

2025

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**



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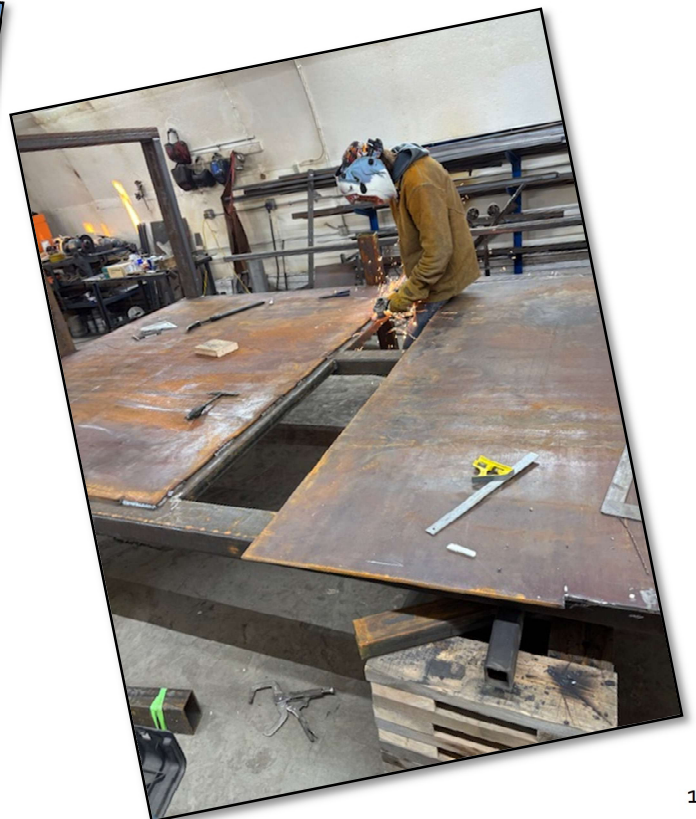
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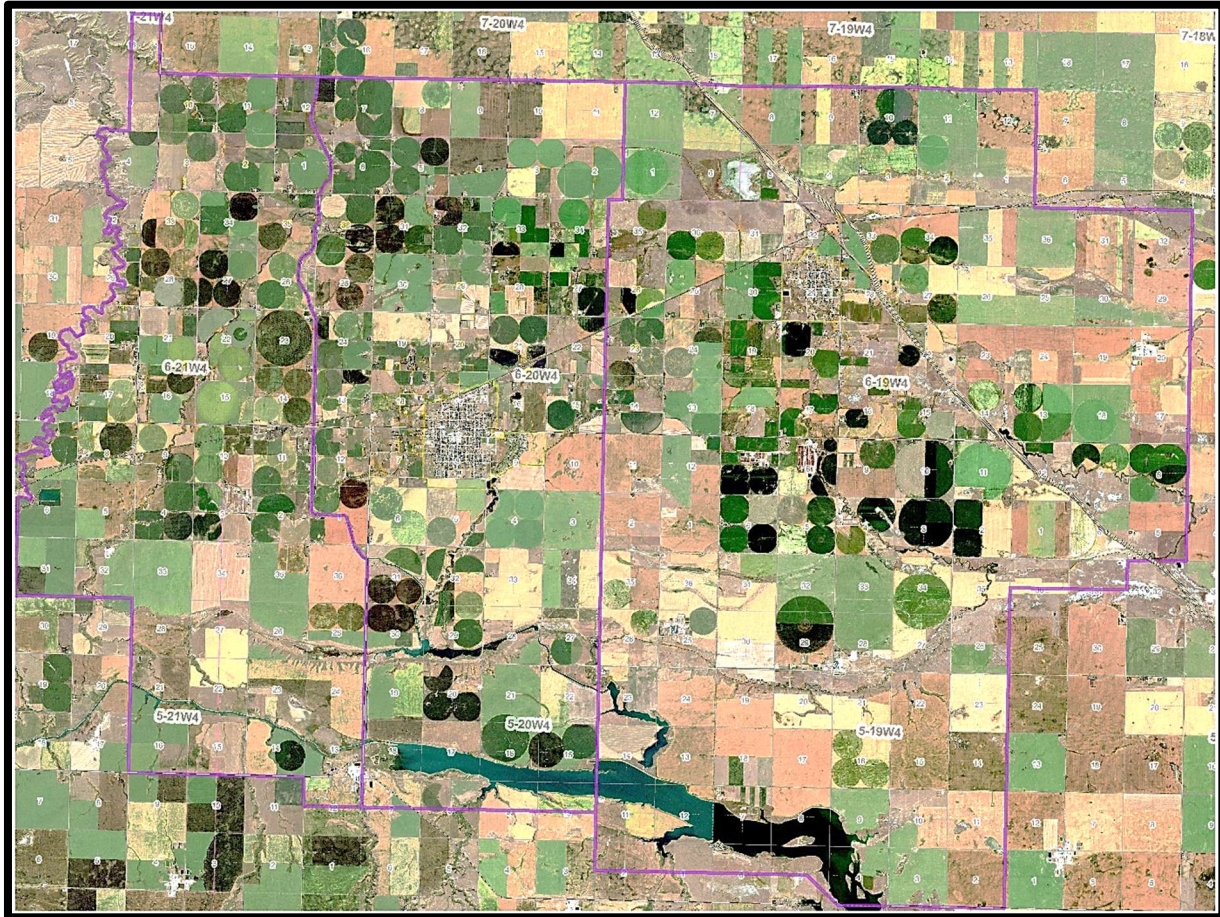
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RAYMOND IRRIGATION DISTRICT ELECTORAL BOUNDARIES & BOARD OF DIRECTORS



Welling:

Rod Wendorff



Director

Term Expires 2029

Raymond:

Craig Palmer



Vice Chairman

Term Expires 2028

Stirling:

