

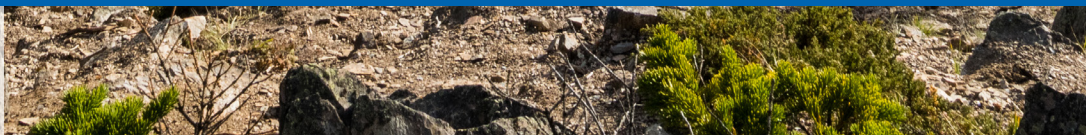
THE POWER OF CHOICE



**2023
ANNUAL
REPORT**



**BLUE MOUNTAIN
POWER CO-OP**
310-POWR (7697)



Our Vision & Mission

Vision Statement

We build a more robust, inclusive, and prosperous rural economy through the provision of member owned and operated electric power services. We make the world a better place by empowering people to contribute to the collective prosperity and wellbeing of themselves and their community.

Mission Statement

Blue Mountain Power Co-op delivers superior value to our member-owners by providing safe, reliable, and affordable electricity and related power services to rural Alberta communities with the help of our outstanding staff and community partners.



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Board of Directors



Pat Alexander
Chair



Earl Graham
Vice-Chair



Steve Clough
Vice-Chair



Bob Bryant
Director



**BLUE MOUNTAIN
POWER CO-OP**

THE POWER OF CHOICE



Reg Dean
Director



Ron Hallahan
Director



Tim Layton
Director



Tim Plante
Director

Election Nominees

Nominees for Blue Mountain

Power Co-op Board of Directors

Steve Clough

Steve has served on Blue Mountain Power Co-op's Board of Directors since 2021. Steve owns and operates Hymark Energy Services. He and his wife, Trish, also operate Willow Valley Ranch. Steve's grandfather, Jess Clough, served as a Blue Mountain Power Co-op Director for 21 years. This influenced Steve's decision to become a Director. Steve has been or is currently involved with the following:

- Leslieville Elks Lodge #351 (Active Member & Past Exalted Ruler)
- Canadian National Sporting Clays Association, Director & Secretary
- Gilby 4H Beef Club

Steve and Trish have two daughters that they are proudly raising in a farm and ranch lifestyle. Steve enjoys snowmobiling and Sporting Clay tournaments. He is a Level 1 instructor and a tournament referee.



Ron Hallahan

Ron Hallahan has been a member of Blue Mountain Power Co-op's Board of Directors since 2018. Ron is currently or has been involved with the following:

- FRISCO Community Hall Board
- 2019 Alberta Masters Games
- West Central Stakeholders
- Rocky Air Show

Ron is an oil & gas retiree who has been a resident of the Rocky and Clearwater County area for the past 40 years.



Agenda

Blue Mountain Power Co-op Annual General Meeting Agenda

April 12, 2024

Caroline Community Hub

1. Call to Order
2. Introduction of Guests, Directors & Staff
3. Rules of Procedure
4. Motion for a Quorum
5. Approval of the Agenda
6. Minutes of the Annual General Meeting Held April 19, 2023
7. Minutes of the Special General Meeting Held January 25, 2024
8. Business Arising from the Minutes
9. Chair's Report 2023
10. CEO's Report 2023
11. Election of Directors
12. Financial Audit Report - Pivotal LLP
13. Motion to Appoint Auditor
14. Guest Speaker(s)
15. Question Period
16. Attendance
17. Adjournment
18. Door Prizes

Motions

1. Resolutions from the floor by members are limited to approving financial reports, approval of association levies, appointment of the auditor and election of directors. Rural Utilities Regulation s3.
2. After a motion has been moved and seconded, the mover has the privilege of speaking to the motion first, followed by the second.
3. The mover, second and anyone speaking on a motion, should give his/her name before speaking.
4. The Chair will then ask if anyone wishes to speak in opposition to the motion before calling for a vote.
5. If someone wishes to speak against the motion, then regular parliamentary procedure - as applied by the Chair in his reasonable discretion - will be followed.
6. The mover of a motion has the privilege of closing the debate, but not the mover of an amendment.
7. A member may only speak once to a resolution, other than the mover, who may close the debate.
8. Officials will be given time to make the necessary explanations.

New Business

Under new business, members are given an opportunity to bring matters to the attention of the Board for the Board's consideration.

Voting

Rural Utilities Act s12

1. Each member is entitled to one vote per Electric Service Contract. If a member has multiple Electric Service Contracts, he/she is only entitled to one vote unless there are two names on the contract in which case one may vote on one contract and one on the other. (Example – husband and wife – if both names are on the land title then each can vote).
2. Proxies are not allowed.
3. A person who is named as a member's attorney in an enduring Power of Attorney within the meaning of the Power of Attorney's Act and who has authority to act under the enduring Power of Attorney may, unless the enduring Power of Attorney provides otherwise, exercise the member's vote at a meeting of the association. (Proof of Power of Attorney must be on file at the Association's head office or be provided at the meeting.)

