause issues when moving cattle and irrigating his land. He expressed concerns regarding seepage, as well as concerns regarding the fact that an Environmental Impact Assessment is not being done.

Richard Ferguson asked why an EIA is not being done. Richard Phillips said that EIA's are required when a dam is higher than 15 meters or a reservoir is larger than 30,000 cubic decameters. Deadhorse falls under both of those thresholds.

Randy Howg asked if soil tests had been done to determine if seepage would be a concern. Richard Phillips said that geophysical work has been done to understand the extent of sand in the area, and that the BRID does not want to see any adjacent land affected by seepage. The reservoir can be designed to take the sand seams into account.

### **Water Management**

Dennis Johnson said that in previous years, the board had said the water allocation would not need to be lowered, but it had recently been lowered from 24 inches to 20 inches and a further decrease was expected this year. Richard Phillips said that given current drought conditions that haven't been seen in over 20 years, the board may need to lower the water allocation. He said that the BRID allows pooling to help irrigators manage their water use, and the water allocation trading will be allowed this year for the first time.

Albert Dalton asked if a fee would be charged for trading water allocation. Richard Phillips said that the price would have to be negotiated between the irrigators trading their allocation, but that the BRID would not charge a fee, although the process will be determined through our office.

David Bexte asked if the water traded has to go on parcels that already have irrigable acres. Richard Phillips said that this was correct.

John DeVries asked if there was any other new business. None was noted.

## **12. Recognition**

Walter Unruh presented Glenn Logan with a pin for 25 years of service on the board. Walter Unruh said that Glenn Logan had served the board well and that BRID benefited greatly from his contributions. Glenn Logan thanked Walter Unruh and the BRID.

## **13. Adjournment**

The meeting was adjourned at 3:38 p.m. on a motion by Jason Wander.

**BOW RIVER IRRIGATION DISTRICT**  
**Financial Statements**  
**For the Year Ended December 31, 2024**

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Statement of Combined Cash Flows .....Page 32

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Schedule of Operating Expenses .....Page 44

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements are the responsibility of the management of the Bow River Irrigation District (the District).

These financial statements have been prepared from information provided by management. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The District maintains systems of internal accounting and administrative controls that are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the District's assets are properly accounted for and adequately safeguarded.

The elected Board of Directors (the Board) of the District is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board meets periodically with management and the external auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Board approves the financial statements. The Board approves the appointment of the external auditors and reviews the monthly financial reports.

The financial statements have been audited by Shawn Cook Professional Corporation, Chartered Professional Accountants, the external auditor, in accordance with Canadian generally accepted auditing standards on behalf of the Board. Shawn Cook Professional Corporation has full and free access to the Board.



---

General Manager

Vauxhall, Alberta



## INDEPENDENT AUDITOR'S REPORT

### To the Members of Bow River Irrigation District

#### Opinion

We have audited the financial statements of Bow River Irrigation District (the "District"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations and changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as at December 31, 2024, and the results of its operations and changes in fund balances and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (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 District in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### 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 District'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 District or to cease operations, or has no realistic alternative but to do so.

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

#### 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.

(continues)

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

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 District'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 District'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 District 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.