John McKee



Chairman

Term Expires: 2027

STAFF

Administration

Jason Miller

General Manager

Amanda Ravoy

Administrative Assistant

Operations and Maintenance

Cody Heggie

Operations & Maintenance Manager

Lee Robson

Ditchrider – Stirling

Ben Richards

Ditchrider - Welling

Dave Powelson

Ditchrider - Raymond

Austin Perry

Ditchrider - Maintenance



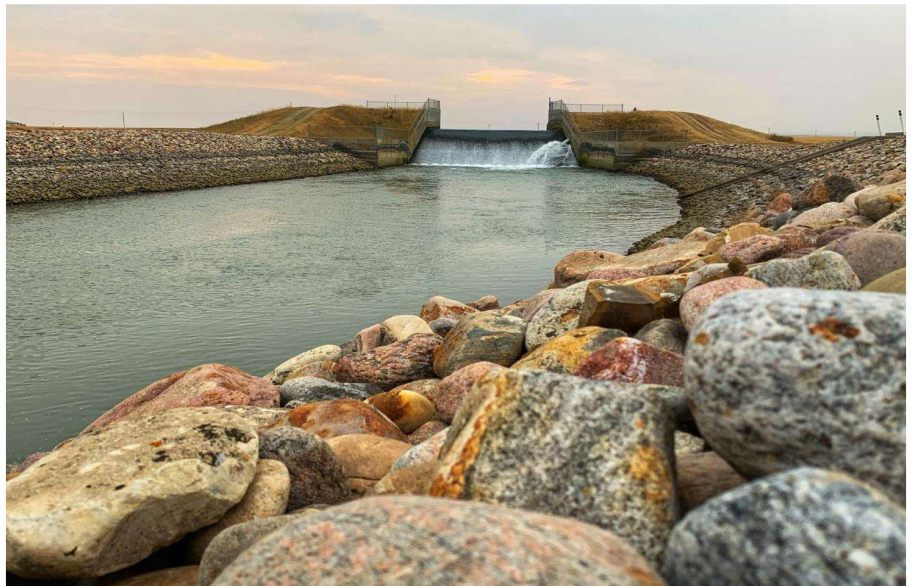
SEMINAR AGENDA

9:00 am	Welcome – John McKee, RID Chairman
9:05 am	RID 2025 Projects
9:10 am	Farm Succession – Price & Comin LLP – Ryan Vadnais
9:50 am	Improving Land Using Drainage Tile – JP Geospatial Inc. – Lucas Jakober
10:15 am	Refreshment Break and Door Prize Draws
10:30 am	How AI is Affecting the World Around Us and How We Can Use AI to Improve Our Operations – Muniz11 – Greg Robinson
11:15 am	Commodity Price Outlook – Market Place Commodities Ltd. – David Lea
11:45 am	2026 Water Outlook
12:00 pm	Roast Beef Lunch – Sponsored by Raymond Auto Parts & Jenex
<i>RID ANNUAL MEETING TO FOLLOW THE SEMINAR AT 1:00 PM</i>	



AGM AGENDA

- 1.0 Welcome and Opening Remarks
- 2.0 Rod Wendorff previously nominated by the board to be the meeting chairman
- 3.0 Adoption of the Agenda
- 4.0 Presentation and approval of minutes of the 2024 AGM
- 5.0 Business Arising from the Minutes
- 6.0 Returning Officer to present the district election results
- 7.0 Presentation of Reports
 - 7.1 Chairman's Report – Presented by John McKee
 - 7.2 General Managers Report – Presented by Jason Miller
 - 7.3 Maintenance Report – Presented by Cody Heggie
 - 7.4 Financial Report – Presented by MWG
- 8.0 New Business
- 9.0 Adjournment



PREVIOUS YEARS AGM MINUTES

March 21, 2025

Raymond Irrigation District

Annual AGM

Minutes of the annual meeting of the Irrigators of the Raymond Irrigation District held on Thursday March 21, 2025 at the Raymond Ag Society Main Building.

Attendance: Directors and staff – 6; Irrigators – 62; Guests – 7,

Vice Chairman Craig Palmer called the meeting to order at 1:15 p.m.

He welcomed all in attendance, thank you to Joan Zobell and Lisa Smith for the great meal once again.

Craig Palmer, Vice Chairman of the board, appointed as meeting chairman.

Craig Palmer asked if there were any requested additions to the agenda. No additions.

Craig Palmer asked for Motion to accept agenda as outlined in the package.

A motion by Byron Wilde to accept the agenda.

Seconded by Dave Chalmers, no objections were noted. Motion carried.

Craig Palmer informed that the 2023 AGM minutes were provided in the AGM package; Asked if there were any questions from the minutes. Asked for a motion to accept the 2023 AGM minutes as presented.

Motion by Gordon Zobell to accept the 2023 minutes,

Seconded by John Heatwole

No objections were heard. Motion carried.

No business arising from the minutes as presented.

Jason Miller (returning officer) noted that only 1 nomination for Raymond area director was received.

Craig Palmer was appointed.

John McKee, presented the Chairman's report and expressed his appreciation to the other board members, staff and irrigators within the district. Thanked Zobells for the meal.

Motion to accept the report made by Jack Heggie

Seconded by O. Jorgeson.

No objections heard. Motion carried.

Jason Miller presented the Manager's report as outlined in AGM package.

Irrigator asked question in regards to Irrican Power and curtails in energy supply. Answered by David Westwood from Irrican and SMRID, adjustments of production and battery storage will address this and the plants are designed to go on and off at specific times.

Motion to accept the report by Byron Wilde

Seconded by Darrin Wilde

No objections heard. Motion carried

Cody Heggie, presented crop report the maintenance report as outlined in AGM package.
Reviewed use of newly purchased equipment.
Motion to accept the report by Richard Bennett
Seconded by John Heatwole
No objections heard. Motion carried.

Patrick Treadwell (MWGCPA), presented the financial report.
A motion to accept the financial report by Rod Wendorff.
Seconded by Brandon Wilde
Motion carried

Craig Palmer asked for any questions, concerns or new business. Nothing forwarded.

Craig Palmer called for a motion to adjourn the meeting
John Heatwole made the motion.
Second by John Zobell
Meeting concluded at 2:18 p.m.





To the Water users of the RID

Good afternoon and welcome to the 2026 Annual General Meeting of our Raymond Irrigation District. We greatly appreciate our visitors from neighboring districts, Irrigation Council Members, our Irrigation Secretariat Jennifer Nitschelm, and our friends from Alberta Environment. Of course, including our interested, innovative irrigation farmers. Great to see you today.

I'd like to start by saying this is not your grandfather's irrigation district. The same forward-thinking mindset exists, it's that our processes and procedures of operation have improved and streamlined so much. Still, it is difficult to know where you are going if you do not know where you have been. In that regard, this past June 27th, 2025 marked the celebration of the first century of existence of our beloved RID. After a few years of intense negotiations, for the sum of 160,000 dollars, five thousand irrigated acre water rights and infrastructure were purchased from the Canadian Pacific Railway. An amount that has grown to the 52,000 acres served today. Many milestones and setbacks occurred along the way, leading to where we are today as the beneficiaries of this incredible back breaking work and foresight of this amazing accomplishment.

The major similarity we have to our grandfather's irrigation district, of course, is water still runs downhill. But now, it is going to run 300' downhill in a twin 6' diameter plastic pipeline, to the 14,000 acre Welling portion of our district. This simple, little, \$25M trick will conserve, year in, and year out, 5,200 acre feet of water, as we journey along our efficiency highway of water conservation. No small feat. Do you have any suggestions of what we can do with those critical water savings? Producing the same food with less water usage. Greater water savings are anticipated as we complete the same Gravity Pipe System for the Raymond and Stirling areas. A strong hint to the planning for the next century of our existence. We have started a process to see if we can gain any insight into the remaining length of life of pipe first installed 30 years ago. No answers yet. I am kind of liking the indefinite lifespan opinion. Basically, the same life span you and I have! Treat it well and should last a long time!

This year saw an impressive upgrade on our Irrican plants at the Raymond site. Eight battery packs were installed by the generating plant to enhance charging efficiency and mostly profitability. At times, power flowing in the wires needs a stabilizing balance, which releasing stored power from these battery packs provides. The batteries can be charged at a time of low pricing of electricity and released when the price bounces much higher. First year of operation shows very good results. Seems the same long-time rule is still intact. It takes money to make money. You are welcome to drive by and see the cool site with those sea-can sized battery enclosures. Just don't cross the fence!

The great knowledgeable staff of our District are a pleasure to associate with. Installing pipe through the winter and running water through the irrigating season gives them a complete understanding of our systems along with understanding the importance of timely deliveries. I always encourage you to stay in close contact with your guy so the system operates in the best fashion possible. I would like to conclude by acknowledging and thanking Jason Miller as our Manager and all the staff for all the work involved in keeping our District in tip top condition, always thinking on improving on our century long history and our reason for our existence. Much appreciation for support from our provincial and federal government, along with direction and

oversight from Irrigation Council, with Mark Miyanaga as the new Chairman, and the critical behind the scenes liaison work from Margo Redelback at the Alberta Irrigation Districts Association. With any questions or comments, please feel free to contact the office, after all, this is your irrigation district.