Annual General Meeting Minutes

April 19, 2023

Meeting called to order at 5:57 pm by Chair – Pat Alexander
Introduction of Guests and Directors: by Pat Alexander

| | |
|----------------|--|
| Al Nagel | Alberta Federation of REA's, CEO |
| Dan Astner | Alberta Federation of REA's, President |
| Bill Klassen | Battle River Power Co-op, GM |
| Malcolm Barr | Battle River Power Co-op, Vice-Chair |
| Glen Fox | EQUUS REA, Chair |
| Johan Feddema | EQUUS REA, Director |
| Tom Clark | Diamond Valley Gas Co-op |
| Jason Nixon | MLA – Rimbey, Rocky & Sundre |
| Jessica Marion | Pivotal LLP |
| Nancy Hartford | Ponoka County Councillor |
| Curtis Donald | Rocky Credit Union |
| Randall Sugden | Rocky Credit Union |
| Genny Mehlhaff | Rocky Gas Co-op, Director |
| Doug Skeels | Rocky Gas Co-op, Director |
| Pat Alexander | Blue Mountain Power Co-op, Chair |
| Earl Graham | Blue Mountain Power Co-op, Vice-Chair |
| Steve Clough | Blue Mountain Power Co-op, Vice-Chair |
| Bob Bryant | Blue Mountain Power Co-op, Director |
| Reg Dean | Blue Mountain Power Co-op, Director |
| Ron Hallahan | Blue Mountain Power Co-op, Director |
| Tim Layton | Blue Mountain Power Co-op, Director |
| Tim Plante | Blue Mountain Power Co-op, Director |

Rules of Procedure

Motion 1 – That all members present shall constitute a quorum.

Mover – Ray Johnston

Seconded – Sandra Simmelink

Carried

Motion 2 – That the agenda be adopted.

Mover – Grace Qually

Seconded – Karen Layton

Carried

Motion 3 – That the minutes of the Annual General Meeting held April 13, 2022 be adopted as presented.

Mover – Bob Bryant

Seconded – Tim Layton

Carried

Business arising from the Minutes: None

Chair's Report: Given by Pat Alexander

Motion 4 – That the Chair's report be adopted.

Mover – Dave Simmelink

Seconded – Pat Butler

Carried

Manager's Report: Given by Jerry Reglin



Minutes

Motion 5 – That the Manager’s report be adopted.

Mover – Marianne Cole

Seconded – Tom Clark

Carried

Motion 6 – That the nomination sub-committee’s report be accepted for information and that Pat Alexander, Earl Graham and Tim Plante be elected by acclamation for three-year terms.

Mover – Dave Clough

Seconded – Ray Johnston

Carried

Auditor’s Report: Given by Jessica Marion of Pivotal LLP

Motion 7 – To accept the Auditor’s report.

Mover – John Reid

Seconded – Neil Godlonton

Carried

Appointment of Auditor

Motion 8 – To leave to Board discretion to appoint the auditors for 2023 year-end audit.

Mover – Pat Butler

Seconded – Earl Graham

Carried

Jason Nixon extended greetings and thanks to the Members, Board and Staff of BMPC.

Question Period:

Attendance Report: 76 Members, 31 Guests, 14 Staff, 8 Directors, Total 129

Adjournment: Grace Qually adjourned the meeting at 6:53 pm



Special General Meeting Minutes

January 25, 2024

Meeting called to order at 7:01 pm by Chairman – Pat Alexander

Introduction of Board Members and Staff

Rules of Procedure

Motion 1 – That all members present shall constitute a quorum

Mover – Ron Hallahan Seconded – Earl Graham Carried

Motion 2 – That the agenda be adopted

Mover – Reg Dean Seconded – Tim Plante Carried

Message from Chairman

Motion 3 – WHEREAS ss. 9(3) of the Rural Utilities Act RSA 2000, c R-21 permits Rocky Rural Electrification Association Limited to amend or rescind its Supplemental By-laws either at an annual meeting or at a general meeting called for that purpose; and

AND WHEREAS on the 25th day of January 2024, there was a general meeting of the membership of the Rocky Rural Electrification Association Limited, with no less than 10 days' notice of the hour, day, place, and purpose of the meeting being given in accordance the by-laws of Rocky Rural Electrification Association Limited,

IT WAS THEN RESOLVED by a majority of those entitled to vote at the meeting that the previous Supplemental By-law 6.10 be repealed and replaced in the introduction of Supplemental and Revised By-law 6.10 as attached herein.



