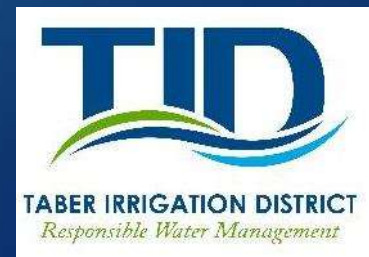


New Business

RATES FOR 2016-2018

CHRIS GALLAGHER, DISTRICT MANAGER



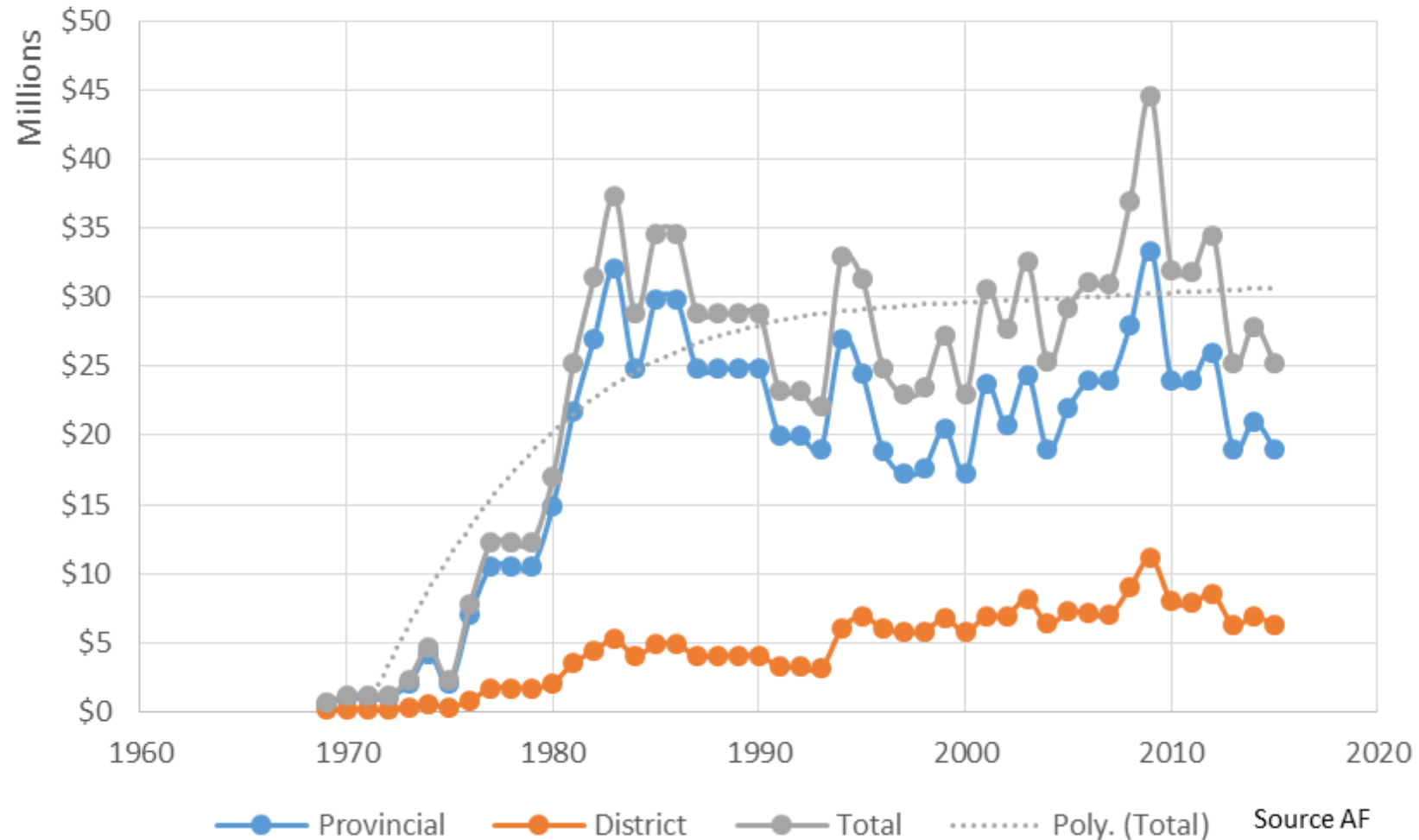
The Last Few Years – Modernizing

- ▶ Strategic Plan & Long Term Infrastructure Plan
- ▶ Gabion wall infiltration systems (15+) and Screeners (4)
- ▶ Canal lining and tile drain install/upgrades
- ▶ Computers, network, monitors, website
- ▶ Magnacide H scheduling
- ▶ GPS surveys, ACAD, digital submissions
- ▶ Texting water orders
- ▶ Water quality monitoring, integrated watershed management
- ▶ Tile drain reviews and consents
- ▶ New trucks, tandems, tractors, mowers, seeder



