



Alberta Lamb Producers 2022 Annual General Meeting Agenda

1. Welcome and Introductions
2. Approval of the Agenda
3. Chair Address
4. Acceptance of 2021 AGM Meeting Minutes
5. Director Acclamations
Board Appointments and Director in Training
6. Financial statements for 2021-2022
7. ALP Operational Budget 2022-2023
8. Your Check-off at Work: Review
Producer engagement, Producer Resources, Advocacy and Research
9. Looking Forward
ALP Bylaw amendment and Consumer Awareness Initiatives
10. Moderated Producer Q & A
11. Producer Resolutions
No proposed resolutions were put forward this year.
12. Plebiscite Outcome Announcement
13. Adjournment of ALP AGM

ALP Reveals NEW 5-year Strategic Plan

There is tremendous potential in the market and ALP offers valuable leading-edge information and resources to help producers take full advantage of the opportunities.

Alberta Lamb Producers provides a voice for the sheep industry. We work with the public, the media, the Alberta government, and funders and agencies such as the Alberta Livestock and Meat Agency (disbanded), and Agriculture and Rural Development to create positive relations that benefit our members and our industry.

ALP also represents our members on a federal level as a member of the National Sheep Network; to the federal government and at numerous other national and international organizations. ALP is a central point of contact for all industry participants. Producer check-off dollars provide the infrastructure that creates a collective voice and a positive influence.

ALP's Strategic Plan continues to guide our planning and day-to-day decisions.

ALP values your input. A big 'Thank You' to producers, who attend meetings and provide input through directors and staff.

Current ALP Board of Directors

Brittany Albers, Chair
Emilie Wilson, Vice-Chair
Judy Buck, Finance Chair
Richard Boscher, Vice-Finance Chair
Nicole Schieck, Director
Jordan Allen, Interim Director
Rick Cromarty, Interim Director
Raelene Schulmeister, Director in Training

ALP Staff

Ashley Scott, Executive Director
Lianne Knechtel, Project Administrator

Mission

We empower the sheep industry through education, innovative research, and advocacy. Our focus is on working in the best interests of our producers by building connected relationships through accountability and transparency.

Vision

We support our producers in the advancement of a successful and sustainable industry.

Values

- We prioritize the betterment of our producers.
- We are accountable to our producers through transparent communication.
- As a volunteer board comprised of eligible producers, we are committed to guiding industry innovation and enhancement.
- Our board leads with integrity and honesty.
- Staff provides a stable connection between producers and the board with consistency, reliability, and confidentiality.

Strategic Objective Themes:

1. Operational,
2. Education,
3. Industry Development, and
4. Advocacy.

[View the new, 2022-2027 Strategic Plan here](#)



2022 Chair Address

I would like to start off by saying what a pleasure it has been to work with such a great group of people over the last 3 years, as this year's AGM marks the end of my three-year term with Alberta Lamb Producers. I joined the board in 2019 to gain a better understanding of the industry and to help move the industry forward.

These past few years we have seen many changes in the sheep industry. One of the biggest changes we saw, was record highs followed by some unexpected lows starting late this summer. Yes, we can always foresee a decrease in the market over the summer and into the fall run but prices seemed to take a harder hit this year that put many producers in a hard spot. This might be the year to sit down and look at your cost of production and see where changes can be made to help your operation adjust to where the market is headed. For those that need to get creative with their winter rations make sure to utilize all the resources ALP has to offer, including Sheepbytes.

From an industry standpoint a big surprise to most producers across the province this year was hearing of the closure of the North American Lamb Company. Some producers were able to expand their flocks with the dispersal of NALCO ewes while others have been cautious as they watch how the sale of NALCO assets will unfold. The federally licensed slaughter plant in Innisfail that is currently up for sale will be a big factor moving forward for pricing on western lambs.