Supplemental By-Law 6.10

Be IT ENACTED as the Supplemental and Revised By-law 6.10 of Rocky Rural Electrification Association Limited as follows:

1. For the purposes of this supplemental by-law only:

(a) "Association" means Rocky Rural Electrification Association Limited;

(b) "Board" means the Board of Directors of the Association;

(c) "Member in Good Standing" means a member of the Association who:

- (i) has paid the membership fee;
- (ii) has entered into a contract with the Association for the provision of electric service;
- (iii) has paid the required contribution to construction and extension of works cost, if any;
- (iv) is in compliance with all policies of the Association, the Standard Bylaws, as amended, and all supplemental by-laws of the Association;
- (v) has paid all accounts rendered by the Association as they become due; and
- (vi) has not been declared by the Board to be a member not in good standing

(d) "Immediate Family" means a persons:

- (i) Spouse, adult interdependent partner or common-law partner
- (ii) Children (and their partner/spouse)
- (iii) Current or former foster children (and their partner/spouse)
- (iv) Current or former wards

(v) Parents, step-parents and/or current or former guardians (and their partner/spouse)

(vi) Current or former foster parents

(vii) Siblings, half-siblings, step-siblings (and their partner/spouse)

2. A Nomination Sub-Committee of the Board of the Association shall be struck no less than one hundred twenty (120) days prior to the date on which the election of directors is to take place.
3. No less than seventy-five (75) days prior to the date on which the election of directors is to take place, the Nomination Sub-Committee will publish, in any manner it considers appropriate, instructions on how nominations of candidates for the office of director shall be delivered by Association Members to the Nomination Sub-Committee. These instructions will, at a minimum, include the Board Code of Conduct. Nominations that do not comply with, or are not submitted in accordance with, the instructions provided pursuant to this Section shall be invalid. In the event that a Nomination is determined invalid, the Nomination Sub-Committee will notify the candidate in the manner described in Section 8.
4. Directors of the Association are to be elected from among the eligible nominated candidates.
5. The Nomination Sub-Committee may deem a nominated candidate ineligible for the following reasons:
 - (a) if that nominated candidate is not a Member in Good Standing or a Representative of a corporation that is not

- a Member in Good Standing;
 - (b) is otherwise ineligible according to the Act or Regulations;
 - (c) if the nominated candidate will not agree to be bound by the Board code of conduct; or
 - (d) if the nomination sub-committee determines that the nominated candidate would be in a position of conflict of interest to sit as director of the Association as described in subsection 9 therein.
6. The Nomination Sub-Committee will make a recommendation to the Board on whether or not each candidate nominated for the office of director is eligible or ineligible to be a director pursuant to this supplemental bylaw, and the relevant provisions of the Act and Regulations thereunder, and the final decision on the eligibility or ineligibility of each candidate shall be made by the Board.
7. The Nomination Sub-Committee will, at least 5 days prior to the election of directors, and in any manner that it considers appropriate, identify, to the Members of the Association, which nominated candidates for the office of director have been determined, by the Board, to be eligible to serve as directors.
8. In the event that a nominated candidate for the office of director is determined by the Board to be ineligible to be a director of the Association, or a Nomination is determined to be invalid, the Nomination Sub-Committee shall notify that candidate. Such notice will be written and include a clear explanation of the sub-committee's justification for their determination. The Nomination Sub-Committee will invite the Candidate to a Board of Directors meeting, prior to publishing the list of eligible Candidates, to allow the Member to appeal the Nomination Sub-Committee's determination. The Board may choose to declare the Candidate eligible, and no further appeals will be entertained.



9. Notwithstanding subsection 8(3) of Schedule 3 of the Regulations, a Member in Good Standing is ineligible to be elected as director if that person (including corporate members and their principals or representatives) would be in a conflict of interest for any reason, including but not limited to:

(a) That person is, individually or in conjunction with other persons or corporations, employed by, engaged in or could profit in any way from the operation of any business activities which are in competition with any of the business activities of the Association;

(b) That person is, individually or in conjunction with other persons or corporations, employed by, engaged in or could profit in any way from the operation of any business which does or could regularly provide goods or services necessary for the operation of the Association; or

(c) That person is, individually or in conjunction with other persons or corporations, able to personally benefit monetarily from the operation of any business activities of the Association or where a person's family is, individually or in conjunction with other persons or corporations, able to personally benefit monetarily from the operation of any business activities of the Association.

(d) That person has been previously employed, contracted or otherwise engaged by the Association in the capacity of an employer – employee or service provider basis within two (2) years of their application for directorship.

For further clarity, a candidate shall be deemed ineligible if said candidate was employed by the Association, in any capacity whatsoever, of which their ineligibility shall be for two (2) years following the termination of any employment or contractual relationship between the Association and the candidate in question.