IRP Funding – Capital Projects

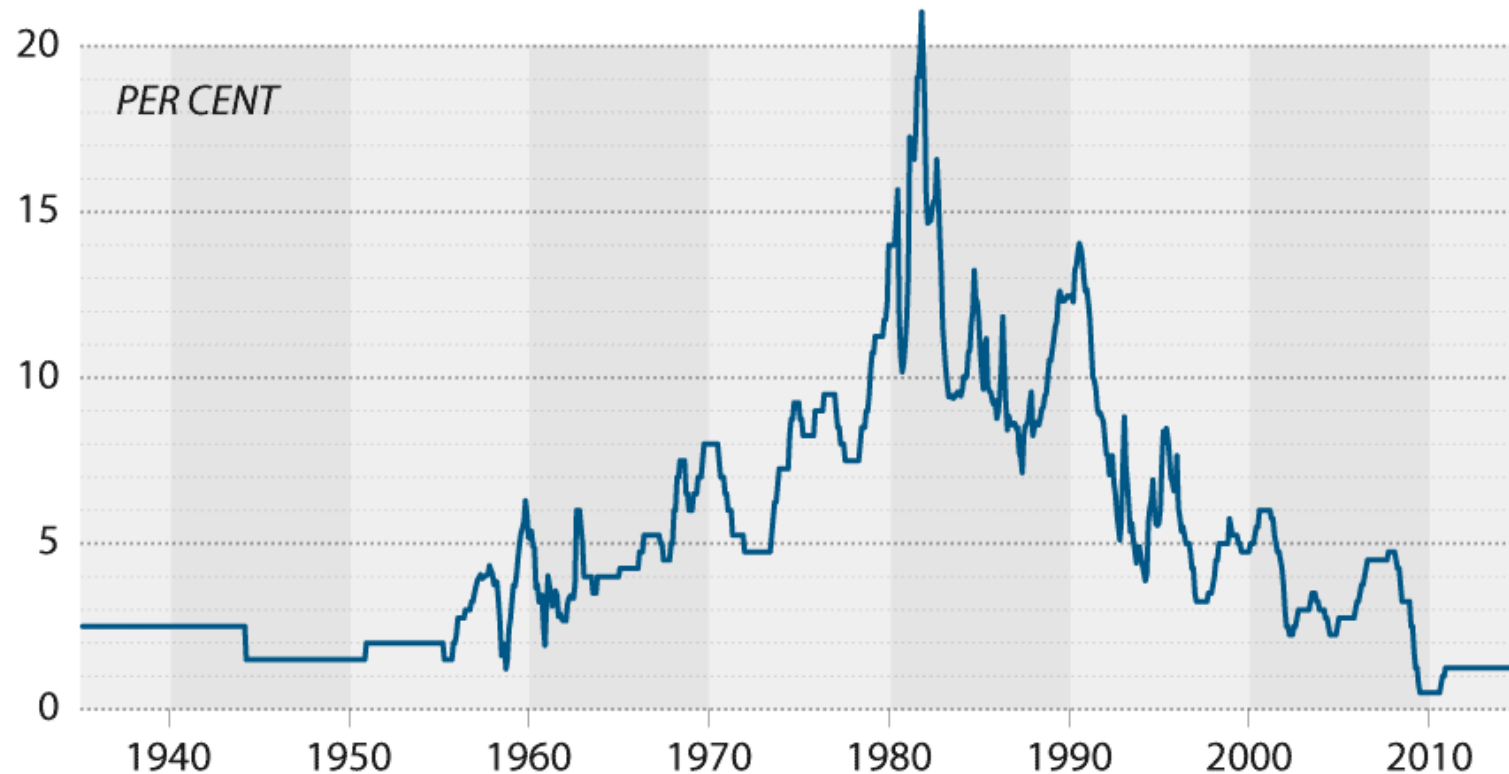
IRP Grants for Irrigation District System Rehabilitation



