

**ST. MARY RIVER IRRIGATION DISTRICT
ANNUAL GENERAL MEETING
Taber Community Centre
June 4, 2026
1:30 P.M.**

AGENDA

DOOR PRIZE – SPONSORED BY MNP LLP – OPEN TO IRRIGATORS

1. WELCOME, INTRODUCTIONS AND OPENING REMARKS – CORY NELSON, CHAIRMAN
2. APPROVAL OF THE JUNE 4, 2026, AGENDA
3. APPROVAL OF APRIL 2nd, 2025, AGM MINUTES
4. BUSINESS ARISING FROM THE MINUTES
5. RETURNING OFFICER'S REPORT – DAVID WESTWOOD
6. BOARD OF DIRECTORS' REPORT – CORY NELSON, CHAIRMAN
7. GENERAL MANAGER'S REPORT – DAVID WESTWOOD
8. WATER SUPPLY SITUATION/MAINTENANCE REPORT – GEORGE BOHNER
8. COFFEE BREAK SPONSORED BY ATB FINANCIAL
9. AUDITORS' REPORT – MNP, LLP – ADAM HOUTEKAMER
10. FINANCIAL STATEMENT – JOYCE LAM
11. DISTRICT ENGINEER'S AIM & IRP REPORT – TREVOR HELWIG
- 12.
13. NEW BUSINESS
14. ADJOURNMENT

**ST. MARY RIVER IRRIGATION DISTRICT
ANNUAL GENERAL MEETING
WEDNESDAY, APRIL 2, 2025**

The Annual General Meeting of St. Mary River Irrigation District was held at the Lethbridge Agri-Food Hub and Trade Centre, commencing at 1:30 p.m. There were approximately 100+ guests in attendance.

Welcoming and Opening Remarks

G. Lohues introduced himself and welcomed attendees to the meeting. He acknowledged dignitaries and special guests in attendance including Irrigation Secretariat Jennifer Nitschelm, Irrigation Council members Willemijn Appels, Klaas Slomp, and Mark Miyanaga, Margo Redelback from AIDA and John McKee from RID. G. Lohues introduced the SMRID Board of Directors members that were in attendance. G. Lohues talked about hope and commented that the year ended up better than expected thanks to the timely rains in May and June. Going into the 2025 irrigation season, he noted that the water supply outlook could be better, but it could be a lot worse. He encouraged attendees to take a look at the posters set up in the hallway from the December 2024 irrigator open house meetings, which contain valuable supplementary information. George announced that this would be his last meeting as Chairman of the Board but will continue as a director until his final term is up in 2026.

Additions to Agenda

There were no additions to the agenda.

Cory Nelson moved, and Gary Franz seconded the approval of the agenda.

CARRIED

Minutes of the April 3, 2024, SMRID Annual Meeting

The minutes from the April 3, 2024, AGM were reviewed.

Brian Ober moved, and Mike Wind seconded the motion to adopt the minutes of April 3, 2024, as presented.

CARRIED

Business Arising from the Minutes

None

Returning Officer's Report

David Westwood advised the Board Electoral Divisions 1, 4 and 9 were opened for nominations in March 2025.

Division 1 had Grant Henderson acclaimed for another term. Division 4 had Alex Ostrop acclaimed for another term. In Division 9, Mike Wind stepped down from his directorship and was replaced by Kevin Wind by acclamation. No election was held.

Board of Directors Chairman's Report – George Lohues, Chairman

George Lohues referred to his Chairman's Report printed on page 1 & 2 of the 2024 Annual Report. Conditions in storage and precipitation improved immensely in 2024. The district saw timely rains and less overall usage of the initial 8-inch allocation. Allocation was increased to 9 inches in July. The district accumulated 110,000 ac-ft of storage. G. Lohues commented on the discernably more optimistic start to the 2025 irrigation season. G. Lohues discussed that the Board had to face a dose of reality during the 2025 budget process in the fall of 2024. He commented that the Board was forced to confront the reality that the district cannot rely on Irrican to subsidize water rates. This was particularly evident in 2024. Irrican is not guaranteed revenue, and the Board reached the conclusion that running the district is too important to rely on variable income and that in order to provide water, the district needs secure income which can only

come from water rates. Irrican will help with infrastructure repairs and maintenance but cannot be relied upon to fund the operating expenses of the district.

The Board announced a \$5/acre increase in 2025 and another \$5/acre in 2026, G. Lohues stressed that the Board's decision to raise water rates was informed by the economic realities the district is facing.