From an ALP standpoint lots has been in the works over the last year. ALP released this spring our new 5-year strategic plan. This plan is available on our website for everyone to check out. This strategic plan will help guide our organization and directors, for the next 5 years. There is lots of exciting things on the horizon for our industry as we move into the new 2022-23 fiscal year. Some big-ticket research items ALP has helped support this year was a study on potential pneumonia vaccines, anesthetic elastrator bands and the continuation of the pregnancy detection handheld device. Research is important for any industry and without ALP the sheep industry would miss out on many opportunities as many new research proposals need industry support before they can move forward and receive funding. Some new programs ALP is working on in collaboration with Alberta Colleges are a Master Shepherd's course and a Sheep and Goat Vegetation Management Accreditation program.

We as a board realize there was disappointment surrounding our decision to cancel our in-person AGM and Conference that was planned to be held at Old's College this year. We decided that it would not be financially responsible for us to host an event that had so few registrants by our

cutoff date. We have since moved to a hybrid model offering an AGM in person at the Airdrie Alberta Ag Center and online using Zoom.

Lastly, we finally will have the results on how our producers wish to continue funding our organization. We as producers should all take the time to vote on what structure we want for our check off model. Currently we have a refundable check off model and this plebiscite vote will determine if we continue with a refundable check off or move to a non-refundable structure.

With that I will say what a great opportunity it has been to be a director over the last three years. I have to say a big thank you to Ashley Scott, our Executive Director for what a fantastic job she is doing. We as a board put a lot on Ashley to accomplish above and beyond the day-to-day responsibilities and we all see what a great job she is doing and how far she has come in the last three years.

I hope you all have a successful upcoming lambing season.

Sincerely,

A handwritten signature in cursive script that reads "B Albers". The signature is written in black ink on a light-colored background.

Brittany Albers
Chair, Alberta Lamb Producers

Alberta Lamb Producers Director Acclamation for 2022-23

There were three Director-at-large positions open on the 2022/23 ALP board. Three eligible producers submitted valid nomination forms before the July 31, 2022 deadline to be entered as candidates in the 2022 election. As we received three valid nomination forms for the three Director-at-large positions, no election needs to be held this year.

ALP is pleased to announce that Rick Cromarty and Jordan Allen, who currently sit on the board as Interim Directors, and Jolene Airth, will be acclaimed to the board at our AGM on November 19, 2022. Their acclaimed director profiles are below.

Please help us welcome our acclaimed directors to the board.

Acclaimed Directors

Jolene Airth Contact: 403-968-6436, jolene@ablamb.ca

Jolene Airth lives north of Cochrane and runs Big Hill Sheep Farm with her husband Howard and their children, Keely and Justin. She has been raising commercial market and replacement ewe lambs since 2016 when, as a 4-H parent and leader, she decided it made sense for her and her family to produce their own lambs. Their flock size ranges from 90-120 wool breed ewes and will likely stay that size as both Jolene and her husband work off the farm. Suffolk, Hampshire, Dorset and Il De France are all common breeds on the farm.

Mentorship has played a large role in their operation. Jolene is thankful to have had some amazing producers mentor her and feels very fortunate to have learned so much from ALP. Giving back to the industry by mentoring new producers has been rewarding, and now sitting on the ALP board is an honour for Jolene.

Jolene looks forward to the next two years as director with ALP and is excited to gain new skills and knowledge, as well as network with industry partners and fellow producers. She is proud to be a sheep producer, with flock health and land management her top priority.

Feel free to reach out to her at any time.

Jordan Allen Contact: 403-923-4858, jordan@ablamb.ca

Jordan Allen, along with her husband Dustin and their three children, own and operate ClaireLee Ranch. Jordan grew up on a cattle ranch/grain farm south of Cochrane. When Jordan and Dustin bought their home and land in 2015, the plan was always to have livestock, but cattle weren't a possibility at the time. In January 2020, their daughter got her first 4-H lambs and they decided that they would like to start a flock. In March 2020, they purchased 30 bred commercial Rambouillet ewes and prepared for lambing that spring. Even though that first lambing was a steep learning curve and very hard work they loved every minute of it. Now, two years later, they have 120 ewes, have added Suffolk, Ile de France and Rideau Arcott to the flock, and plan to expand their operation over the next few years. Jordan is honored to sit on the Alberta Lamb

Producers Board of Directors and looks forward to meeting other producers as well as acquiring the knowledge she will gain from being in this position.