Here is my 2026 report.

John McKee

Chairman





In 2025, the RID proudly marked its 100th anniversary. At last year's seminar and AGM we presented service awards to the previous general manager, operations manager and past directors who were still living. We also hosted a special BBQ in June for our irrigators and friends in the irrigation community. A highlight of the centennial year was the creation of a brief history book showcasing archived photos that capture the evolution of the RID and its impact on local agriculture. Copies of the book are available at the RID office.

I was tasked with selecting the photos for our history book. I am amazed and humbled by our forward-thinking progenitors who had the vision and fortitude to build the incredible irrigation system we rely on today. Our first 100 years were filled with growth, infrastructure construction, and a commitment to improving our efficient use of water.

I wish to thank our irrigators, irrigation partners, the Government of Alberta and our communities for an incredible 100 years. We look forward to continuing the tradition of efficient water stewardship for the next 100 years and beyond. As part of those efforts, I am pleased to report that in 2025 the RID started construction of the "Pipe Dream" which will bring gravity pressured water to approximately 25% of the district. This project has been in the planning stages for over 35 years. Not only will this project significantly reduce the pumping power needs of irrigators, but it will also save approximately 5,200 acre feet of water annually by eliminating our 9 Mile return flows. Funding to make this project possible comes from a grant from the Government of Alberta and a loan from the Canadian Infrastructure Bank.

The 2025 irrigation season started with very little rain in the early spring, which put high demand on water reserves. Fortunately, we were blessed with timely rain throughout the rest of the season, which tempered demand and slowed water use. The RID Board set an initial farm gate allocation of 12"/acre. By the end of the season, average farm gate use was only 6.2"/acres. Overall, reports we have received indicated it was a productive crop yield with excellent yields.

Beyond water delivery, our ditch riders completed a substantial amount of maintenance work this year, including the replacement of several pump wells, risers, and culverts. Between water delivery, maintenance, and pipelining, they have had a full workload. I extend my appreciation to Cody, Lee, Ben, Dave, and Austin for their dedication and the essential role each plays in keeping the RID running smoothly.

I also thank the County of Warner for our strong working relationship and for partnering with us to replace the RS1 road culverts last fall.

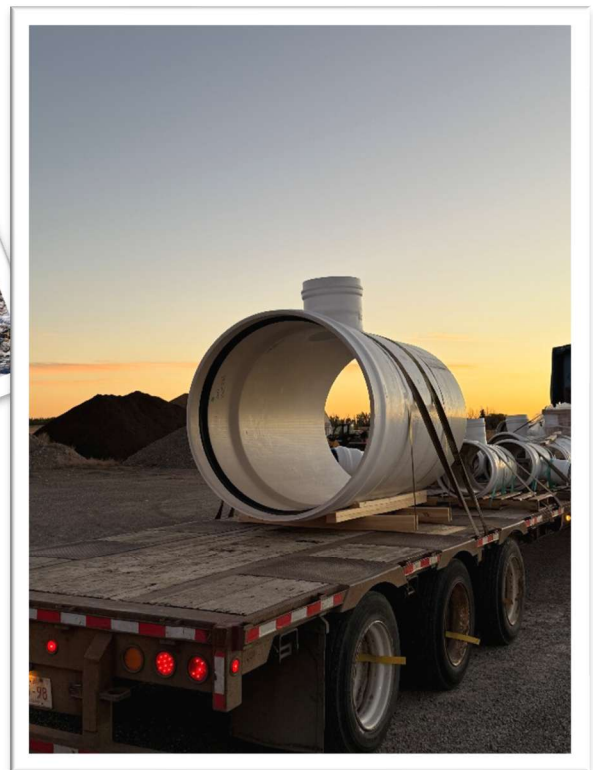
My thanks also go to Darin Wilde of Wilde Brothers Engineering & Surveying for designing our projects and accommodating the many engineering adjustments that arise along the way.

I also express my appreciation to the Minister of Agriculture and Irrigation, the Irrigation Secretariat, the staff at Alberta Agriculture & Irrigation and, to Irrigation Council for their dedication to agriculture and irrigation in southern Alberta.

Finally, I would like to thank our incredible Board of Directors for their dedication and often unseen efforts on behalf of all irrigators. They are constantly working with irrigators, directors from other irrigation districts, and government officials. Their commitment is foundational to our ongoing success.

If a water user has questions, concerns or would like to discuss their operation, please feel free to visit the RID office at any time.

*Respectfully Submitted,
Jason Miller
General Manager*



IRRICAN POWER LTD. REPORT

Section 46(1)(b) of the Irrigation Districts Act requires the Irrigation District to prepare and submit to the Minister of Agriculture and Irrigation an annual financial statement for each commercial activity under section 7 carried on by the district. Raymond Irrigation District holds a 10% interest in the commercial activity of Irrican Power Ltd. ("Irrican"). Irrican is in the business of generating electricity via three hydro plants (Raymond 1994; Chin 1994 and Drops 4-6 2005). The complete audited financial statement of this entity will be included as part of the annual report of SMRID (fiscal year December 31, 2025).

During 2025, Irrigation Canal Power Co-operative Limited was rolled into Irrican Power Ltd. Since SMRID and TID amalgamated, this reduced the co-op members to only SMRID and RID. With only 2 shareholders, the entity was required to change from a co-op to a corporation – Irrican Power Ltd.

In addition, the year end of Irrican has changed from October 31 to December 31 and now aligns with the RID and SMRID year end dates.

With the change in year end dates to December 31, the Irrican audit is not yet completed as of the RID's AGM. The audited 2025 financial statements will be available at the RID office in June 2026.