The IJC study board open house was held in Lethbridge in the summer of 2024 to discuss potential administrative changes to how water is shared across the Canada/U.S. border. The engagement was very good. The Government of Alberta opened up a water engagement which saw good participation online and in-person. G. Lohues said engagement was a good opportunity to highlight the importance of irrigation in southern Alberta. The AIDA published recommendations to improve water availability in Alberta while ensuring the continued success of the irrigated agriculture industry.

SMRID continued participation in the AIM program. The district is working hard to convert as much of the district's open-air canals to pipelines as quickly as possible. In 2024 we submitted preliminary work on the Chin Expansion. G. Lohues reiterated that the expansion of the Chin reservoir is the organization's top priority. We have to find a way to make it work.

G. Lohues thanked his fellow board members and their families for all of the energy and time put into the board this year and thanked David Westwood for his unwavering leadership in a positive way. He thanked the staff as well for their hard work.

M. Wind gave a few remarks of his 16 years on the TID and SMRID Boards. He thanked irrigators for the opportunity to serve on the board, staff, and both current and former board members for their leadership.

George Lohues moved, and Cory Nelson seconded, adoption of the Board of Director's Chairman's Report.
CARRIED.

General Manager's Report – David Westwood

David thanked G. Lohues and M. Wind for their kind words and commented that it is a relief in 2025 to discuss topics beyond drought.

The St. Mary River Irrigation District had another busy and challenging year in 2024. The 2024 irrigation season began with great uncertainty due to drought conditions experienced in 2023 that carried over into 2024. Following drought planning workshops in early 2024, the irrigation districts committed to meet the restricted water use requirements of municipalities and industries in 2024. The combined storage comprised of headworks reservoirs and SMRID reservoirs was only 33% of the Full Supply Limit (FSL) and snowpack was well below normal. As such, the Board set a significantly reduced water allocation of 8 inches in April. Timely rains changed the course of the growing season in May which allowed the SMRID to raise its allocation to 9 inches on June 28, 2024. The District saw the substantial completion of four Alberta Irrigation Modernization (AIM) in 2023-2024. As well, the Chin Chute replacement project, funded by IRP was substantially completed in 2024 and will be operational for the 2025 irrigation season.

Irrican President's Report- David Westwood

David Westwood noted that Irrican Power had a challenging year in 2024 due to a significant decline in power pool prices in 2024, and an overall decline in power generation. A tree strike caused a transformer fault on the Alta Link transmission line at the Chin Hydro plant which led to the ceasing of operations at the site at the end of July. Irrican also navigated curtailments from the Alberta Electric System Operator (AESO). Total revenue for Irrican was just \$3.87 million in 2024, down from \$13.54 million in 2023. The Irrican Board of Directors made the decision to not make any repayments toward its shareholder loans in 2024 due to these financial factors. The enhanced Battery and Renewables (eBAR) project broke ground in September 2024 at the Raymond Hydro facility site. D. Westwood thanked the Board of Directors and SMRID staff for their commendable efforts and responsiveness to the challenges faced in 2024.

David Westwood moved, and Mike Wind seconded, adoption of the General Manager's Report.
CARRIED.

Water Supply Situation/Maintenance Report – George Bohner

G. Bohner gave a presentation on the water supply and snowpack data as of the end of March 2025. Snowpacks are nearly identical to 2024, however, headworks storage is ~ 100,000 ac-ft more than last year and district storage over 200,000 ac-ft more than this time last year. G. Bohner thanked the field staff, Assistant Managers and Acknowledged the team at the St. Mary Dam for their efforts in 2024. The combined storage in headworks and district reservoirs is nearly double what it was at the start of the 2024 irrigation season.

The operations team faced a number of other challenges in 2024. Refurbishment is being planned for the Generator turbine at the Raymond Hydro plant. The planning for this work needs to be flawless and could take up to 12 months just to plan. At this stage, the Operations team is expecting to run the turbine through the 2025-2026 irrigation seasons and do that refurbishment work within the subsequent off-season.

George showed the operations reports from West, Central and East. They are available in pages 20-29 of the annual report. Photos of the areas where work has been completed were shown.

Irrigators were reminded to ensure their water orders are made 24 hours in advance, and to order water off in advance. Although the district canals may appear to have plenty of water, only the water coordinators know what is available based on the other orders in the queue.

It was noted that the graphs supplied by Alberta Agriculture and Irrigation are a huge benefit to the district and play an instrumental role in communicating with irrigators and informing Board decisions. Allocation was set to 12 inches from the farm gate for the 2025 irrigation season. It was noted that reservoirs are made to be used, but that it is the hope that the district can also replenish some of the storage in 2025.