Interest Rates Affect Revenue

CANADA'S BANK RATE

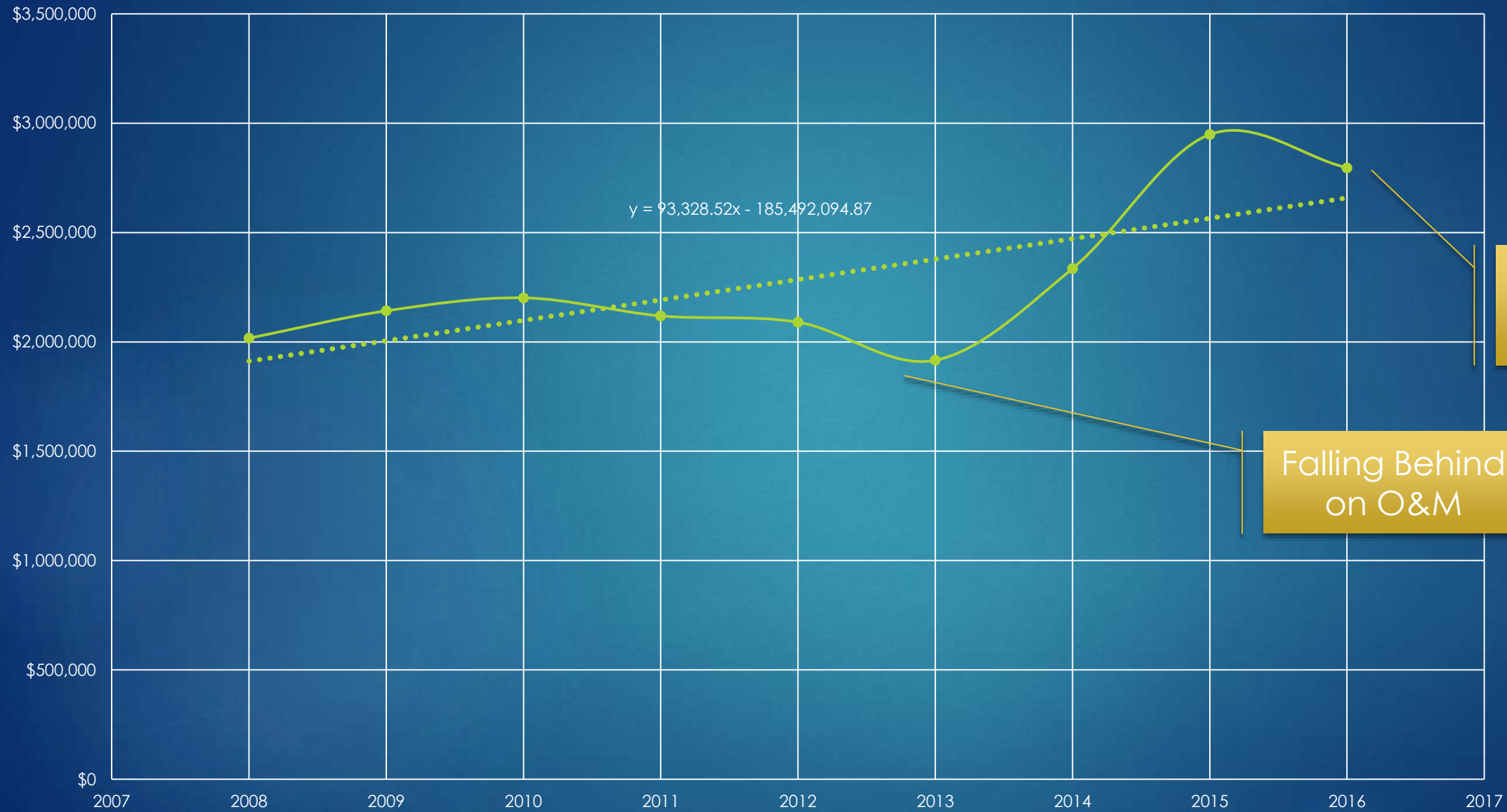
The Canadian bank rate has been unchanged since Sept. 8, 2010, the fourth longest pause in its history and the longest since the 1950s:



SOURCE: BANK OF CANADA

THE CANADIAN PRESS

Total Expenditures



Returning to
Trend for
2016/2017

Falling Behind
on O&M

Table 6. Irrigation Districts Annual Water Rates (\$ per assessed acre per year)