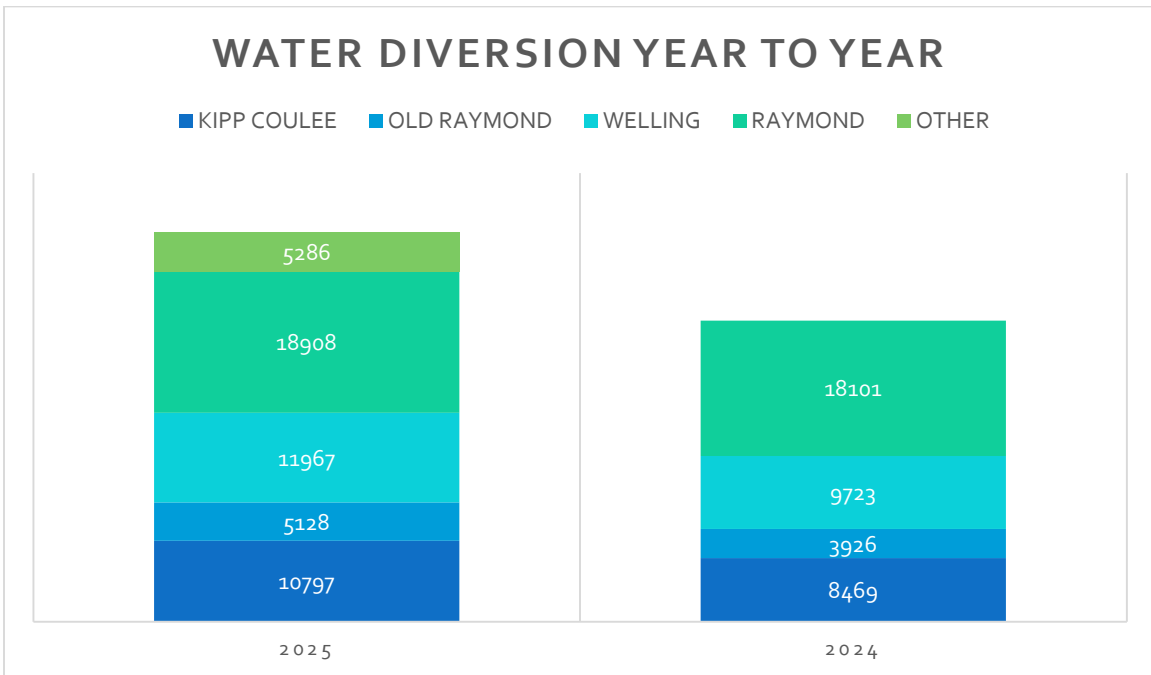
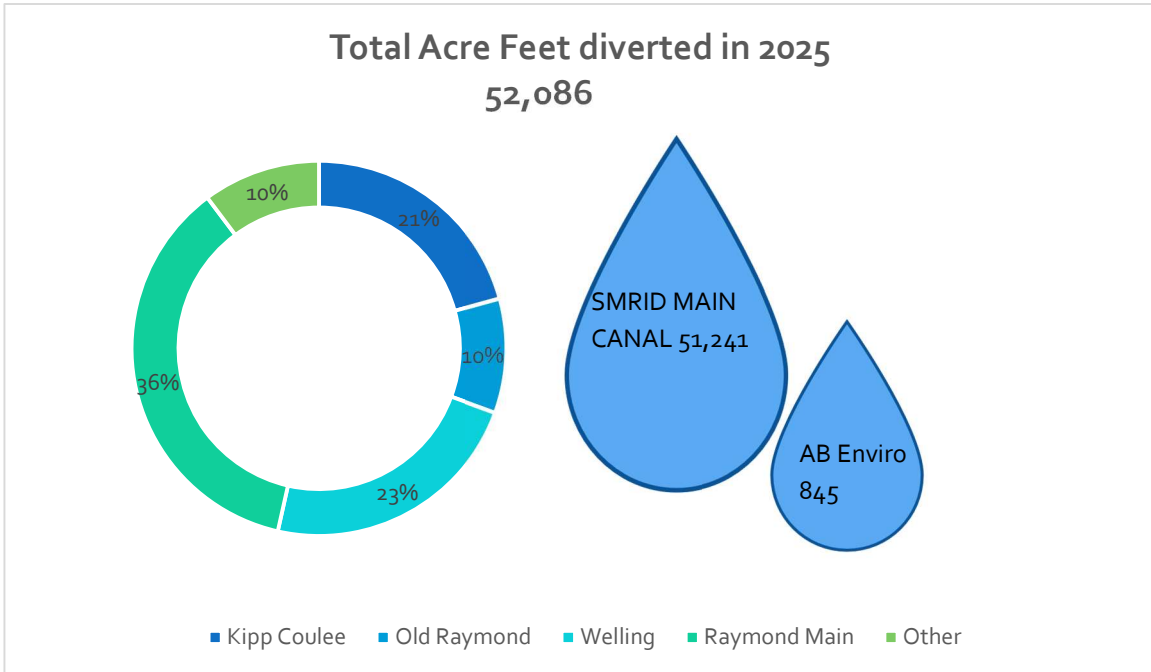
2025 Overview

The 2025 season had low power pool prices, but canal flow and operation of the plants remained consistent throughout the season. Fortunately, there were very few curtailments in 2025, especially compared to 2024, which saw many curtailments from AESO. To complement our power generation, Irrican invested in a battery storage system for the Raymond plant. This includes 8 Tesla battery packs, each the size of a sea-can. The batteries can be charged from the power grid or from the hydro plant. The batteries can be used in several ways to generate complementary revenue for Irrican, including storing power when prices are low and releasing power during peak demand times, and providing stability to the power grid.

For specific Irrican revenue and expenses for 2025 please visit the RID office in June to receive a summary of operations from the 2025 audited financial statements.



2025 WATER DIVERSION



DISTRICT PARCEL CHANGES 2025

There were no parcels added or removed from the district in 2025.

IRRIGATION ACRES REPORT

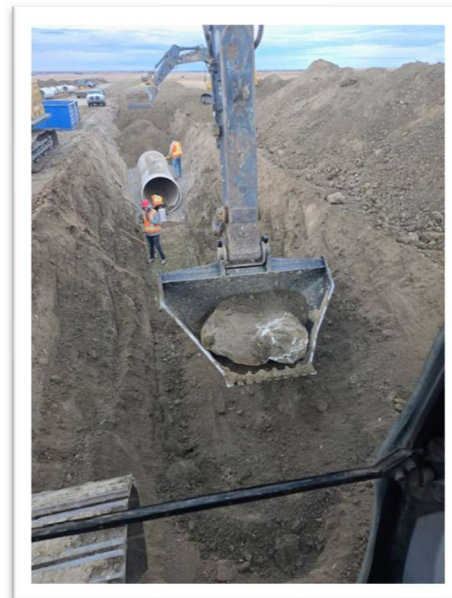
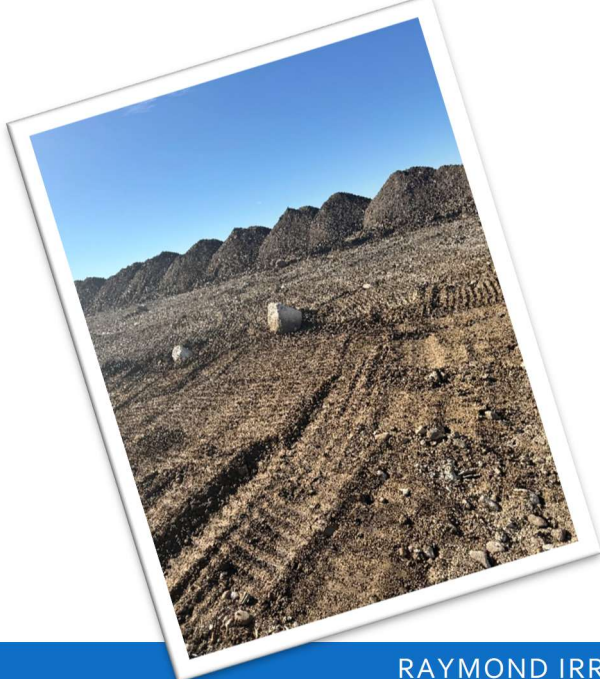
	2025	2024
<i>Permanent irrigation acres (including min)</i>	50,218	50,218
<i>Minimum irrigation acres (<than 20-acre parcels)</i>	1,774	1,774
<i>Terminal irrigation acres</i>		
<i>RID acres allocated</i>	51,992	51,992
<i>Acres held by the RID</i>	6,508	6,508
<i>RID TOTAL ACRES</i>	58,500	58,500
<i>Irrigation acres under annual agreements</i>	2,198	2,198
<i>Household Purposes Agreements</i>	233	240
<i>DIVERSIONS</i>	52,086	45,595
<i>Diversions/acre</i>	12.02	10.52
<i>Return Flows</i>	25,134	22,192
<i>Net Diversions</i>	26,952	23,403
<i>Net Diversion/acre</i>	6.22	5.40