Rick Cromarty **Contact:** 780-753-1276, rick@ablamb.ca

Rick Cromarty was born and raised in the east central community of Provost, Alberta. Here he grew to love all aspects of agriculture. Going to university in the USA gave him a much broader view of the agriculture industry; he also spent some time in Uganda, leading in the agriculture industry there as well. Rick and his wife GerriLynn call South Cara Farms Ltd. home, where together they have raised five children. His flock of 500 and growing ewes consists mainly of commercial Canadian and Rideau Arcott. They also enjoy growing fat lambs. Even though Rick and his wife are themselves relatively new to raising sheep, both Rick's father and grandfather, and GerriLynn's grandfather, raised sheep in the past. Rick's son Justice is part of the operation and soon will have a fifth-generation on the farm.

New ALP Director in Training

ALP is also pleased to announce that the Board of Directors has fulfilled the vacant Director-in-Training position. Alberta Lamb Producers (ALP) Director-in-Training Program was developed to engage membership and stimulate Board succession planning. A Board-appointed eligible producer may participate in ALP Board meetings as a non-voting director, to gain exposure as to how the ALP Board operates and to become familiar with a number of topics that are critical to the current and future industry. We are pleased to welcome Raelene Schulmeister to the Board of Directors, in the Director-in-Training position.

Raelene, her husband Grant and two children live just outside of Castor in east central Alberta. They currently have 90 Rideau cross ewes, along with Canadian Arcott and Polypay rams and are actively expanding their drylot operation.

Marrying into a farming family almost 20 years ago, Raelene has always been interested in the cattle and grain operation run by her husband, brother-in-law and father-in-law. During the pandemic Raelene started to dream about a little farm of her own and that's where the sheep journey started.

Finding work with sheep much easier and a whole lot less intimidating than working cattle or driving expensive equipment, she and the kids have a great time in the day-to-day chores, animal husbandry, shepherding, maintenance and all that comes with the flock.

Raelene is excited to learn the ins and outs of the sheep industry, build relationships and represent other producers by becoming a Director-in-Training with the Alberta Lamb Producers.

Please help us in welcoming Raelene to the board.

Alberta Lamb Producers Virtual Annual General Meeting November 20, 2021

The meeting was opened at 8:37am with 32 attendees.

ALP keynote speaker, Dr.Lynn Tait opened up the meeting with a presentation on Techniques for Managing Breeding in Sheep. This presentation provided an overview of the options available for breeding synchronization, out of season and transitional period breeding and management of both the ewes and rams required to achieve success.

1. Motion: To accept agenda as presented.

Motion: Bernadette Nicol

Seconded: Norine Moore

Carried.

2. Motion: To approve the 2020 meeting minutes as presented.

Motion: Jody Somers

Seconded: Bernadette Nicol

Carried.

3. Acclaimed Director Speeches

a. Emilie Rowe

b. Nicole Schieck

c. Richard Boscher

d. Two Director vacancies on the board was explained.

4. Alberta Lamb Producers Financial Statements

Shannon Troke with King and Company Chartered Accountants presented the ALP financial review statements.

Note: The financial review statements include the project funded money that has flowed through ALP during the year for the pregnancy detection research project.

Motion: That the 2020/21 Financial Statements of Alberta Lamb Producers be approved as presented.

Motion: Justin Weiss.

Seconded: Adam French.

Carried.

Notes:

The ALP financial review was clean. The financial allocation and grants were explained. Net income and overall expenses were similar to the previous year.

King and Company financially reviews and audits other agricultural organizations under the Marketing of Agricultural Products Act, including Alberta Pork, Alberta Turkey, and Alberta Chicken. Marketing Council was informed of this change.

Motion: That the 2021/22 Financial Statements of the Alberta Lamb Producers be financially reviewed by King and Company Chartered Accountant.

Motion: Adam French.

Seconded: Norine Moore.

Carried.

5. **Alberta Lamb Producers budget 2021/22** was presented by Karl Denwood. This document excludes all project funding so is more representative of how ALP has used and proposes to use check off dollars.
6. **Presentation of ALP Annual Report**
Ryan Greir, Brittany Walker and Ashley Scott presented the ALP Annual Report.
7. **Alberta Lamb Producers Draft Bylaws**
ALP Chair, Ryan Greir presented information on the proposed draft bylaws for ALP. A motion was made followed by a producer vote for the approval of the final draft bylaws.