YEAR	AID	BRID	EID	LID	LNID	MID	MVID	RCID	RID	SMRID	TID	UID	WID
86	\$6.00	\$10.00	\$7.25	\$7.50	\$12.50	\$6.00	\$5.20	\$6.00	\$6.50	\$13.00	\$11.00	\$3.25	\$7.47
87	\$6.00	\$10.00	\$7.50	\$7.50	\$12.50	\$6.00	\$5.20	\$6.00	\$6.50	\$13.00	\$11.00	\$3.25	\$7.47
88	\$7.00	\$10.00	\$7.50	\$8.00	\$12.50	\$6.00	\$5.20	\$6.00	\$6.50	\$13.00	\$12.00	\$3.25	\$7.70
89	\$7.00	\$10.00	\$8.00	\$8.00	\$13.50	\$6.00	\$6.20	\$6.00	\$6.50	\$13.25	\$12.00	\$3.58	\$8.00
1990	\$8.00	\$10.00	\$8.50	\$8.00	\$13.50	\$6.00	\$6.20	\$6.00	\$6.50	\$14.00	\$12.00	\$3.75	\$11.00
91	\$8.00	\$10.00	\$8.50	\$7.00	\$13.50	\$6.00	\$6.20	\$6.00	\$6.50	\$14.00	\$12.00	\$4.00	\$13.00
92	\$8.00	\$11.00	\$8.50	\$7.00	\$14.00	\$6.00	\$6.20	\$6.00	\$6.50	\$14.00	\$12.00	\$4.25	\$13.50
93	\$8.00	\$11.00	\$8.50	\$7.00	\$14.00	\$6.00	\$6.20	\$6.00	\$6.50	\$14.25	\$12.00	\$4.50	\$13.50
94	\$8.00	\$12.00	\$8.50	\$7.00	\$14.00	\$6.50	\$6.20	\$6.00	\$7.00	\$15.25	\$12.00	\$4.50	\$14.75
1995	\$8.00	\$13.00	\$8.50	\$8.00	\$14.00	\$7.00	\$8.00	\$8.50	\$7.00	\$16.15	\$12.00	\$4.50	\$14.75
96	\$8.00	\$13.00	\$8.50	\$8.00	\$14.00	\$7.00	\$8.00	\$8.50	\$7.50	\$16.15	\$12.00	\$6.50	\$15.25
97	\$8.00	\$13.00	\$7.50	\$8.00	\$14.00	\$7.00	\$8.00	\$8.50	\$7.50	\$16.15	\$12.00	\$6.75	\$15.25
98	\$8.00	\$13.50	\$7.50	\$8.00	\$14.00	\$7.50	\$8.00	\$8.50	\$8.50	\$16.65	\$12.00	\$7.00	\$16.25
99	\$8.00	\$14.50	\$7.50	\$8.00	\$14.00	\$7.50	\$8.00	\$8.50	\$8.50	\$17.00	\$12.00	\$7.25	\$16.25
2000	\$8.00	\$14.50	\$7.50	\$8.00	\$14.00	\$7.50	\$8.00	\$8.50	\$8.50	\$17.50	\$12.00	\$7.50	\$16.25
01	\$8.00	\$14.50	\$7.50	\$8.00	\$14.00	\$7.50	\$8.00	\$8.50	\$8.50	\$17.90	\$11.00	\$7.50	\$16.25
02	\$8.00	\$14.50	\$7.50	\$8.00	\$14.00	\$7.50	\$8.00	\$6.00	\$8.50	\$16.90	\$11.00	\$7.75	\$16.25
03	\$9.00	\$15.00	\$0.00	\$10.00	\$14.00	\$8.00	\$8.00	\$13.58	\$8.50	\$17.90	\$11.00	\$8.25	\$16.25
04	\$9.00	\$14.50	\$0.00	\$11.00	\$14.00	\$8.00	\$8.00	\$13.58	\$9.50	\$17.90	\$11.00	\$8.25	\$16.25
2005	\$9.00	\$14.50	\$0.00	\$11.00	\$14.00	\$8.50	\$10.00	\$13.58	\$9.50	\$17.90	\$11.00	\$8.25	\$16.25
06	\$9.00	\$14.50	\$0.00	\$11.00	\$14.00	\$8.50	\$10.00	\$15.00	\$9.50	\$18.50	\$11.00	\$8.25	\$16.25
07	\$9.00	\$14.50	\$0.00	\$11.00	\$14.00	\$9.00	\$10.00	\$18.00	\$9.50	\$18.75	\$8.00	\$8.25	\$16.25
08	\$10.00	\$14.50	\$0.00	\$11.50	\$14.00	\$9.00	\$12.00	\$21.00	\$9.50	\$18.75	\$8.00	\$8.50	\$16.25
09	\$10.00	\$15.00	\$0.00	\$11.50	\$14.00	\$9.00	\$12.00	\$22.50	\$9.50	\$19.00	\$8.00	\$8.50	\$16.25
2010	\$10.00	\$15.00	\$0.00	\$11.50	\$14.00	\$9.50	\$12.00	\$21.50	\$9.50	\$20.00	\$8.00	\$8.50	\$16.25
11	\$10.00	\$15.00	\$0.00	\$11.50	\$14.00	\$9.50	\$12.00	\$20.50	\$9.50	\$20.00	\$8.00	\$8.50	\$16.25
12	\$11.00	\$16.00*	\$0.00*	\$11.50*	\$14.00*	\$11.00*	\$12.00	\$20.50	\$10.00*	\$20.00*	\$8.00*	\$9.00	\$16.25*
13	\$11.00	\$16.00*	\$0.00*	\$11.50*	\$14.00*	\$11.00*	\$12.00	\$20.50	\$10.00*	\$20.00*	\$8.00*	\$11.00	\$18.00*
14	\$12.00	\$16.00*	\$0.00*	\$12.00*	\$16.00*	\$11.00*	\$12.00	\$23.00	\$10.00*	\$20.00*	\$8.00*	\$11.00	\$18.00*