CROP CLASSIFICATION INFORMATION

	2025					2024
	IRRIGATED	NON-IRRIGATED	ASSESSED ACRES	ANNUAL ACRES	Total	
ALFALFA 2 CUT	1,242	-	1,242	46	1,288	3,735
ALFALFA 3 CUT	5,985	-	5,985	272	6,257	6,128
ALFALFA HAY	1,861	25	1,886	156	2,042	938
ALFALFA SILAGE	228	-	228	-	228	
BARLEY	8,680	604	9,284	482	9,766	10,224
BARLEY SILAGE	895	65	960	-	960	3,315
BARLEY SILAGE UNDERSEED	-	-	-	195	195	
BROME HAY	-	-	-	-	-	25
CANOLA	8,067	-	8,067	205	8,272	9,204
CORN SILAGE	4,271	-	4,271	270	4,541	3,320
DRY BEANS	591	-	591	-	591	466
DRY PEAS	2,383	49	2,432	-	2,432	1,584
DURUM WHEAT	4,991	239	5,230	65	5,295	3,119
FABA BEANS	-	-	-	-	-	168
FLAX	160	59	219	-	219	67
FRESH PEAS	-	-	-	-	-	70
GOLF COURSE	-	-	-	42	42	42
GRAIN CORN	287	-	287	-	287	
GRASS HAY	639	48	687	25	712	1,019
GRASS SEED	143	-	143	-	143	270
GREEN FEED	23	-	23	-	23	

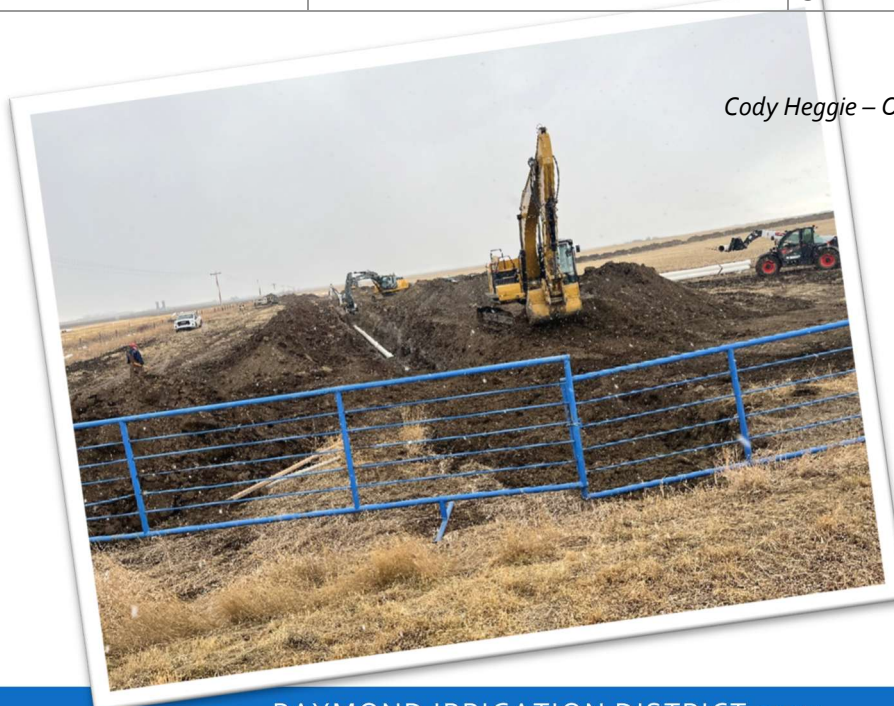
HARD SPRING WHEAT	2,896	25	2,921	60	2,981	4,266
HEMP	171	-	171	-	171	330
LENTILS	285	-	285	380	665	210
MALT BARLEY MARKET GARDENS	-	-	-	-	-	247
MUSTARD	-	-	-	-	-	64
NATIVE PASTURE	353	372	725	-	725	760
NURSEY	30	-	30	-	30	30
OATS	149	-	149	-	149	78
POTATO	1,552	-	1,552	-	1,552	1,267
RYE	533	-	533	-	533	
SORGHUM SUDAN GRASS	-	-	-	-	-	20
TAME PASTURE	1,139	320	1,459	-	1,459	667
TIMOTHY HAY	1,224	-	1,224	-	1,224	830
TRITICALE	127	-	127	-	127	666
WINTER WHEAT	1,152	40	1,192	-	1,192	1,010
	50,146	1,846	51,992	2,198	54,190	54,190



MAINTENANCE REPORT



	TYPE OF MAINTENANCE AND AMOUNT	
Canal Drain	Cleaning	4 km
	Erosion/Slough Repair	2km
	Armour	2km
Canal/Access Roads	Graveling	10 km
	Grading	26 km
Canal Banks	Mowing	28 km
	Weed Spraying	28 km
Aquatic Weed Control	Mag H	42 km
	Mechanical	0
Pipeline Repairs	Air Vents	12
	Valves	23
	Pipeline Leaks	4
	Discing & Trench	8km
	Grading Trench	8Km
Pump Site Improvements	Stoplog structures	2
Replacement of Farm Turnouts	Pump well	4
	Risers	4
Replacement of Road Crossings	Culverts	2
Repairs to Gates and Hoist		3
Pump Repairs		3



Cody Heggie – Operations & Maintenance Manager

SEEPAGE CONTROL PLAN 2025

Section 46(1) of the Irrigation Districts Act requires the Raymond Irrigation District to include in an annual report to the Minister of Agriculture and Food a summary of activities undertaken respecting the seepage control plan filed by the District.

Seepage exemption declaration 2020

PROJECT NAME: RS₁ NORTH

LEGAL LAND DESCRIPTION: SE 5-7-20-W4 (North portion)

DESCRIPTION: The lateral runs from the south to the north. There is seeping along the west side of the lateral causing damage to adjacent farm land.

LENGTH OF LATERAL: 230 meters

AFFECTED AREA: 3 acres

ESTIMATED COST: \$10,000

PROPOSED SOLUTION: Eliminate the seepage problem by cleaning the lateral, reshaping the banks and installing semi-impervious lining where needed.

SCHEDULED FOR COMPLETION BY: DECEMBER 2025

2025 FINANCIAL STATEMENTS



Scan here for Financial Statements.



THANK YOU TO OUR SPONSORS



CONTACT US

RAYMOND IRRIGATION DISTRICT

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Raymond Irrigation District

RAYMOND IRRIGATION DISTRICT

Financial Statements

Year Ended December 31, 2025

RAYMOND IRRIGATION DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Members of Raymond Irrigation District

Opinion

We have audited the financial statements of Raymond Irrigation District (the "District"), which comprise the statement of financial position as at December 31, 2025, 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, 2025, and the results of its operations, changes in fund balances, and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the 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 Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.