Lethbridge, Alberta  
March 26, 2025

*Shawn Cook*  
*Professional Corporation*

Chartered Professional Accountants



# BOW RIVER IRRIGATION DISTRICT

## Statement of Financial Position

As at December 31, 2024

	General Fund	Irrigation Works	December 31, 2024	December 31, 2023
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash	5,448,543	9,825,602	15,274,145	20,546,787
Short-term investments (Note 3)	-	28,093,391	28,093,391	17,469,220
Accounts receivable (Note 4)	403,478	7,530,813	7,934,291	3,388,667
Materials and supplies, at cost	1,585,998	-	1,585,998	1,228,006
Prepaid expenses	224,835	-	224,835	200,635
Work in process	-	16,127,689	16,127,689	12,513,643
Due from funds	-	2,862,442	2,862,442	803,246
	<u>7,662,854</u>	<u>64,439,937</u>	<u>72,102,791</u>	<u>56,150,204</u>
LONG-TERM INVESTMENTS (Note 3)	-	30,243,392	30,243,392	35,758,520
PROPERTY AND EQUIPMENT (Note 5)	4,617,069	-	4,617,069	3,987,015
IRRIGATION WORKS (Note 5)	-	127,334,867	127,334,867	123,932,615
	<u>12,279,923</u>	<u>222,018,196</u>	<u>234,298,119</u>	<u>219,828,354</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable and deferred revenue (Note 9)	1,016,494	2,241,986	3,258,480	5,426,437
Due to funds	2,862,442	-	2,862,442	803,246
	<u>3,878,936</u>	<u>2,241,986</u>	<u>6,120,922</u>	<u>6,229,683</u>
LONG-TERM DEBT (Note 10)	-	18,246,557	18,246,557	12,846,895
	<u>3,878,936</u>	<u>20,488,543</u>	<u>24,367,479</u>	<u>19,076,578</u>
COMMITMENTS (Note 11)				
CONTINGENCIES (Note 12)				
<b>FUND BALANCES</b>				
Invested in property and equipment (Note 5)	4,617,069	127,334,867	131,951,936	127,919,630
Externally restricted (Note 6)	-	9,690,029	9,690,029	5,363,493
Internally restricted (Note 6)	-	64,504,757	64,504,757	63,362,235
Unrestricted	3,783,918	-	3,783,918	4,106,418
	<u>8,400,987</u>	<u>201,529,653</u>	<u>209,930,640</u>	<u>200,751,776</u>
	<u>12,279,923</u>	<u>222,018,196</u>	<u>234,298,119</u>	<u>219,828,354</u>

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



General Manager



Chairman of the Board



**BOW RIVER IRRIGATION DISTRICT**  
**Statement of Operations and Changes in Fund Balances**  
**For the Year Ended December 31, 2024**

	General Fund	Irrigation Works	2024	2023
<b>REVENUE</b>				
<b>WATER EARNINGS</b>				
Irrigation rates (Note 7)	5,660,496	-	5,660,496	5,149,787
Water supply rentals	146,309	-	146,309	142,201
Sale of excess and domestic water	100,190	-	100,190	92,750
Discounts and penalties, net	14,753	-	14,753	11,531
	5,921,748	-	5,921,748	5,396,269
LEASE REVENUE, NET	1,890,891	-	1,890,891	1,934,256
INVESTMENT INCOME	82,891	3,062,543	3,145,434	2,869,652
UNREALIZED GAIN ON INVESTMENTS	-	701,087	701,087	121,933
PROVINCE OF ALBERTA	-	6,260,303	6,260,303	4,598,661
CONTRIBUTIONS FROM FARMERS	-	3,093,796	3,093,796	4,868,873
MISCELLANEOUS	80,005	-	80,005	54,140
	7,975,535	13,117,729	21,093,264	19,843,784
<b>EXPENSES</b>				
OPERATING EXPENSES (SCHEDULE 1)	5,633,939	181,840	5,815,779	6,326,619
REIMBURSEMENT FOR ABANDONED WORK	-	95,720	95,720	-
AMORTIZATION OF IRRIGATION WORKS	-	6,002,901	6,002,901	6,119,346
	5,633,939	6,280,461	11,914,400	12,445,965
EXCESS OF REVENUE OVER EXPENSES	2,341,596	6,837,268	9,178,864	7,397,819
PROVISION FOR IRRIGATION WORKS (Note 8)	(2,034,042)	2,034,042	-	-
	307,554	8,871,310	9,178,864	7,397,819
FUND BALANCES, beginning of year	8,093,433	192,658,343	200,751,776	193,353,957
FUND BALANCES, end of year	8,400,987	201,529,653	209,930,640	200,751,776