\$12 in 1988

\$11 in 2001

\$8 in 2007

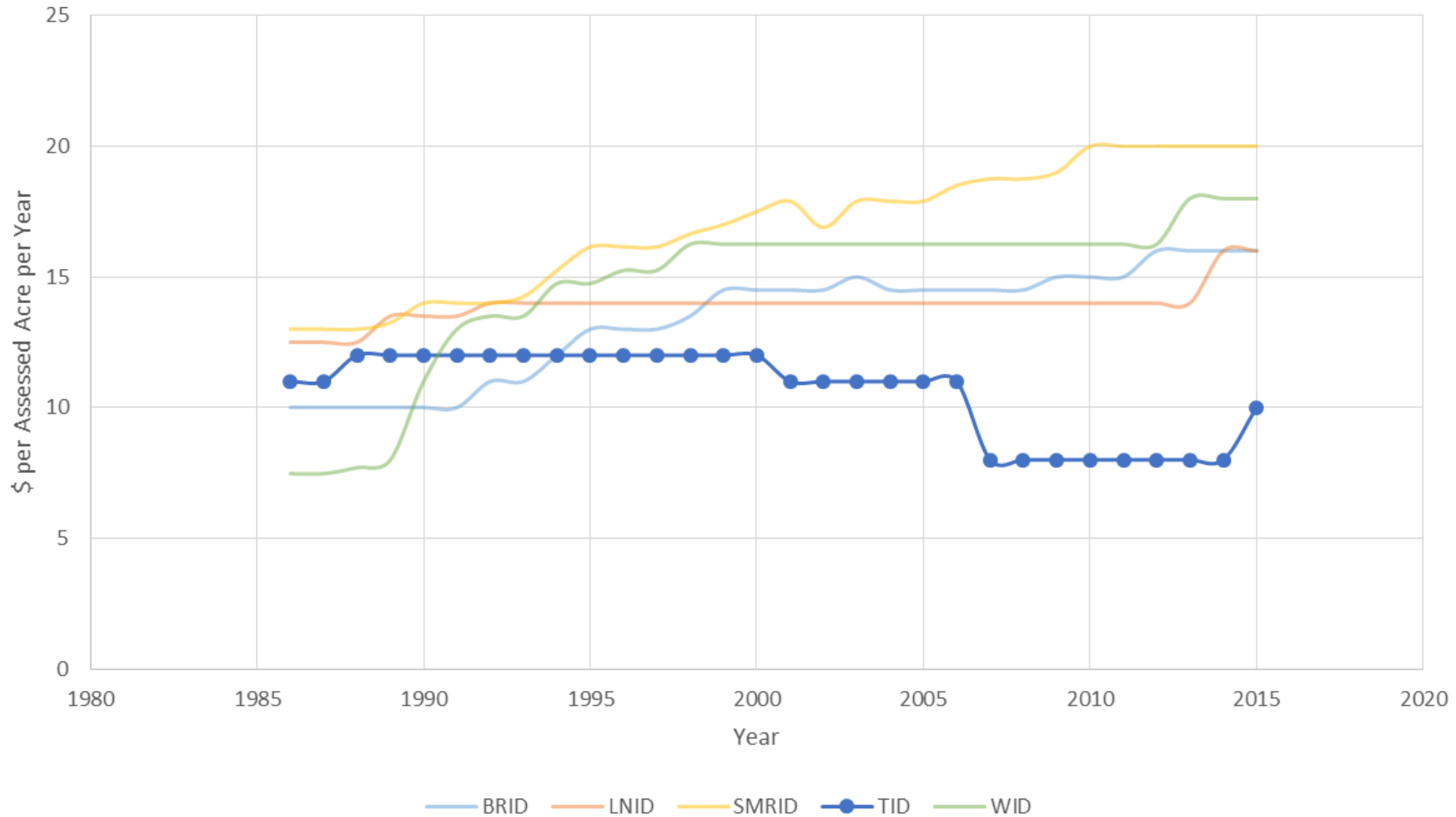
Note: * Some districts levy additional surcharges. The 2014 rates were:

- AID – \$3.00 per acre for pipeline delivery in Township 2
– \$5.00 per acre for pipeline delivery in Township 3
- BRID – \$0.70 per acre inch for volumes used on flood parcels over the annual water allocation (sprinkler parcels may not use more than the allocation)
- EID – \$6.00 per acre if served from H Cowoki, 03 East Branch, Springhill, or Rolling Hills Reservoir pressure systems
- LID – \$3.00 per acre for pipeline delivery

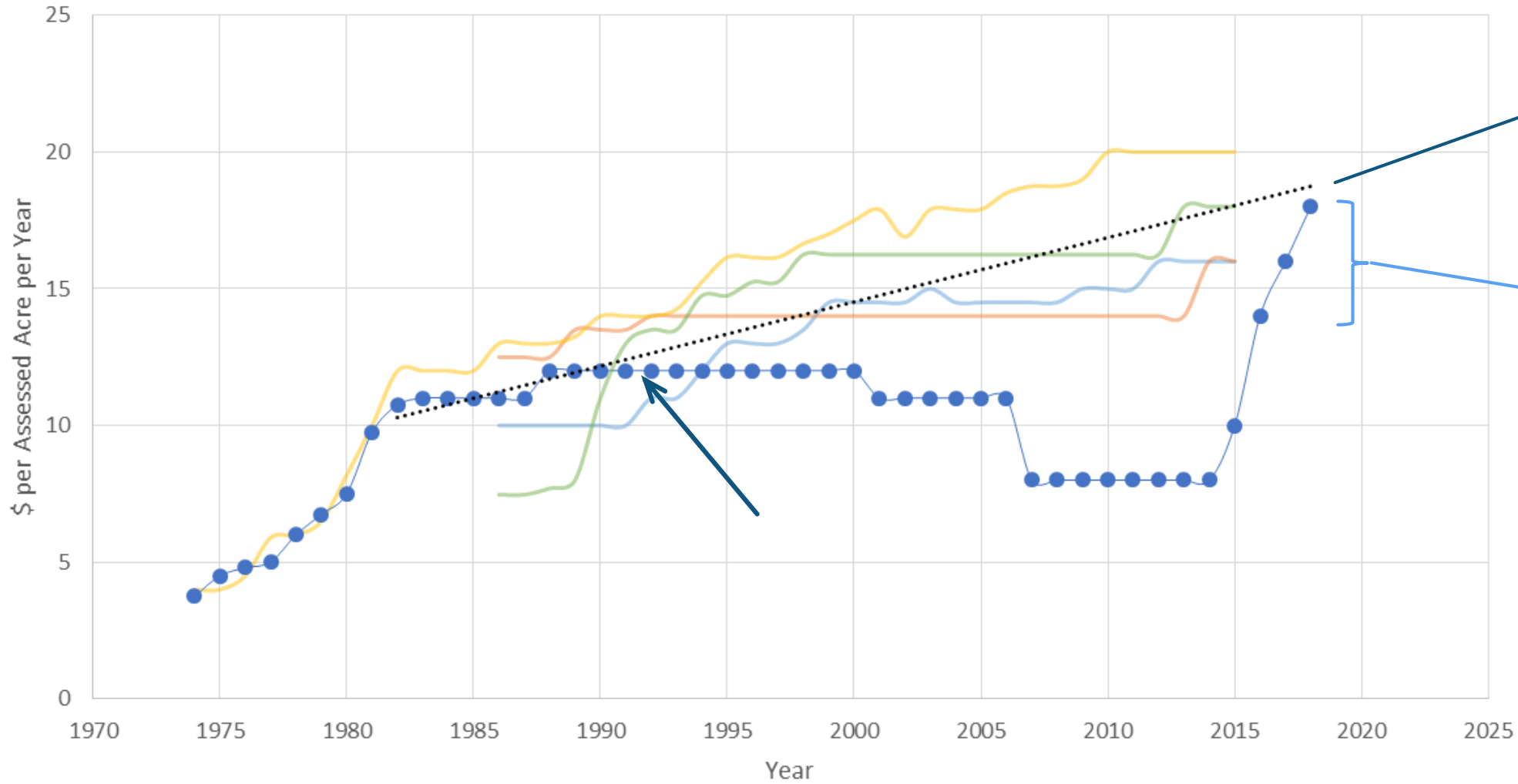
- LNID – \$0.30 per psi for pressure pipeline
– \$5.00 per acre inch for volumes over the annual allocation
- MID – \$4.00 per acre for pipeline delivery; \$1.00 per 10 psi
- RID – charges vary for pipeline and pressure delivery
– \$100 per acre inch for volumes over the annual allocation
- SMRID – \$100 per acre inch for volumes over the annual allocation
- TID – \$50 per acre inch for volumes over the annual allocation
- WID – \$0.31 per psi; \$0.50 per acre for automated screen cleaning