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:

(continues)

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

- 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 18, 2026

Shawn Cook
Professional Corporation

Chartered Professional Accountants



RAYMOND IRRIGATION DISTRICT

Statement of Financial Position

December 31, 2025

	General Fund	Irrigation Works	2025	2024
ASSETS				
CURRENT				
Cash	\$ 10,305,166	\$ 1,729,452	\$ 12,034,618	\$ 12,180,586
Account receivable (Note 3)	2,680,079	1,320,187	4,000,266	3,796,602
Inventory	237,165	-	237,165	206,560
Current portion of investments (Note 4)	300,326	-	300,326	123,103
GST receivable	518	-	518	-
Prepaid expenses	14,241	-	14,241	13,196
Due from funds	2,167,323	-	2,167,323	2,093,031
	15,704,818	3,049,639	18,754,457	18,413,078
PERMANENT IRRIGATION ACRE LONG TERM INVESTMENTS (Note 4)	-	506,800	506,800	1,615,600
PROPERTY AND EQUIPMENT (Note 5)	3,888,492	605,292	4,493,784	4,390,897
IRRIGATION WORKS (Note 6)	1,634,581	-	1,634,581	1,525,692
	-	35,315,735	35,315,735	29,903,912
	\$ 21,227,891	\$ 39,477,466	\$ 60,705,357	\$ 55,849,179
LIABILITIES AND FUND BALANCES				
CURRENT				
Accounts payable	\$ 525,744	\$ 1,421,983	\$ 1,947,727	\$ 1,174,393
GST payable	-	-	-	163,043
Employee deductions payable	14,898	-	14,898	13,268
Due to fund	-	2,167,323	2,167,323	2,093,031
	540,642	3,589,306	4,129,948	3,443,735
LONG TERM DEBT (Note 7)	-	4,849,501	4,849,501	2,765,000
PIPELINE MAINTENANCE FUND (Note 8)	-	5,718	5,718	46,076
	540,642	8,444,525	8,985,167	6,254,811
FUND BALANCES				
Unrestricted net assets	19,052,668	-	19,052,668	16,590,537
Net assets invested in property and equipment	1,634,581	-	1,634,581	1,525,692
Irrigation works fund	-	(4,282,794)	(4,282,794)	1,574,227
Net assets invested in irrigation works	-	35,315,735	35,315,735	29,903,912
	20,687,249	31,032,941	51,720,190	49,594,368
	\$ 21,227,891	\$ 39,477,466	\$ 60,705,357	\$ 55,849,179

APPROVED BY THE BOARD:

Director

Director

RAYMOND IRRIGATION DISTRICT
Statement of Operations and Changes in Fund Balances
Year Ended December 31, 2025

	General Fund	Irrigation Works	2025	2024
REVENUE				
WATER EARNINGS				
Irrigation rates (<i>Note 9</i>)	\$ 1,235,416	\$ -	\$ 1,235,416	\$ 1,118,535
Conveyance of commercial water	92,112	-	92,112	133,987
Conveyance of agriculture domestic water	92,853	-	92,853	92,385
Other	54,012	-	54,012	261,499
	1,474,393	-	1,474,393	1,606,406
Irrigation works fund revenue	-	517,193	517,193	575,283
AIM Government Contributions	-	1,483,492	1,483,492	18,596
Interest income	822,088	-	822,088	1,042,120
(Loss) on sale of property and equipment	(3,648)	-	(3,648)	-
Unrealized gain (loss) on investments	-	-	-	(10,599)
	2,292,833	2,000,685	4,293,518	3,231,806
EXPENDITURES				
Operating expenditures (Schedule 1)	699,356	-	699,356	609,657
Interest on long-term debt	-	33,130	33,130	26,660
Amortization	228,819	1,206,391	1,435,210	1,350,019
	928,175	1,239,521	2,167,696	1,986,336
NET EXCESS OF REVENUE OVER EXPENDITURES	1,364,658	761,164	2,125,822	1,245,470
FUND BALANCE, BEGINNING OF YEAR	18,106,813	31,487,555	49,594,368	48,348,898
	19,471,471	32,248,719	51,720,190	49,594,368
PROVISION FOR IRRIGATION WORKS	192,007	(192,007)	-	-
INTERFUND TRANSFERS	1,023,771	(1,023,771)	-	-
FUND BALANCE, END OF YEAR	\$ 20,687,249	\$ 31,032,941	\$ 51,720,190	\$ 49,594,368

RAYMOND IRRIGATION DISTRICT**Statement of Changes in Fund Balances - Irrigation Works Fund****Year Ended December 31, 2025**

	District	Province of Alberta	2025	2024
FUND BALANCES, BEGINNING OF YEAR	\$ 5,860,259	\$ (4,286,032)	\$ 1,574,227	\$ 4,560,878
ADDITIONS:				
Sale (buyback) of permanent irrigation acres	(80,000)	-	(80,000)	4,000
General revenue fund - Government of Alberta	-	576,021	576,021	556,438
Interest earned	-	21,172	21,172	14,845
Transfer from District to Province of Alberta cost- sharing	(192,007)	192,007	-	-
	(272,007)	789,200	517,193	575,283
Provision for irrigation works	192,007	-	192,007	185,479
Contributions for irrigation works	51,992	-	51,992	51,992
	(28,008)	789,200	761,192	812,754
DEDUCTIONS:				
Additions to Irrigation Works (Schedule 2)	3,941,529	2,676,684	6,618,213	3,799,405
FUND BALANCES, END OF YEAR	\$ 1,890,722	\$ (6,173,516)	\$ (4,282,794)	\$ 1,574,227

RAYMOND IRRIGATION DISTRICT**Statement of Cash Flows****Year Ended December 31, 2025**

	2025	2024
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 2,125,822	\$ 1,245,470
Items not affecting cash:		
Amortization	1,435,210	1,350,019
Loss on sale of property and equipment	3,648	-
	<u>3,564,680</u>	<u>2,595,489</u>
Changes in non-cash working capital:		
Account receivable	(203,664)	(780,309)
Inventory	(30,605)	(29,576)
Current portion of investments	(177,223)	(71,897)
Prepaid expenses	(1,045)	(1,385)
Accounts payable	773,335	866,460
GST receivable / payable	(163,561)	164,437
Employee deductions payable	1,630	-
	<u>198,867</u>	<u>147,730</u>
	<u>3,763,547</u>	<u>2,743,219</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	(348,356)	(121,599)
Proceeds on disposal of property and equipment	7,000	-
Purchase of irrigation works	(1,680,704)	(3,706,425)
Purchase of IAI irrigation works	(4,937,510)	(92,979)
Permanent irrigation acre receivable	1,108,800	1,700,000
Long term investments	(102,887)	(175,786)
	<u>(5,953,657)</u>	<u>(2,396,789)</u>
FINANCING ACTIVITIES		
Pipeline maintenance fund	(40,358)	1,988
Proceeds from long term debt	2,084,500	619,900
	<u>2,044,142</u>	<u>621,888</u>
INCREASE (DECREASE) IN CASH FLOW	(145,968)	968,318
CASH, BEGINNING OF PERIOD	12,180,586	11,212,268
CASH, END OF PERIOD	\$ 12,034,618	\$ 12,180,586

RAYMOND IRRIGATION DISTRICT

Notes to Financial Statements

Year Ended December 31, 2025

1. NATURE OF OPERATIONS

Raymond Irrigation District (the "District"), maintains the canal system and distributes water to the water rate payers in the Raymond area and operates under the authority of 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 on services provided.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Fund accounting

The District follows the restricted fund method of accounting for contributions.

The General Fund accounts for the District's program delivery and administrative activities as well as the assets, liabilities, revenues and expenses related to capital assets and building expansion campaign. This fund reports unrestricted resources and restricted operating grants.