10. For the purposes of this by-law, the concept of a person, either individually or in conjunction with other persons or corporations, profiting or monetarily benefiting from the operation of any business activities of the Association includes:

(a) A person who directly and financially benefits from the operation or activity;

(b) A persons immediate family who directly and financially benefits from the operation or activity;

(c) A corporation, other than a distribution corporation, in which the person is a shareholder director or officer;

(d) A distributing corporation in which the person beneficially owns voting shares carrying at least 10% of the voting rights attached to the voting shares of the corporation or of which the person is a director or officer; or

(e) A partnership or firm in which the person is a member.

11. A person, either individually or in conjunction with other persons or corporations is not in a conflict of interest if:

(a) The persons engagement with said business operations or activities of the

Association is so remote or insignificant that it cannot be reasonably be regarded as likely to influence person operating as a director; or

- (b) The persons family members engagement with said business operations or activities of the Association is so remote or insignificant that it cannot be reasonably be regarded as likely to influence the person operating as a director.
12. In the event a sitting director would have a conflict of interest as described herein in participating in a discussion or vote regarding any Association activity or business matter, that director shall:
- (a) Disclose the general nature of the conflict prior to any discussion of the matter;
 - (b) Abstain from voting or engaging in further discussion on any question relating to the matter; and
 - (c) Leave the room in which the meeting is being held until discussion and voting on the matter are concluded.
13. In the event that a director has reason to believe that another director would have a material conflict of interest in participating in a discussion or voting on a particular Association activity or business matter

but failed to so declare in accordance with subsection (n), the director shall ask the Chairman to take a vote of the Board regarding whether the director who is suspected of being in a position of conflict should be permitted to participate in the discussion or vote.

- 14. Both the director raising the concern and the director who is suspected of being in a position of conflict are excluded from the said vote which shall be conducted in any manner deemed fit by the Chairman of the meeting and decided by a majority of the balance of directors.
- 15. All directors of the Association shall confirm and acknowledge the code of conduct and ethics documentation every year after the annual general meeting and sign the code of conduct and ethics documentation of the Association.

Made by Steve Clough

Seconded by Earl Graham Carried

11 In Favor, 3 Opposed, 1 Abstained

Attendance Report: 7 Members,

4 Staff, 8 Directors

Adjournment: Tim Layton adjourned the meeting at 7:27 pm.



Chair's Report

Dear BMPC Members,

I am happy to share with you Blue Mountain Power Co-op's annual report for 2023. It is often said that with every challenge comes opportunity. For BMPC, 2023 was a year of both.

The volatile electricity market in Alberta was certainly a hallmark challenge. Energy procurement is always a top priority for our Cooperative, and we are continually evaluating options to help stabilize the prices for both RRO and fixed-rate energy. In 2023, we saw a trend of more members selecting fixed-rate contracts, which directly resulted from this price volatility.

As a temporary measure to help stabilize retail energy prices, the Provincial Government implemented a deferral program at the start of 2023. This program ensured that consumers on the RRO rate were not charged more than 13.5 cents per kWh for January, February, and March 2023. The deferred amounts were spread over the next 21 months, and repayment is expected to be completed by the end of 2024.

The Provincial Government recently released a plan to restructure the Alberta Energy Market, aiming to fix the underlying issues in the markets so that temporary measures are not needed. It is encouraging that the Government is willing to act on this matter, and in the meantime, your Board is ensuring we have proper protections in place regardless of government intervention.

We are proud of the involvement our Cooperative has in the West-Central Alberta community. Each year we give over \$14,000 to charitable organizations and community groups. These important organizations make a lasting and positive impact on our community. In addition,



BMPC offers scholarships to help support the children of our Members. We are continually impressed by the quality of the applicants we receive, and we are excited to support these students as they pursue their academic goals. I am excited to announce that in 2024, the Board has increased the number of scholarships awarded to four.

As a locally operated power co-op, we understand the importance of investing in our community to help it grow and prosper. We are proud to say that BMPC keeps over \$3.6 Million per year in the local community. BMPC's Directors and Employees live and work in our community. This is why we understand the importance of supporting local businesses and suppliers. By doing so, we help create jobs and opportunities for our neighbours while keeping our Cooperative strong and sustainable. Thank you to the record number of Members who participated in the 2024 Member Satisfaction Survey. The results of this survey will be used to shape our co-op's strategic plan. Our team continuously works to improve our services to ensure that our Members receive the best possible experience from our co-op.



The BMPC Board is committed to fulfilling our mission as your trusted energy provider. I would like to express my gratitude to the Board and Staff for their outstanding work and extend our heartfelt thanks to you, the Members of Blue Mountain Power Co-op, for your continued support.