Annual Water Rate Comparison of Select Irrigation Districts



Annual Water Rate Comparison of Select Irrigation Districts



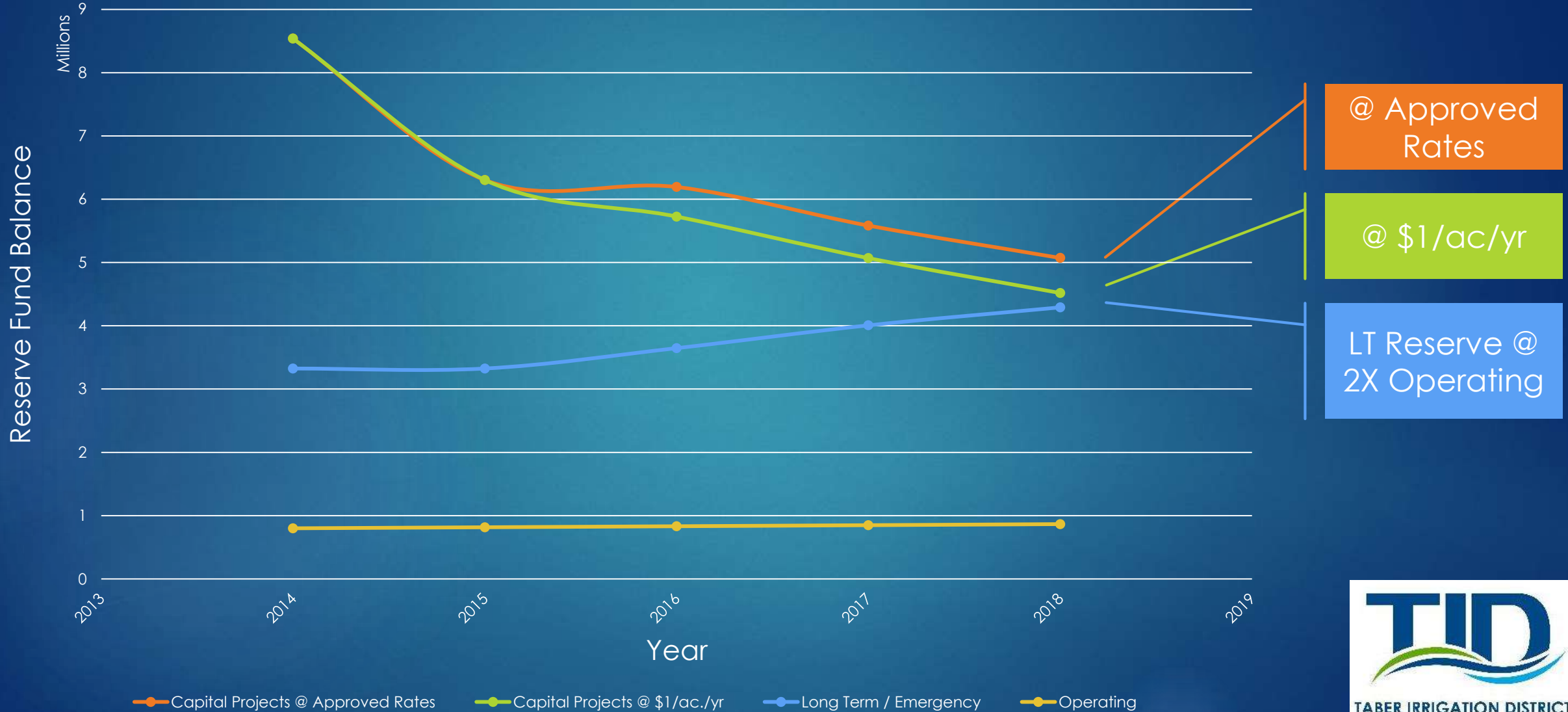
Average

@ Approved Rates

BRID LNID SMRID TID WID Average non-TID Linear (Average non-TID)



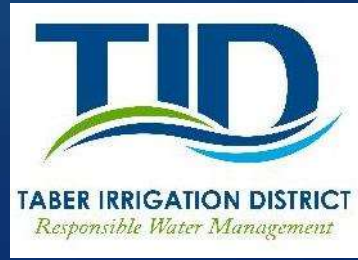
Effect of Rates on Capital Reserve Fund Balance