**BOW RIVER IRRIGATION DISTRICT****Statement of Combined Cash Flows****For the Year Ended December 31, 2024**

	2024	2023
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	9,178,864	7,397,819
Items not involving cash:		
Amortization of property and equipment	646,542	567,085
Amortization of irrigation works	6,002,901	6,119,346
Gain on sale of property and equipment	(452,760)	(302,419)
	<u>15,375,547</u>	<u>13,781,831</u>
Net change in non-cash working capital balances		
Accounts receivable	(4,545,624)	(900,107)
Materials and supplies, at cost	(357,992)	446,484
Prepaid expenses	(24,200)	(31,865)
Accounts payable and deferred revenue	(2,167,957)	(3,856,158)
	<u>8,279,774</u>	<u>9,440,185</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(1,298,378)	(1,127,013)
Proceeds on disposal of property and equipment	474,542	721,848
Expenditures on irrigation works	(9,405,153)	(5,175,840)
Change in work in process	(3,614,046)	(4,766,749)
Change in long-term investments	5,515,128	4,495,660
	<u>(8,327,907)</u>	<u>(5,852,094)</u>
<b>FINANCING ACTIVITIES</b>		
Change in long-term debt	<u>5,399,662</u>	<u>4,087,899</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>5,351,529</b>	<b>7,675,990</b>
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<b><u>38,016,007</u></b>	<b><u>30,340,017</u></b>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b><u>43,367,536</u></b>	<b><u>38,016,007</u></b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash	15,274,145	20,546,787
Short-term investments	28,093,391	17,469,220
	<u>43,367,536</u>	<u>38,016,007</u>

# **BOW RIVER IRRIGATION DISTRICT**

## **Notes to Financial Statements**

**For the Year Ended December 31, 2024**

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### **1. Purpose of the Organization**

The Bow River Irrigation District (District) is charged with the responsibility of efficient and economical distribution of water to users in the District and operates as a corporation under the Irrigation Districts Act, Chapter 1-11, Revised Statutes of Alberta 2000.

The District is considered a tax-exempt Government of Alberta agency and as a result pays no income taxes or Goods and Services Tax (GST) on purchases but is still required to collect and remit GST.

### **2. Accounting Policies**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations including 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 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. It includes funds provided by the Province of Alberta for the Irrigation Rehabilitation Program. The Province contributes 75% of the funds for this program and the District contributes 25%. This IRP fund can only be used for projects approved by Irrigation Council. It also includes funds provided by the Province of Alberta and loaned by the Canada Infrastructure Bank for the Alberta Irrigation Modernization program. The Province contributes 30%, the CIB loans 50% and the District contributes 20%.

**BOW RIVER IRRIGATION DISTRICT**

**Notes to Financial Statements**

**For the Year Ended December 31, 2024**

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**2. Accounting Policies (continued)**

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.

Cash and Cash Equivalents

The District considers cash on hand, in banks and term deposits that mature within twelve months of year-end as cash and cash equivalents.

Inventory

Purchased materials and supplies inventory are valued at the lower of cost or net realizable value with cost determined by the average cost method.

Work in progress is stated at cost and capitalized as specific projects are completed.

Property and Equipment

Property and equipment are recorded at cost. Amortization of property and equipment is provided using the declining balance method at rates intended to amortize the cost of these assets over their estimated useful lives. The annual rates are as follows:

Office shop complex	3%
Other equipment	10%
Power equipment	15%
Trucks	20%
Computer equipment	25%

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.

## BOW RIVER IRRIGATION DISTRICT

### Notes to Financial Statements

For the Year Ended December 31, 2024

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#### 2. Accounting Policies (continued)

##### Pension

Expenditures: Employee benefits include pension costs which comprise the cost of pension obligations earned by employees during the year.

##### Measurement Uncertainty

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Certain areas subject to estimates and assumptions include the useful lives of property and equipment, useful lives of irrigation works, and provisions for impairment of accounts receivable. Management has estimated the average useful life of irrigation works in the District to be 40 years. Amortization of irrigation works is based on this estimate.

##### Long-lived Assets

Long-lived assets consists of property, buildings and equipment and irrigation works. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The District performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may be unrecoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in income for the year.

##### Financial Instruments

The District recognizes its financial instruments when the District becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recognized at their fair value, including financial assets and liabilities originated.