Sincerely,

Pat Alexander

Chair

Blue Mountain Power Co-op

CEO's Report

Dear BMPC Members,

As the newly appointed CEO of Blue Mountain Power Co-op, I am excited for this new challenge and the opportunity to contribute to the continued success of our co-op. Looking back at the eventful past year, I would like to highlight some of our successes. One area that I am extremely proud of is our Wildfire Prevention Program.

The importance of effective wildfire prevention is not an abstract concept for BMPC. It is lived every fire season. In 2023, the destructive force of wildfires scarred the landscape of not just Alberta, but much of Canada.

At BMPC, our focus for wildfire prevention is keeping trees and other wildfire fuel away from power lines. Although this is not a new concept, it has taken on a new urgency with the recent increased risk of wildfires.

As part of this program, in 2022, our staff and contractors patrolled and analyzed vegetation hazards along every kilometer of BMPC powerlines. This was followed in 2023 with a coordinated effort by the Vegetation Management Team to trim over 61,000 square meters of vegetation and remove 726 individual danger trees. In 2024, BMPC will be investing a record amount of operational budget in vegetation management. This is BMPC's commitment to wildfire prevention.

As well as wildfire prevention, we continued to provide exceptional services to our membership. The Project Services Team completed 426 service requests and delivered 260 quotations which resulted in a 1,590 kVA addition to BMPC's distribution system.

The Line Operations Team continued to work all hours and in all weather conditions to keep the lights on; the average BMPC Member lost power for just over 2 hours and experienced 1 outage. This resulted in an average service uptime of 99.9%.



BMPC's dedicated Member Service Representatives responded to over 14,400 phone calls from Members and processed over 2,300 fixed rate energy contracts. Due to the volatility of the Regulated Rate Option (RRO), 62% of BMPC Members are now on a fixed rate energy contract. This has resulted in savings of more than 2.4 Million dollars for Members in 2023.

All utilities must balance affordability and reliability. I am pleased to report that in the coming year, BMPC will save Members approximately 1.57 Million dollars in Distribution Tariff charges. This significant accomplishment, paired with our reliability metrics, underscores the efficiency of not-for-profit, co-operative utilities.

I am grateful for the opportunity to lead this talented group of people. Thank you to BMPC's Board of Directors for their direction and knowledge; Staff for their dedication and hard work; and Members for your continued support.



Sincerely,

Daniel Fischer

Chief Executive Officer

Blue Mountain Power Co-op





MESSAGE FROM THE PREMIER OF ALBERTA

On behalf of the Government of Alberta, it is my pleasure to send greetings to everyone at the Blue Mountain Power Co-op as you come together for your annual general meeting.

Electricity isn't a luxury; it's a necessity for everyone, and it keeps Alberta moving. The farms, ranches, businesses, industries and family homes served by this co-operative rely on safe, reliable and affordable power services—and each other—to build strong rural communities and vibrant economies. Working together, your member-owners are helping ensure Alberta continues to be one of the best places in the world to live, work and raise a family. I deeply appreciate Blue Mountain Power Co-op's commitment to empowering people and delivering value.

Best wishes as you gather in Caroline to see to the business of the co-operative. I hope it is a great time to connect and celebrate your contributions to rural Alberta.