Motion: To accept the ALP draft bylaws as presented.

Motion: Jody Somers.

Seconded: Adam French.

Votes For: 18

Votes Against: 0

Vote Abstain: 2

Carried.

8. Proposed Resolutions

To submit a resolution for discussion at this year's AGM, eligible Alberta Lamb Producers needed to complete our resolution form and submit it to the ALP office by September 15, 2021. **Proposed resolutions would not be accepted past this deadline or from the floor at the virtual AGM.**

ALP received two, proposed resolution. Please see the submissions below, with details about the proposed resolution.

Proposed Resolution 1: Alberta Lamb Producers to approach Canadian Sheep Federation to establish alternate retail outlets for CSIP tags.

Details about proposed resolution: CCWG having such a monopoly on the distribution of CSIP tags is not in the best interest of lamb producers. Tags

should be readily accessible to all producers at a local retail level, producers should not have to rely on mail order. It should be modeled after CCIA; a more progressive system. Two examples of outlets are CO-OP and UFA.

Votes For: 5
Votes Against: 16
Vote Abstain: 0
Defeated.

Proposed Resolution 2: ALP to change the distribution of the quarterly N'ewesletter back to printing hard copies of all 4 editions and mailing them out to all eligible Alberta Lamb Producers.

Details about proposed resolution: I fully believe there are Alberta Lamb Producers that do not have a computer or even an email address. So online copies do not even get to them. If myself or anybody use the N'ewesletter to advertise like Ram & Ewe product sales. I want to make sure as producers get that advertisement. Even the ones with no email address or computer. Also, I like to read older copies now and then to see where our industry is going and if we actually got there. Impossible with online only.

Votes For: 4
Votes Against: 17
Vote Abstain: 0
Defeated.

9. Sheep Benchmarking Survey with Seyed Ali Goldansaz, PhD

10. Motion to Adjourn: Ken Smith


11. Adjournment: 12:22 pm.

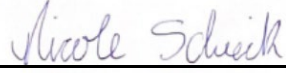
Approval of Minutes:

Signature: *B Walker* Date: November 21, 2020
Brittany Walker, ALP Director

Signature: *Judy* Date: November 21, 2020
Judy Buck, ALP Director

Signature: *Emilie* Date: November 21, 2020
Emilie Rowe, ALP Director

Signature:  Date: November 21, 2020
Richard Boscher, ALP Director

Signature:  Date: November 21, 2020
Nicole Shieck, ALP Director

ALBERTA LAMB PRODUCERS

Financial Statements

Year Ended August 31, 2022

ALBERTA LAMB PRODUCERS
Index to Financial Statements
Year Ended August 31, 2022

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Earnings	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 11

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Alberta Lamb Producers

We have reviewed the accompanying financial statements of Alberta Lamb Producers (the Organization) that comprise the statement of financial position as at August 31, 2022, and the statements of earnings, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Alberta Lamb Producers as at August 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

King + Company

Edmonton, AB
October 13, 2022

CHARTERED PROFESSIONAL ACCOUNTANTS

ALBERTA LAMB PRODUCERS**Statement of Financial Position****As at August 31, 2022**

	2022	2021
ASSETS		
CURRENT		
Cash (Note 2)	\$ 447,190	\$ 266,416
Short-term investments (Note 3)	140,659	139,997
Accounts receivable (Note 4)	29,108	28,455
Prepaid expenses	2,850	2,672
	<u>619,807</u>	437,540
CAPITAL ASSETS (Note 5)	<u>11,082</u>	13,718
	<u>\$ 630,889</u>	<u>\$ 451,258</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	\$ 74,613	\$ 18,751
Deferred revenue (Note 7)	825	4,090
Deferred contributions (Note 8)	151,430	83,221
	<u>226,868</u>	106,062
NET ASSETS		
Invested in capital assets	11,082	13,718
Internally restricted (Note 9)	392,939	170,960
Unrestricted	-	160,518
	<u>404,021</u>	345,196
	<u>\$ 630,889</u>	<u>\$ 451,258</u>