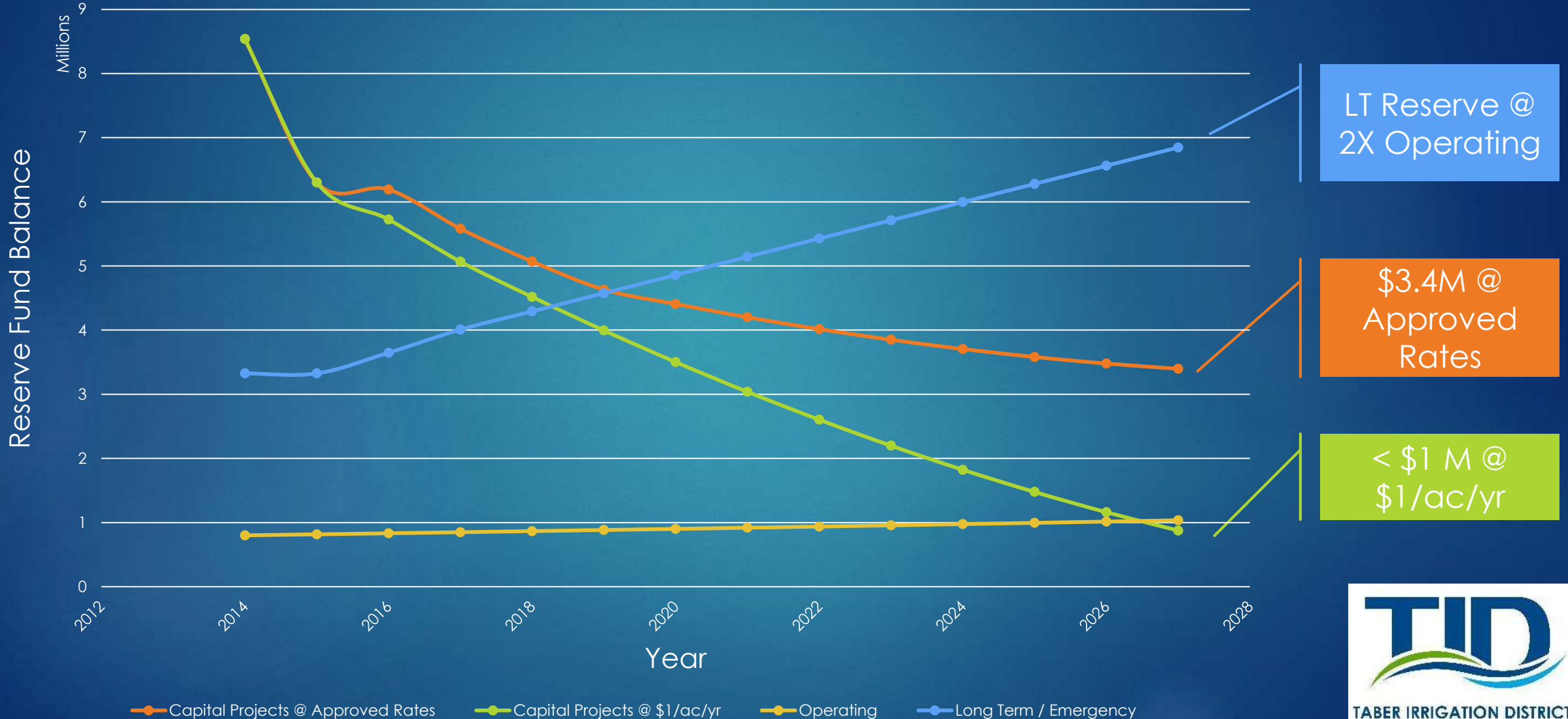
@ Approved Rates

@ \$1/ac./yr

LT Reserve @ 2X Operating



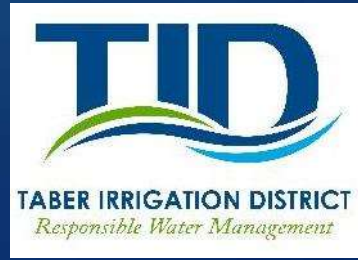
Effect of Rates on Capital Reserve Balance - Long Term Outlook



LT Reserve @
2X Operating

\$3.4M @
Approved
Rates

< \$1 M @
\$1/ac/yr



Projected Rate Summary

- ▶ 2015 = \$10/ac
- ▶ 2016 = \$14/ac
- ▶ 2017 = \$16/ac
- ▶ 2018 = \$18/ac

- ▶ Future = minimum increase of \$1/ac/year
- ▶ All other rates raised proportionally
- ▶ Discount @ 5%

- ▶ Low interest rates that have benefitted farmers is now hurting TID
- ▶ Works equally well in paying early
- ▶ Effective rate difference grows with rate increases

\$12+ \$2.50 (\$1 MCAC + \$0.50 Mag H passed through)

Required to get back on track with operating costs, ensure Revenue > Expenses (p. 29), and avoid depleting future project funding