Danielle Smith

Honourable Danielle Smith, Premier of Alberta



Financial Statements

STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2023

| ASSETS | Ancillary | Operating | Energy | Deposit Reserve | 2023 | 2022 |
|---|-----------|---------------|--------------|-----------------|---------------|---------------|
| CURRENT ASSETS | | | | | | |
| Cash and cash equivalents | \$ - | \$ 1,921,435 | \$ 756,360 | \$ - | \$ 2,677,795 | \$ 1,053,190 |
| Restricted cash | - | - | 256,526 | - | 256,526 | - |
| Accounts receivable (Note 3) | 16,576 | 1,692,862 | - | - | 1,709,438 | 2,970,528 |
| RRO deferral (Note 4) | - | - | 519,266 | - | 519,266 | - |
| Prepaid expenses and deposits | - | 170,480 | - | - | 170,480 | 135,877 |
| | 16,576 | 3,784,777 | 1,532,152 | - | 5,333,505 | 4,159,595 |
| RESERVE FUNDS (Note 5) | - | 54,921 | - | 1,498,398 | 1,553,319 | 2,535,774 |
| LONG TERM LOANS RECEIVABLE (Note 6) | - | 222,824 | - | - | 222,824 | 247,925 |
| CAPITAL ASSETS (Note 7) | - | 21,664,891 | - | - | 21,664,891 | 20,975,994 |
| INTANGIBLE ASSETS (Note 8) | - | 98,986 | - | - | 98,986 | 124,450 |
| | \$ 16,576 | \$ 25,826,399 | \$ 1,532,152 | \$ 1,498,398 | \$ 28,873,525 | \$ 28,043,738 |
| LIABILITIES | | | | | | |
| CURRENT LIABILITIES | | | | | | |
| Accounts payable and accrued liabilities | \$ 1,656 | \$ 569,578 | \$ 879,773 | \$ 160 | \$ 1,451,167 | \$ 2,999,455 |
| Government remittances payable | 599 | 77,112 | - | - | 77,711 | 13,956 |
| Due to (from) internal funds | (340,291) | 5,664,687 | (2,700,310) | (2,624,086) | - | - |
| Current portion of long term debt (Note 11) | - | 544,739 | 771,789 | - | 1,316,528 | 3,691,456 |
| | (338,036) | 6,856,116 | (1,048,748) | (2,623,926) | 2,845,406 | 6,704,867 |
| LONG TERM DEBT (Note 11) | - | 3,501,454 | - | - | 3,501,454 | - |
| CAPITAL CONTRIBUTIONS (Note 12) | - | 10,701,549 | - | - | 10,701,549 | 10,602,332 |
| | (338,036) | 21,059,119 | (1,048,748) | (2,623,926) | 17,048,409 | 17,307,199 |
| NET ASSETS | | | | | | |
| UNRESTRICTED NET ASSETS | 354,612 | 4,712,359 | 2,580,900 | - | 7,647,871 | 6,609,594 |
| EXTERNALLY RESTRICTED NET ASSETS | - | - | - | 4,122,324 | 4,122,324 | 4,126,945 |
| INTERNALLY RESTRICTED NET ASSETS | - | 54,921 | - | - | 54,921 | - |
| | 354,612 | 4,767,280 | 2,580,900 | 4,122,324 | 11,825,116 | 10,736,539 |
| | \$ 16,576 | \$ 25,826,399 | \$ 1,532,152 | \$ 1,498,398 | \$ 28,873,525 | \$ 28,043,738 |
| CONTRACTUAL OBLIGATIONS (Note 13) | | | | | | |
| CONTINGENCIES (Note 14) | | | | | | |



Financial Statements

STATEMENT OF CHANGES IN NET ASSETS YEAR ENDED DECEMBER 31, 2023

| | Ancillary | Operating | Energy | Deposit Reserve | Total 2023 | Total 2022 |
|---|-------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| UNRESTRICTED NET ASSETS | | | | | | |
| Balance, beginning of year | \$ 326,646 | \$ 5,011,158 | \$ 1,271,790 | \$ - | \$ 6,609,594 | \$ 6,807,220 |
| Excess (deficiency) of revenues over expenses | 27,966 | (243,878) | 1,309,110 | - | 1,093,198 | (197,626) |
| Transfer to internally restricted net assets | - | (54,921) | - | - | (54,921) | - |
| Balance, end of year | <u>354,612</u> | <u>4,712,359</u> | <u>2,580,900</u> | <u>-</u> | <u>7,647,871</u> | <u>6,609,594</u> |
| EXTERNALLY RESTRICTED NET ASSETS | | | | | | |
| Balance, beginning of year | - | - | - | 4,126,945 | 4,126,945 | 4,159,227 |
| Deficiency of revenues over expenses | - | - | - | (4,621) | (4,621) | (32,282) |
| Balance, end of year | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,122,324</u> | <u>4,122,324</u> | <u>4,126,945</u> |
| INTERNALLY RESTRICTED NET ASSETS | | | | | | |
| Balance, beginning of year | - | - | - | - | - | - |
| Transfer from unrestricted net assets | - | 54,921 | - | - | 54,921 | - |
| Balance, end of year | <u>-</u> | <u>54,921</u> | <u>-</u> | <u>-</u> | <u>54,921</u> | <u>-</u> |
| | <u>\$ 354,612</u> | <u>\$ 4,767,280</u> | <u>\$ 2,580,900</u> | <u>\$ 4,122,324</u> | <u>\$ 11,825,116</u> | <u>\$ 10,736,539</u> |



STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2023

| | Ancillary | Operating | Energy | Deposit Reserve | 2023 | 2022 |
|---|------------------|---------------------|---------------------|-------------------|---------------------|---------------------|
| ANCILLARY OPERATIONS - Schedule 1 | | | | | | |
| Revenue | \$ 215,817 | \$ - | \$ - | \$ - | \$ 215,817 | \$ 315,366 |
| Expenses | <u>187,851</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>187,851</u> | <u>305,771</u> |
| | <u>27,966</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>27,966</u> | <u>9,595</u> |
| OPERATING OPERATIONS - Schedule 2 | | | | | | |
| Revenue | - | 4,745,844 | - | - | 4,745,844 | 4,157,919 |
| Expenses | - | <u>4,445,284</u> | - | - | <u>4,445,284</u> | <u>3,839,560</u> |
| | - | <u>300,560</u> | - | - | <u>300,560</u> | <u>318,359</u> |
| ENERGY OPERATIONS - Schedule 3 | | | | | | |
| Revenue | - | - | 10,088,948 | - | 10,088,948 | 8,258,874 |
| Cost of sales | - | - | <u>7,614,066</u> | - | <u>7,614,066</u> | <u>7,270,655</u> |
| Gross margin | - | - | 2,474,882 | - | 2,474,882 | 988,219 |
| Expenses | - | - | <u>1,169,444</u> | - | <u>1,169,444</u> | <u>1,050,873</u> |
| | - | - | <u>1,305,438</u> | - | <u>1,305,438</u> | <u>(62,654)</u> |
| DEPOSIT RESERVE OPERATIONS - Schedule 4 | | | | | | |
| Revenue | - | - | - | 1,282,165 | 1,282,165 | 1,154,941 |
| Expenses | - | - | - | <u>1,355,986</u> | <u>1,355,986</u> | <u>1,232,118</u> |
| | - | - | - | <u>(73,821)</u> | <u>(73,821)</u> | <u>(77,177)</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE THE FOLLOWING | 27,966 | 300,560 | 1,305,438 | (73,821) | 1,560,143 | 188,123 |
| INTEREST INCOME | - | 76,601 | 3,672 | 69,200 | 149,473 | 118,382 |
| GAIN ON DISPOSAL OF CAPITAL ASSETS | - | 74,233 | - | - | 74,233 | 124,778 |
| AMORTIZATION OF CAPITAL CONTRIBUTIONS | | | | | | |
| | - | 572,667 | - | - | 572,667 | 563,681 |
| AMORTIZATION OF CAPITAL ASSETS | | | | | | |
| | - | (1,228,190) | - | - | (1,228,190) | (1,162,011) |
| AMORTIZATION OF INTANGIBLE ASSETS | | | | | | |
| | - | (39,749) | - | - | (39,749) | (57,288) |
| LOSS ON DISPOSAL OF INVESTMENTS | | | | | | |
| | - | - | - | - | - | (5,573) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES | <u>\$ 27,966</u> | <u>\$ (243,878)</u> | <u>\$ 1,309,110</u> | <u>\$ (4,621)</u> | <u>\$ 1,088,577</u> | <u>\$ (229,908)</u> |



Financial Statements

STATEMENT OF CASH FLOWS YEAR ENDED DECEMBER 31, 2023

| | 2023 | 2022 |
|---|----------------------------|----------------------------|
| CASH PROVIDED BY (USED FOR) | | |
| OPERATIONS | | |
| Excess (deficiency) of revenues over expenses | \$ 1,088,577 | \$ (229,908) |
| Add (deduct) non-cash items: | | |
| Amortization of capital assets | 1,228,190 | 1,162,011 |
| Amortization of capital contributions | (572,667) | (563,681) |
| Amortization of intangible assets | 39,749 | 57,288 |
| Gain on disposal of capital assets | (74,233) | (124,778) |
| Loss on disposal of investments | <u>-</u> | <u>5,573</u> |
| | 1,709,616 | 306,505 |
| Net changes in non-cash working capital: | | |
| Accounts receivable | 1,261,091 | (823,363) |
| Inventories | - | 759 |
| Prepaid expenses and deposits | (34,603) | (2,628) |
| Accounts payable and accrued liabilities | (1,548,290) | 1,303,476 |
| Government remittances payable | <u>63,754</u> | <u>(45,553)</u> |
| Cash from operating activities | <u>1,451,568</u> | <u>739,196</u> |
| FINANCING | | |
| Proceeds from long term debt | 1,647,027 | 338,731 |
| Repayment of long term debt | (520,499) | (439,984) |
| Capital contributions received | 721,047 | 602,134 |
| Capital contributions refunded | <u>(49,163)</u> | <u>(8,495)</u> |
| Cash from financing activities | <u>1,798,412</u> | <u>492,386</u> |
| INVESTMENTS | | |
| Purchase of capital assets | (1,986,992) | (2,993,123) |
| Purchase of intangible assets | (14,286) | (54,450) |
| Proceeds on disposal of capital assets | 144,139 | 160,195 |
| Change in reserve funds | 982,455 | 1,425,424 |
| Repayment of long term loan receivable | 25,101 | 32,666 |
| Advance on RRO deferral receivable | (775,792) | - |
| Payments on RRO deferral receivable | <u>256,526</u> | <u>-</u> |
| Cash used for investment activities | <u>(1,368,849)</u> | <u>(1,429,288)</u> |
| INCREASE (DECREASE) IN CASH AND CASH | | |
| EQUIVALENTS | 1,881,131 | (197,706) |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR ... | <u>1,053,190</u> | <u>1,250,896</u> |
| CASH AND CASH EQUIVALENTS, END OF YEAR | <u>\$ 2,934,321</u> | <u>\$ 1,053,190</u> |
| CASH AND CASH EQUIVALENTS COMPRISED OF: | | |
| Cash and cash equivalents | \$ 2,677,795 | \$ 1,053,190 |
| Restricted cash | <u>256,526</u> | <u>-</u> |
| | <u>\$ 2,934,321</u> | <u>\$ 1,053,190</u> |