At initial recognition, the District may irrevocably elect to subsequently measure any financial instrument at fair value. The District has not made an election during the year.

# BOW RIVER IRRIGATION DISTRICT

## Notes to Financial Statements

For the Year Ended December 31, 2024

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### 2. Accounting Policies (continued)

The District subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

#### Financial Asset Impairment

The District assesses impairment of all of its financial assets measured at cost or amortized cost. The District groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the District determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the District reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The District reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment was recognized. The amount of the reversal is recognized in the excess of revenues over expenses in the year the reversal occurs.

# BOW RIVER IRRIGATION DISTRICT

## Notes to Financial Statements

For the Year Ended December 31, 2024

### 3. Investments

	2024	2023
Managed portfolios (cost - \$5,098,618)	5,546,055	5,018,755
GICs	52,393,391	46,884,968
Fixed income (cost - \$386,804)	397,337	1,324,017
	<u>58,336,783</u>	<u>53,227,740</u>
Less: short term	<u>(28,093,391)</u>	<u>(17,469,220)</u>
Long term investments	<u>30,243,392</u>	<u>35,758,520</u>

Short-term investments totalling \$28,093,391 (2023 - \$17,469,220) mature in the next year. They include GICs, term deposits and bonds at interest rates varying from 1.35% to 5.53%. Long term investments totalling \$30,243,392 (2023 - \$35,758,520) mature in one to six years. They includes GICs, term deposits and bonds at varying interest rates from 1.70% to 5.18% and equities.

### 4. Accounts Receivable

	2024	2023
Water rates and charges	274,856	473,937
Leases	38,116	55,428
Sundry	90,506	56,140
AIM program funding	5,570,094	1,402,078
Accrued interest	<u>1,960,719</u>	<u>1,401,084</u>
	<u>7,934,291</u>	<u>3,388,667</u>

**BOW RIVER IRRIGATION DISTRICT**

**Notes to Financial Statements**

**For the Year Ended December 31, 2024**

**5. Property and Equipment**

<u>General</u>	2024		2023	
	Cost	Accumulated Amortization	Net	Net
Office shop complex	2,531,251	1,303,908	1,227,343	1,219,820
Trucks	2,507,883	1,794,889	712,994	826,243
Power equipment	4,349,873	2,448,727	1,901,146	1,491,399
Computers	324,303	285,326	38,977	43,470
Other equipment	1,439,366	702,757	736,609	406,083
	<u>11,152,676</u>	<u>6,535,607</u>	<u>4,617,069</u>	<u>3,987,015</u>

<u>Irrigation Works</u>	2024	2023
Irrigation works opening balance	276,334,507	271,158,667
Additions to irrigation works		
External goods and services	6,788,657	4,251,511
Internal (District) goods and services	2,616,496	924,329
Irrigation works at end of year	<u>285,739,660</u>	<u>276,334,507</u>
Amortization opening balance	152,401,892	146,282,546
Current year amortization	<u>6,002,901</u>	<u>6,119,346</u>
Amortization at end of year	<u>158,404,793</u>	<u>152,401,892</u>
Irrigation works closing balance	<u>127,334,867</u>	<u>123,932,615</u>



## BOW RIVER IRRIGATION DISTRICT

### Notes to Financial Statements

For the Year Ended December 31, 2024

#### 6. Restricted Fund Balances

The District has funds contributed by Alberta Agriculture (externally restricted) and by the District (internally restricted) for use in addition to and/or rehabilitating irrigation works. The District also has funds contributed by Alberta Environment (externally restricted) to secure right of way for deficiencies existing prior to 1974.