ON BEHALF OF THE BOARD_____
*Director*_____
Director

ALBERTA LAMB PRODUCERS

Statement of Earnings

Year Ended August 31, 2022

	2022	2021
REVENUE		
<u>Checkoff</u>		
Sheep	\$ 243,089	\$ 237,005
Wool	4,039	2,288
	<u>247,128</u>	<u>239,293</u>
<u>Other</u>		
Grant administration fee	15,000	-
Advertising	14,061	12,530
SheepBytes	12,043	14,011
Interest	1,216	1,714
Expense recoveries	238	498
CEBA loan forgiveness	-	10,000
	<u>42,558</u>	<u>38,753</u>
Grants (Note 8)	<u>381,699</u>	<u>32,346</u>
	<u>671,385</u>	<u>310,392</u>
EXPENSES		
<u>Advocacy</u>		
Research	13,500	-
Industry liaison	7,085	387
Industry support	6,785	4,416
	<u>27,370</u>	<u>4,803</u>
<u>Extension</u>		
Newsletter	12,084	14,841
SheepBytes	3,534	4,112
Producer education	1,500	817
Promotional items and events	1,280	645
AFAC	665	1,000
	<u>19,063</u>	<u>21,415</u>
<u>Operating</u>		
Salaries, benefits and staff development	100,120	89,421
Directors	22,166	13,637
Accounting and legal	11,674	10,000
Administration and communications	8,901	9,320
Amortization of capital assets	4,724	3,879
Website	3,470	5,220
Insurance	1,802	916
Strategic planning	1,300	-
Bad debts	85	-
Annual General Meeting	67	200
	<u>154,309</u>	<u>132,593</u>
Grants	<u>363,365</u>	<u>33,971</u>
Checkoff refunds	<u>48,453</u>	<u>50,040</u>
	<u>612,560</u>	<u>242,822</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 58,825</u>	<u>\$ 67,570</u>

ALBERTA LAMB PRODUCERS
Statement of Changes in Net Assets
Year Ended August 31, 2022

	Invested in Capital Assets	Internally Restricted (Note 9)	Unrestricted	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 13,718	\$ 170,960	\$ 160,518	\$ 345,196	\$ 277,626
Excess (deficiency) of revenue over expenses	(4,724)	9,861	53,688	58,825	67,570
Purchase of capital asset	2,088	-	(2,088)	-	-
Transfer of cash for SheepBytes	-	(2,478)	2,478	-	-
Transfer to internally restricted	-	214,596	(214,596)	-	-
NET ASSETS - END OF YEAR	\$ 11,082	\$ 392,939	\$ -	\$ 404,021	\$ 345,196

ALBERTA LAMB PRODUCERS**Statement of Cash Flows****Year Ended August 31, 2022**

	<u>2022</u>	<u>2021</u>
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 58,825	\$ 67,570
Item not affecting cash:		
Amortization of capital assets	<u>4,724</u>	<u>3,879</u>
	<u>63,549</u>	<u>71,449</u>
Changes in non-cash working capital:		
Accounts receivable	(653)	(10,767)
Prepaid expenses	(178)	(2,672)
Accounts payable and accrued liabilities	55,862	5,388
Deferred revenue	(3,265)	3,265
Deferred contributions	<u>68,209</u>	<u>78,700</u>
	<u>119,975</u>	<u>73,914</u>
Cash flow from operating activities	<u>183,524</u>	<u>145,363</u>
INVESTING ACTIVITIES		
Purchase of short-term investments, net	(662)	-
Purchase of capital assets	<u>(2,088)</u>	<u>(14,000)</u>
Cash flow used by investing activities	<u>(2,750)</u>	<u>(14,000)</u>
INCREASE IN CASH	180,774	131,363
CASH - BEGINNING OF YEAR	<u>266,416</u>	<u>135,053</u>
CASH - END OF YEAR	<u>\$ 447,190</u>	<u>\$ 266,416</u>

ALBERTA LAMB PRODUCERS

Notes to Financial Statements

Year Ended August 31, 2022

NATURE OF OPERATIONS

Alberta Lamb Producers (the "Organization") is a producer supported organization that operates under regulation of the Marketing of Agricultural Products Act of the Province of Alberta. Its mandate is the promotion and enhancement of the sheep and wool industry in Alberta.