NON-CASH TRANSACTIONS (Note 15)



 **TEREX.**

HI-RANGER

Staff Recognition



25 YEARS
Ray Osborne



20 YEARS
Dale Mckenelley



15 YEARS
Calvin Freigang



10 YEARS
Daniel Fischer



10 YEARS
Jordy Hackenschmidt



10 YEARS
Brian Hudson



5 YEARS
Lena Saunders



5 YEARS
Brad van Nieuwkerk

Scholarship Recipients

Kierstin Van Heeren

West Central High School Graduate
Attending University of Alberta.
Enrolled in a Bachelor of Science – Nursing.



Grace Hebbes

Wm. E. Hay Stettler Secondary Campus Graduate
Attending University of Alberta.
Enrolled in Bachelor of Science – Agriculture.

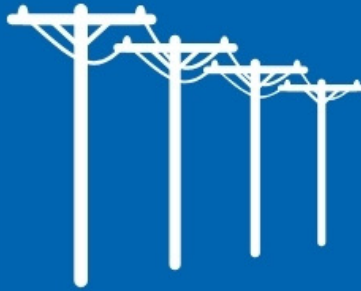


26%

of BMPC Members Save \$24/Year on Preauthorized Payment Plan



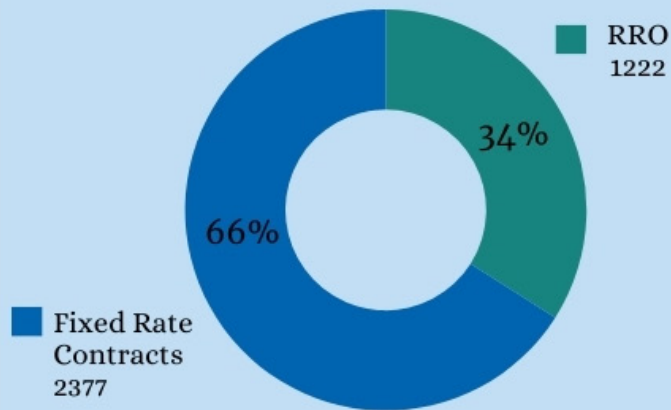
146 Poles Replaced



426

Member Service Requests
(~ 1.6 per business day)

Energy Rates



61,564 m² Trimmed

(~ 237.8 m² per business day)



1,590 kVA Added



47%

of BMPC Members Save \$24/Year by Receiving Email Bills



677

Sites with Vegetation Removal
(~ 2.6 sites per business day)



726 Trees Removed

(~ 2.8 trees per business day)



264

Quotes Issued

(~ 1 per business day)

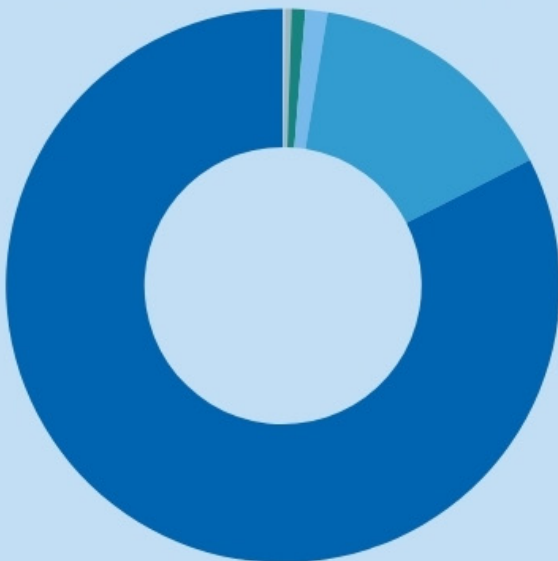


+

47

New Services

Distribution Rates



The Seven Cooperative Principles



1. Voluntary & Open Membership



2. Democratic Member Control



4. Autonomy & Independence

5. Education, Training & Information

6. Cooperation Among Cooperatives

7. Concern For Community









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