	Internal		External		2024	2023
	District	Right of Way	Cost Share			
Opening fund balance	63,362,235	33,872	5,329,621		68,725,728	60,391,803
<u>Add:</u>						
Contributions new parcels	3,022,020	-	-		3,022,020	4,742,280
Province of Alberta	3,158,178	-	3,102,125		6,260,303	4,598,661
District	2,034,042	-	1,034,042		3,068,084	2,020,480
Contributions from farmers	96,183	-	-		96,183	134,855
Investment earnings	2,776,454	1,743	284,346		3,062,543	2,778,362
Unrealized gain	701,087	-	-		701,087	121,933
	75,150,199	35,615	9,750,134		84,935,948	74,788,374
<u>Deduct:</u>						
Additions to capital works (Note 5)	9,405,153	-	-		9,405,153	5,175,840
Operating fees	181,840	-	-		181,840	143,304
Payments to water users	24,407	-	-		24,407	8,262
Reimbursement for abandoned work	-	-	95,720		95,720	-
Transfer to cost share	1,034,042	-	-		1,034,042	735,240
	64,504,757	35,615	9,654,414		74,194,786	68,725,728

**BOW RIVER IRRIGATION DISTRICT**

**Notes to Financial Statements**

**For the Year Ended December 31, 2024**

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**7. Irrigation Rates**

Irrigation rates, net, consist of:		2024
284,916.34 acres	at \$19.00 per acre	5,413,410
7,278.89 acres	at \$17.50 per acre	127,381
541.94 acres	at \$475.00 per parcel minimum 62 parcels at 25 acres minimum	29,450
240.93 acres	at \$23.00 per acre, terminable	5,541
		5,575,782
77.70 acres	at \$21.00 per acre, annual	1,632
2,889.41 acres	at \$23.00 per acre, annual	66,456
35.00 acres	at \$475.00 per parcel minimum, annual	16,625
		<u>5,660,496</u>

**8. Provision for Irrigation Works**

	2024	2023
Contribution to cost share reserve	1,034,042	735,240
Transfer to reserves	1,000,000	550,000
	<u>2,034,042</u>	<u>1,473,492</u>

## **BOW RIVER IRRIGATION DISTRICT**

### **Notes to Financial Statements**

**For the Year Ended December 31, 2024**

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#### **9. Accounts Payable and Deferred Revenue**

Included in accounts payable is deferred revenue of \$1,849,358 representing deposits on expansion acres and goods and services taxes payable of \$103,782 and employee deductions payable of \$47,323.

#### **10. Long Term Debt**

On December 18, 2020, the District entered into a funding agreement with Irrigating Alberta Inc. ("IAI"). Funding will be provided to the District through a Canadian Infrastructure Bank ("CIB") loan and a grant from the Province of Alberta. The funds are to be used for the development and construction of the Modernization Projects and Reservoir Projects.

In accordance with the terms of the funding agreement, IAI has agreed to the sources of funds to be made available to the District in the maximum initial amount of \$102,975,000 and is comprised of: 30% (\$30,892,500) contributed by a grant from the Province of Alberta; and 50% (\$51,487,500) will be from a CIB loan. The District will be responsible for the remaining 20% (\$20,595,000) of the approved projects. The loan will accrue interest at 1.0% per annum for 35 years to be repaid by incremental revenues. The funds can be drawn on up to 102 months after the effective date (December 18, 2020) with a possible 18 month extension. The outstanding balance of the loan as at December 31, 2024 was \$18,246,557 (2023 - \$12,846,895).

Security on the loan consists of a general security agreement on the incremental revenues attributable to these projects. These revenues include capital asset charges, new surcharges, fees and other operating revenues. The District is only liable to IAI for its proportionate share and does not guarantee any portion related to the other Districts who have separate loans.

#### **11. Commitments**

The District has commitments in an estimated amount of \$6,605 (2023 - \$29,289) in respect of uncompleted work on approved cost sharing projects.

#### **12. Contingencies**

The District is involved in various minor litigation, 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.

## **BOW RIVER IRRIGATION DISTRICT**

### **Notes to Financial Statements**

**For the Year Ended December 31, 2024**

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#### **13. 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. It is financed by employer and employee contributions and investment earnings of the LAPP fund. The District is required to make current service contributions to the plan of 8.45% of pensionable earnings up to the Canada Pension Plan's Maximum Pensionable Earnings and 11.65% for the excess. Total current service contributions by the employees of the District to LAPP in 2024 were \$258,538 (2023 - \$257,875) and the contributions made by the District to the plan in 2024 were \$289,769 (2023 - \$288,700). At December 31, 2023 the Plan served about 304,451 people (2022 - 291,259) and 444 employers (2022 - 437) and it disclosed an actuarial surplus of \$15.1 billion (2022 - \$12.7 billion).