1. SIGNIFICANT ACCOUNTING POLICIES

Future Changes in Significant Accounting Policies

Financial Instruments - Related Party Transactions

The Organization applied the amendments to Financial Instruments, Section 3856, relating to the recognition of financial instruments originated or exchanged in a related party transaction effective September 1, 2021.

Under these new requirements, such a financial instrument is initially measured at cost, which is determined depending on whether the instrument has repayment terms.

Subsequent measurement depends on the initial method used and is usually at cost less any reduction for impairment.

The adoption of these new requirements had no impact on the Organization's financial statements.

Basis of Presentation

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue Recognition

Alberta Lamb Producers follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Checkoff fees are recognized as revenue when received or receivable. Checkoff fees are set at \$1.50 for each tag issued, less an administration fee of 3%.

Financial Instruments

Initial Measurement

The Organization initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Organization is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the Organization in the transaction.

(continues)

ALBERTA LAMB PRODUCERS

Notes to Financial Statements

Year Ended August 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Subsequent Measurement

The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in earnings in the period incurred.

Financial assets measured at amortized cost using the straight-line method include cash

Transaction Costs

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in earnings in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in earnings over the life of the instrument using the straight-line method.

Impairment

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there are, and the company determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in earnings. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in earnings.

Cash

Cash is comprised of cash held with financial institutions.

Capital Assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Office equipment	20%	declining balance method
Computer equipment	30%	declining balance method
Leasehold improvements	20%	declining balance method
Database	20%	straight-line method

The Organization regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

(continues)

ALBERTA LAMB PRODUCERS

Notes to Financial Statements

Year Ended August 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Contributed Services

The operations of the Organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Measurement Uncertainty

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. Actual results could differ from these estimates.

2. CASH

Cash includes \$151,430 (2021 - \$83,221) held for deferred contributions included in Note 8.

3. SHORT-TERM INVESTMENTS

Short-term investments represents a guaranteed investment certificate that has a maturity date of February 13, 2023 and bears interest of 0.75% (2021 - 0.50%). It is internally restricted.

4. ACCOUNTS RECEIVABLE

	<u>2022</u>	<u>2021</u>
Operations	\$ 20,102	\$ 28,455
Goods and services tax	9,006	-
	<u>\$ 29,108</u>	<u>\$ 28,455</u>

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Office equipment	\$ 4,494	\$ 4,494	\$ -	\$ -
Computer equipment	4,268	1,586	2,682	2,518
Leasehold improvements	2,154	2,154	-	-
Database	14,000	5,600	8,400	11,200
	<u>\$ 24,916</u>	<u>\$ 13,834</u>	<u>\$ 11,082</u>	<u>\$ 13,718</u>

ALBERTA LAMB PRODUCERS

Notes to Financial Statements

Year Ended August 31, 2022

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2022</u>	<u>2021</u>
Checkoff refunds	\$ 34,945	\$ 6,030
Grant expenditures	30,539	-
Operations	9,129	5,965
Goods and services tax	-	3,255
Salaries	-	3,501
	<u>\$ 74,613</u>	<u>\$ 18,751</u>

7. DEFERRED REVENUE

	<u>2022</u>	<u>2021</u>
AGM sponsorship	\$ 825	\$ 825
Advertising	-	3,265
	<u>\$ 825</u>	<u>\$ 4,090</u>

8. DEFERRED CONTRIBUTIONS

Deferred contributions represent restricted operating funding received in the current year that is related to subsequent periods. The following is a summary of the changes for the period ending August 31:

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 83,221	\$ 4,521
Contributions received	449,908	111,046
Recognized as revenue	<u>(381,699)</u>	<u>(32,346)</u>
Balance, end of year	<u>\$ 151,430</u>	<u>\$ 83,221</u>

Deferred contributions are comprised of:

Anesthetic elastrator band project	\$ 69,989	\$ -
Vaccine research project	58,857	75,000
Rangeland sustainability project	22,584	-
Pregnancy research project	-	8,221
	<u>\$ 151,430</u>	<u>\$ 83,221</u>