G. Bohner moved, and Gary Tokariuk seconded, the adoption of the Water Supply and Maintenance Report.
CARRIED

The meeting broke for a coffee break at 2:36 p.m.

Refreshments were supplied to the meeting by ATB Financial.

2024 Auditors' Report MNP– Tanya Bell

Tanya Bell, MNP, presented the Auditor's opinion of the Auditor's Report and referenced the Financial Statements printed on pages 30-52 of the 2024 Annual Report. Tanya commented that there was a clean audit report. They use standard auditing processes to ensure that the statements are represented fairly. The audit provides a high level of assurance but is not a guarantee. The auditors look at internal controls to make sure that appropriate accounting policy is followed and express an opinion. The management and the board are responsible for preparing the Financial Statements. The audit was completed on February 14, 2025. She noted that there was a \$8.2 million cash decline in 2024. It was noted that Irrican will be audited as a Non-Profit company. All statements will follow non-profit auditing standards. With respect to the ATB investments, there has been market adjustment and are still doing well. There will be receivables happening from Federal and Provincial governments as a result of a corporate tax re-assessment. SMRID will receive \$1.5 million in REC revenue from 2024 but will not be realized until mid-2025. It was also noted that Option M revenue continues to decline.

2024 Financial Statement – Joyce Lam

J. Lam referred to the Consolidated Statement of Financial Position General Operations and Irrigation Works for the Year Ended October 31, 2024. She noted that in 2025, the district will be moving to a December 31 year-end.

J. Lam presented highlights of the financial statements, noting that the balance sheet only reflects a moment in time. She noted that irrigation works were down \$7.3 million resulting from depreciation of assets, adding that there is a two-year hold period after the substantial completion of a project and that is why additions have not yet been realized to capital irrigation works. In 2024, the district chose to stop purchasing vehicles and opted to lease instead to preserve cash flow. There was \$471,000 in capital assets purchased in 2024.

J. Lam noted that with respect to Irrican, financial statements presented are on a consolidated basis but for ease, information was described on an unconsolidated basis. The district will receive EPC income in 2025. With respect to operating costs, the decision was made to preserve cashflow within Irrican. There is currently an insurance claim from the production interruptions caused by the fault transformer at Chin Hydro. She is hopeful the claim will pay out \$800,000-900,000 of disruption insurance.

J. Lam moved, and G. Oosterhuis seconded the adoption of the Auditors Report and the Financial Report.
CARRIED

District Engineer's AIM & IRP Report – Trevor Helwig

The Raymond Battery Energy Storage System (BESS) project is nearing completion. Operation of the site will be done by Urica and is expected to be commissioned in the coming weeks. There were some supply issues in the winter leading to a delay in project completion. Due to exceptionally cold temperatures, heating and hoarding of the battery packs were required prior to them being energized over the winter. The project carried a cost of \$21 million. Much of the revenue from the BESS project is expected to be generated by ancillary products that will support the grid.

T. Helwig presented an update on AIM and IRP capital projects over the past year. Funding for rehabilitation in the SMRID under the AIM program amounts to \$205 million, to date, \$151 million has been spent on modernizing infrastructure in the district. SMRID receives \$8 million each year in IRP funding.

An overview of the 2024-2025 AIM and IRP projects is printed on pages 12-19 of the 2024 Annual Report.

The IRP program funding was used for the Chin Chute rehabilitation projects. The new Chin Chute will be operational for the 2025 irrigation season.

2024/2025 Project updates include:

1B Barnwell: Is being completed by Geocon and is 45% complete.

Yellow Lake 8-10: Is a significant AIM project for the district and includes 54 irrigation turnouts.

Cameron extension pipeline: As of April 1, the PCV pipe installation is essentially complete. The site is located 10 km north of Coaldale.

An update on the Chin expansion was given. The project is currently underfunded. Due to a variety of unforeseen factors including unknown poor geotechnical conditions, the steep rise in inflation from 2020-2024, and the necessity of a cofferdam.

Trevor Helwig moved, and Brian Ober seconded, the adoption of the District Engineer's IRP Report. CARRIED

New Business

None

Door prize winner – Kendell Wiens. The door prize was donated by MNP.

George Lohues thanked those in attendance for their participation and engagement.

Adjournment

Rob Van Roessel motioned to adjourn.

Meeting adjourned 4:40 p.m.