#### **14. Financial Instruments**

The District as part of its operations carries a number of financial instruments. It is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

##### **Fair value of financial instruments**

The carrying value of current financial assets and liabilities approximates their fair values due to the short-term nature of these instruments.

The fair value of the District's long-term investments consisting of fixed income bonds, term deposits and equities are \$30,243,392 (2023 - \$35,758,520).

##### **Credit concentration**

The District does not have significant exposure to risk from any individual customer. The District conducts regular reviews of its existing customers' credit performance. The Irrigation Districts Act provides a mechanism to recover losses associated with non-payment of irrigation rates and rights.

##### **Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The District does not have any specific exposure to interest rate risk.

##### **Currency risk**

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

## **BOW RIVER IRRIGATION DISTRICT**

### **Notes to Financial Statements**

**For the Year Ended December 31, 2024**

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#### **15. Related Parties**

During the year the District received revenues of \$233,275 for irrigation water rates from members of the board of directors. These transactions are in the normal course of operations and are measured at the exchange amounts outlined in the District's by-laws.

#### **16. Approval of Financial Statements**

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

**BOW RIVER IRRIGATION DISTRICT**

**Schedule of Operating Expenses**

**For the Year Ended December 31, 2024**

**Schedule 1**

	2024			2023	
	Maintenance & Equipment	Water Delivery	Administration	Total	Total
<b>EXPENSES</b>					
Salaries and wages	1,884,087	561,097	1,037,529	3,482,713	3,517,822
Employee benefits	413,821	118,023	215,472	747,316	696,713
Equipment operations & maintenance	699,291	-	1,147	700,438	719,773
Materials and supplies	432,693	666	136,794	570,153	582,730
Amortization	629,789	-	16,753	646,542	567,085
Weed and pest control	58,080	657,596	-	715,676	1,127,963
Delivery pumps	4,850	102,586	-	107,436	64,459
Contracted services	128,048	-	26,867	154,915	220,443
Association fees	-	23,434	117,049	140,483	139,274
Board of Directors fees and expenses	-	-	165,378	165,378	163,096
Insurance	87,371	-	10,512	97,883	84,386
Equipment rent	86,800	-	-	86,800	41,602
Professional fees	-	-	24,900	24,900	26,793
Telephone	-	8,657	12,128	20,785	22,903
Miscellaneous	337	150	14,062	14,549	16,559
Conference and seminars	1,305	755	5,327	7,387	15,552
Postage	-	-	10,674	10,674	7,798
Advertising	-	-	31,045	31,045	42,150
Land titles charge	-	-	26,201	26,201	955
Gain on disposal of equipment	-	-	(452,760)	(452,760)	(302,419)
Bank charges	-	-	6,381	6,381	4,605
Travel	904	-	1,452	2,356	3,529
Custom work recoveries	(3,927)	-	-	(3,927)	(3,685)
Building occupancy costs, net	108,549	-	-	108,549	66,565
Labour recoveries	(244,658)	(114,294)	(274,008)	(632,960)	(632,406)
Equipment recoveries	(1,260,012)	109,558	5,480	(1,144,974)	(1,010,930)
General Fund operating expenses	3,027,328	1,468,228	1,138,383	5,633,939	6,183,315
Irrigation Works operating expenses	-	-	181,840	181,840	143,304
<b>TOTAL</b>	<b>3,027,328</b>	<b>1,468,228</b>	<b>1,320,223</b>	<b>5,815,779</b>	<b>6,326,619</b>


Main Canal Tumbleweeds



Lat. A Forking Weeds



**Bow River Irrigation District**  
P.O. Box 140  
Vauxhall, AB T0K 2K0

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