ALBERTA LAMB PRODUCERS

Notes to Financial Statements

Year Ended August 31, 2022

9. INTERNALLY RESTRICTED NET ASSETS

The board of directors has internally restricted net assets for the following purposes:

	<u>2022</u>	<u>2021</u>
Emergency operating funds	\$ 240,000	\$ 120,000
Industry research funds	54,596	20,000
Staffing	40,000	-
SheepBytes	38,343	30,960
Marketing	<u>20,000</u>	<u>-</u>
	<u>\$ 392,939</u>	<u>\$ 170,960</u>

10. RELATED PARTY TRANSACTIONS

During the year, the Organization paid fees and reimbursed expenses to directors totaling \$22,166 (2021 - \$13,637).

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

11. COMMITMENT

The Canadian Food Inspection Agency (CFIA) is responsible for Canadian traceability. At the time of implementation, the CFIA chose the Canadian Sheep Federation (CSF) as the representative for the sheep industry for traceability. The CSF contracted the Canadian Cattle Identification Agency (CCIA) as its responsible administrator to meet CFIA requirements. The purpose of this agreement is to govern the distribution and sale of approved tags to sheep producers across Canada. Alberta Lamb Producers has an agreement with Canadian Cooperative Wool Growers (CCWG) that automatically renews every year unless the contract is renegotiated or terminated by either party. Amendments to this agreement require being agreed upon by the parties on or before October 15 of each year to be in effect on January 1 of the following year.

12. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Organization's risk exposure and concentration as of August 31, 2022.

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization's financial instruments that are exposed to credit risk are primarily cash and accounts receivable. The Organization maintains its cash in a major financial institution. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts

The Organization's accounts receivable are exposed to credit risk as the majority of receivables are from entities that conduct their business within the same industry.

ALBERTA LAMB PRODUCERS
Notes to Financial Statements
Year Ended August 31, 2022

13. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

ALP Operational Budget for 2022-23

Alberta Lamb Producers Operations Budget: excluding all external project funding.

			Budget amounts	Budget amounts
			2021-22	2022-23
Account	Item	Revenue		
4000	1	Check off - sheep	\$230,000.00	\$240,000.00
4005	2	Check off - wool	\$2,500.00	\$3,500.00
4105/15	3	Newsletter Advertising	\$12,000.00	\$12,000.00
		Online/Web Advertising	\$500.00	\$500.00
4200	4	Recoveries	\$0.00	\$0.00
4900	5	Interest	\$1,500.00	\$800.00
4300	6	Manuals, programs and courses	\$0.00	\$0.00
4400	7	SheepBytes - ALP income	\$1,800.00	\$1,800.00
-	8	Transfer from reserves*	\$25,288.00	\$22,392.40
4700	9	AGM Meals/Conference Registration	\$0.00	\$0.00
4410	10	AGM Sponsorship	\$825.00	\$1,000.00
	11	Refunds from Government	\$0.00	\$0.00
	12	Canada Summer Jobs Grant	\$0.00	\$5,000.00
	13	Total	274,413.00	286,992.40
		Expenses		
7500		Advocacy*		
7595	14	Industry support	\$6,500.00	\$6,500.00
7530	15	Industry liaison (govt & ind)	\$15,000.00	\$15,000.00
7550	16	Promotion	\$500.00	\$500.00
7560	17	Regional funds	\$0.00	\$0.00
7561	18	Provincial 4-H	\$1,000.00	\$1,000.00
7565	19	Industry events - Symposium	\$0.00	\$1,250.00
8200	20	Calgary Stampede Sponsorship	\$1,000.00	\$1,000.00
7115	21	Plebiscite	\$5,000.00	\$5,000.00
7105	22	Promotional Events	\$1,000.00	\$1,000.00
8055	23	AFAC membership	\$1,000.00	\$1,000.00
7500	24	Total	\$ 31,000.00	\$ 32,250.00