The Irrigation Works fund reports all the assets, liabilities, revenue and expenditures related to the District's maintenance and rehabilitation of their reported equity in irrigation works. Costs incurred in constructing new irrigation works and in replacing and rehabilitating existing structures are provided for from the fund. The Province of Alberta contributes 75% of expenditures approved by the Irrigation Council and the District contributes 25%. This 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%.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand and short-term deposits which are highly liquid.

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a specific item basis.

(continues)

RAYMOND IRRIGATION DISTRICT

Notes to Financial Statements

Year Ended December 31, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Property and equipment

Property and equipment is stated at cost. Amortization is provided for on a declining balance basis at the following rates:

Buildings	5%
General equipment	10%
Power equipment	15%
Trucks	20%
Computer equipment	25%
Solar equipment	10%

In the year of acquisition, these rates are reduced by one-half.

The District regularly reviews its property and equipment to eliminate obsolete items. If property and equipment are subject to permanent impairment, additional amortization or write-down is provided.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Revenue recognition

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenditures 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.

Water rates are recognized when service is provided.

(continues)

RAYMOND IRRIGATION DISTRICT

Notes to Financial Statements

Year Ended December 31, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Additions to Irrigation Works

As is common with all irrigation districts, the equipment charge out rates used by the district can result in the capitalization of amounts greater than the cost incurred by the district. Some additions to irrigation works were constructed this year using district equipment.

Irrigation Works

Costs incurred in constructing new irrigation works and in replacing and rehabilitating existing works are capitalized and fully provided for from the irrigation works fund. Maintenance projects are expensed to operations.

Amortization of irrigation works is provided for on the straight-line basis over 40 years.

If irrigation works are subject to permanent impairment, additional amortization or write-down is provided.

Contributions for Irrigation Works

The District makes an additional provision for the future irrigation works. The 2025 provision for irrigation works was \$51,992 (2024 - \$51,992).

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Significant areas subject to such estimates and assumptions include the carrying amounts of capital assets and provisions for impairment of accounts receivable. Actual results could differ from these estimates.

3. ACCOUNT RECEIVABLE

	<u>2025</u>	<u>2024</u>
GENERAL OPERATIONS		
Account receivable	\$ 1,977,872	\$ 1,705,153
Accrued interest	702,207	372,853
	<u>2,680,079</u>	<u>2,078,006</u>
IRRIGATION WORKS FUND		
2022 New acre rights receivable	562,000	562,000
2023 New acre rights receivable	506,800	526,800
Grant receivable	251,387	18,596
2021 New acre rights receivable	-	611,200
	<u>1,320,187</u>	<u>1,718,596</u>
	<u>\$ 4,000,266</u>	<u>\$ 3,796,602</u>

RAYMOND IRRIGATION DISTRICT

Notes to Financial Statements

Year Ended December 31, 2025

4. LONG TERM INVESTMENTS

	2025	2024
Alberta Municipal Financing Corporation - 1 Class B Common share	\$ 10	\$ 10
Irrican Power Ltd. - 13 Class B Common shares	13	13
1st Choice Credit Union - Common shares	30	30
United Farmers of Alberta	18,986	18,986
Amount relates to Funds borrowed from Alberta Capital Finance Authority which were subsequently loaned to the Irrican Power Ltd. Accordingly, the district has notes receivable as follows: Annual repayment of \$382,051 including interest at 5.70%. Payments are due July 31 and October 31 and mature in 2027.	4,169,778	4,169,778
Canadian Infrastructure Bank Incremental revenue investment	605,293	325,183
	\$ 4,794,110	\$ 4,514,000
Less: Current portion included in current assets	\$ 300,326	\$ 123,103
	\$ 4,493,784	\$ 4,390,897

5. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Land	\$ 23,636	\$ -	\$ 23,636	\$ 23,636
Buildings	167,174	106,452	60,722	30,030
General equipment	189,125	94,702	94,423	77,875
Power equipment	2,098,574	1,109,826	988,748	870,057
Trucks	377,801	257,706	120,095	143,368
Computer equipment	42,269	25,093	17,176	14,303
Solar equipment	529,093	199,312	329,781	366,423
	\$ 3,427,672	\$ 1,793,091	\$ 1,634,581	\$ 1,525,692

6. IRRIGATION WORKS

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Irrigation Works	\$ 54,926,117	\$ 19,610,382	\$ 35,315,735	\$ 29,903,912

Irrigation Works have been valued for balance sheet purposes at \$35,315,735 (2024 - \$29,903,912) being the recorded cost of the system as at December 31, 1977, together with rehabilitations and charges for amortization, as described in Note 2.

Included in the cost total above is \$6,670,496 (2024 - \$3,553,997) of work in progress that is not being amortized as it was not in use as of year end.

RAYMOND IRRIGATION DISTRICT

Notes to Financial Statements

Year Ended December 31, 2025

7. LONG TERM DEBT

	<u>2025</u>	<u>2024</u>
Canadian Infrastructure Bank		
Information included below.	\$4,849,501	\$2,765,000
Principal amounts payable within one year	<u>-</u>	<u>-</u>
	<u>\$4,849,501</u>	<u>\$2,765,000</u>

On August 9, 2021, the District entered into an amended and restated funding agreement with Irrigating Alberta Inc. ("IAI"). With funding being provided through a Canadian Infrastructure Bank (CIB) loan and a grant from the Province of Alberta (Minister of Agriculture and Forestry). The funds are to be used for the development and construction of the modernization 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 \$35,629,000 and is comprised of: 30% (\$10,688,700) contributed by way of a grant from the Province of Alberta; 50% (\$17,814,500) will be from a CIB loan; and 20% (\$7,125,800) will be the responsibility of the District for the applicable projects.

The CIB loan will accrue interest at 1.0% per annum for 35 years to be repaid by incremental revenues. Security on the CIB loan consists of a general security agreement on the incremental revenues which include the annual amount from capital asset charges levied on additional irrigation acres added as a result of the new assets ("additional acres"), 100% of the irrigation rates received on additional acres, plus all other rates, charges, surcharges fees, or other operating revenues directly attributable to the additional acres. In 2025, incremental revenues were \$265,860 (2024 - \$264,600).

8. PIPELINE MAINTENANCE FUND

Pursuant to agreements with water users on the Raymond 7-1 and 8-2 pipelines, annual charges are levied to provide for the future maintenance of the fittings and pumps. After the 2025 irrigation season, the 8-2 pipeline was decommissioned and therefore the maintenance fund was adjusted to operations. During the year, the fund balance transactions were as follows:

	<u>2025</u>	<u>2024</u>
Opening balances	\$ 46,076	\$ 44,088
Pump fund billings	4,271	4,491
Pump fund expenses	(1,666)	(2,503)
Close out Raymond 8-2 pipeline maintenance fund	<u>(42,963)</u>	<u>-</u>
Closing balances	<u>\$ 5,718</u>	<u>\$ 46,076</u>

RAYMOND IRRIGATION DISTRICT

Notes to Financial Statements

Year Ended December 31, 2025

9. IRRIGATION RATES

Irrigation rates, net, consist of:

	<u>2025</u>	<u>2024</u>
50,218 acres @ \$22.00 per acre (2024 - 50,218 acres @ \$20.00 per acre)	\$1,104,796	\$1,004,360
1,774 acres subject to a minimum charge per parcel (2024 - 1,774 acres)	64,680	58,800
2,198 acres @ \$30.00 per acre, annual agreements (2024 - 2,215 acres @ \$25.00 per acre)	65,940	<u>55,375</u>
51,992 acres (2024 - 51,992 acres)	<u>\$1,235,416</u>	<u>\$1,118,535</u>

10. RELATED PARTY TRANSACTIONS

The purpose of the Irrican Power Ltd. (formerly Irrigation Canal Power Co-operative Ltd.) is the generation and supply of electrical energy for the use and benefit of all water users in the St. Mary River Irrigation District and the Raymond Irrigation District. The Raymond Irrigation District owns 10% of the corporation. The corporation (formerly Co-operative) commenced operations in April of 1994.

During the year, the District charged the corporation administration fees totaling \$19,998 (2024 - \$28,098) and interest on investments totaling \$336,937 (2024 - \$293,163). As these transactions are in the normal course of operations, the transactions were measured at the exchange amount.

As at the year end, accrued interest is included in accounts receivable for the general operations in the amount of \$679,534 (2024 - \$342,597), and the investment for the general operations in the amount of \$4,169,780 (2024 - \$4,169,780).

During the year, the District received revenues of \$51,172 (2024 - \$75,251) for irrigation water rates and paid Directors fees of \$24,720 (2024 - \$15,030) to members of the board of directors. At year end, \$162,367 is outstanding as accounts receivable and \$22,000 is outstanding as permanent irrigation acres. These transactions are in the normal course of operations and are measured at the exchange amounts outlines in the District's by-laws.

RAYMOND IRRIGATION DISTRICT

Notes to Financial Statements

Year Ended December 31, 2025

11. LOCAL AUTHORITIES PENSION PLAN

Employees of the District participate in the Local Authorities Pension Plan ("LAPP"), which is one of the plans covered by the Public Sector Pension Plans Act. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund. Contributions for current service are recorded as expenditures in the year in which they become due.

The District is required to make current service contributions to the LAPP of 8.45% (2024 - 8.45%) of pensionable earnings up to the year's maximum pensionable earnings ("YMPE") under the Canadian Pension Plan and 11.65% (2024 - 11.65%) on pensionable earnings above this amount. Employees of the District are required to make current service contributions of 7.45% (2024 - 7.45%) up to the YMPE and 10.65% (2024 - 10.65%) on pensionable earnings above this amount.

Total current service contributions by the District to the LAPP were \$54,728 (2024 - \$50,641). Total current service contributions by the employees of the District to the LAPP were \$48,889 (2024 - \$45,212).

At December 31, 2024 the LAPP served about 316,938 people (2023 - 304,451) and 453 employers (2023 - 444) and disclosed an actuarial surplus of \$19.56 billion (2023 - \$15.06 billion). The 2025 actuarial balance was not available at the date these financial statements were released.

12. FINANCIAL INSTRUMENTS

The District is exposed to various risks through its financial instruments. The following analysis provides a measure of the entity's risk exposure and concentration at the balance sheet date.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The District is exposed to credit risk from customers. The district provides credit to its clients in the normal course of its operations. The District has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an organization will encounter difficulty in meeting obligations associated with financial liabilities. The District is exposed to this risk mainly in respect of its accounts payable and liabilities.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The District is mainly exposed to interest rate risk and other price risk.

(d) 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. In seeking to minimize the risks from interest rate fluctuations, the District manages exposure through its normal operating and financing activities.

(continues)

RAYMOND IRRIGATION DISTRICT

Notes to Financial Statements

Year Ended December 31, 2025

12. FINANCIAL INSTRUMENTS *(continued)*

(e) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The District is exposed to other price risk through its investment in quoted shares.

Unless otherwise noted, it is management's opinion that the District is not exposed to significant other price risks arising from these financial instruments.

13. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation. The changes do not affect prior year earnings.

14. APPROVAL OF FINANCIAL STATEMENTS

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

RAYMOND IRRIGATION DISTRICT

Schedule of Operating Expenditures

(Schedule 1)

Year Ended December 31, 2025

	IRP Maintenance	Water Delivery	Administration and General	2025	2024
EXPENDITURES					
Salaries and benefits	\$ 340,479	\$ 340,479	\$ 250,568	\$ 931,526	\$ 870,835
Equipment maintenance	133,647	46,587	341	180,575	104,587
Fuel and oil	80,956	43,592	-	124,548	118,274
Vegetation and weed control	-	45,914	-	45,914	49,030
Solar and pump fund expenses	-	-	40,239	40,239	67,553
Dues and subscriptions	-	-	35,817	35,817	44,371
Materials and supplies	123,633	34,623	-	158,256	97,398
Discounts	32,961	-	-	32,961	32,558
Insurance	7,462	-	19,045	26,507	21,040
Board of Directors expenses	-	-	24,711	24,711	19,262
Bank charges	-	-	22,401	22,401	16,763
Building maintenance	-	-	15,674	15,674	11,088
Professional fees	1,325	1,656	12,500	15,481	10,634
Meetings and hosting	-	-	13,793	13,793	-
Advertising and promotions	-	-	11,183	11,183	5,375
Sub-contracts	9,863	-	-	9,863	2,938
Office	-	-	6,916	6,916	26,555
Utilities	-	-	6,751	6,751	11,230
Travel expenses	-	-	4,526	4,526	21,176
Telephone	-	-	4,336	4,336	11,635
Conferences and Education	-	-	2,360	2,360	1,680
	730,326	512,851	471,161	1,714,338	1,543,982
RECOVERIES					
Solar and pump fund recoveries	-	-	(111,244)	(111,244)	(145,971)
Administration activities - Irrican	-	-	(19,998)	(19,998)	(28,098)
Provincial Government grant recoveries	(583,373)	(254,301)	(46,066)	(883,740)	(760,256)
	(583,373)	(254,301)	(177,308)	(1,014,982)	(934,325)
TOTAL 2025	\$ 146,953	\$ 258,550	\$ 293,853	\$ 699,356	\$ -
TOTAL 2024	\$ 752,318	\$ 320,435	\$ 297,160	\$ -	\$ 609,657

RAYMOND IRRIGATION DISTRICT
Schedule of Irrigation Works Expenditures
Year Ended December 31, 2025

(Schedule 2)

	District	Province of Alberta	2025	2024
EXTERNAL GOODS AND SERVICES				
Materials & supplies	\$ 2,072,624	\$ 1,266,527	\$ 3,339,151	\$ 1,184,805
Sub-contractor	1,351,202	895,037	2,246,239	1,736,016
Engineering & surveying	95,646	53,438	149,084	118,328
	<u>3,519,472</u>	<u>2,215,002</u>	<u>5,734,474</u>	<u>3,039,149</u>
INTERNAL GOODS AND SERVICES				
Equipment pool recoveries	343,279	371,158	714,437	600,677
Labour recovery - Construction	78,778	90,524	169,302	159,579
	<u>422,057</u>	<u>461,682</u>	<u>883,739</u>	<u>760,256</u>
TOTAL 2025	<u>\$ 3,941,529</u>	<u>\$ 2,676,684</u>	<u>\$ 6,618,213</u>	<u>\$ -</u>
TOTAL 2024	<u>\$ 991,692</u>	<u>\$ 2,807,713</u>	<u>\$ -</u>	<u>\$ 3,799,405</u>