8000		Extension		
8005	25	Newsletter	\$11,500.00	\$9,750.00
8010	26	Newsletter ads commission	\$2,650.00	\$2,650.00
8025	27	Industry Research	\$11,500.00	\$13,500.00
8050	28	Producer Education	\$6,000.00	\$2,000.00
8000	29	Total	\$ 31,650.00	\$ 27,900.00
9000		Operating Expenses		
-	30	Admin & communications		
9030	31	Admin	\$1,100.00	\$1,000.00
9025	32	Communications	\$6,900.00	\$6,500.00
9040	33	Website	\$5,500.00	\$5,500.00
9045/50	34	Service charges/penalties	\$250.00	\$250.00
9070	35	Office Supplies	\$2,200.00	\$2,200.00
7110	36	Office Equipment/I.T.	\$1,500.00	\$1,500.00
-	37	Total Admin & communications	\$17,450.00	\$16,950.00
9038	38	Staff Recruitment	\$0.00	\$0.00
	39	Capital Purchase	\$1,000.00	\$1,000.00
9005	40	Salaries & Wages	\$90,043.00	\$99,912.40
	41	Staff Development	\$3,500.00	\$2,000.00
9010	42	Directors' expenses	\$37,580.00	\$37,580.00
9007	43	Governance Training	\$0.00	\$0.00
9009	44	Strategic Planning	\$1,800.00	\$1,800.00
9015	45	Audit & legal	\$12,000.00	\$12,000.00
9060	46	Insurance	\$1,890.00	\$2,100.00
9100	47	AGM meeting expenses	\$3,500.00	\$3,500.00
	48	Loss on disposal of assets		
	49	Amortization		
7000	50	Check off refunds	\$43,000.00	\$50,000.00
9000	52	Total	\$211,763.00	\$226,842.40
	53	Total expenses	\$ 274,413.00	\$ 286,992.40
	54	Excess of revenue over expenditures	\$ -	\$ -

Your Check Off at Work: 2021-22 Year in Review

ALP wishes to thank producers for your continued support and understanding that the check-off you pay is your investment in your industry. Your funds provide for the organization's operational expenses, communications and advocacy efforts. In addition, it enables the organization to obtain funding and manage industry development projects. From providing management resources to promoting the lamb you produce, ALP gives you a beneficial return on your investment.

During the past year, we were able to recover from the Covid-19 pandemic that crippled the economy along with producer livelihoods and despite the challenges endured throughout the past 2 years, ALP worked diligently to ensure that our producers' and industries best interests were represented on both the provincial and federal conversations. ALP staff were also able to maintain key services and built on an existing foundation to pose the organization for progress as the 2022/23 year begins. Your dedicated Board of Directors and staff worked tirelessly this past year, which helped propel key initiatives forward that will continue into this new year.

Board Governance

Proper governance is vital for effectively and efficiently moving an organization's mission and initiatives forward. Your 2021-22 board was able to meet for 4 times in Airdrie, for our in-person quarterly meetings and maintained their bi-monthly conference call schedule (every second and fourth Thursday evening of the month).

Brent McEwan, who is the General Manager for Marketing Council, also hosted an Alberta Lamb Producers Board Governance training session on May 13, 2022. This session covered corporate oversight and regulatory framework, duties and obligations of board members, governance basics, board roles and responsibilities/functions along with explaining Robert's Rule.

Producer Engagement

ALP Producer Town Hall Meetings

Following the 2020 ALP AGM, the ALP Board of Directors decided to create a Producer Consultation Committee, as we recognized that we as an organization can do better to engage and connect with our eligible producers between AGMs. The Producer Consultation Committee's first step was to create and distribute a producer survey, which was sent out following the 2020 AGM. Through the feedback we received, ALP followed up by hosting two town hall meetings in 2021 (July 20, 2021 and October 21, 2021) and one town hall meeting in 2022 (July 6, 2022).

At the July 6th, 2022 town hall meeting we hosted a Producer Panel Discussion, with the topic of conversation being on Flock Health. Nathaneal Polson, Shey Sotlar and Jordan Allen were able to sit on this panel and we would like to extend another thank you to them for their time and participation. Following the panel discussion was an update on our research projects: Sheep and Goat Vegetation management Accreditation program, the pregnancy detection handheld pen side kit project and the pneumonia vaccine project. We also discussed the upcoming AGM and

plebiscite and opened it to the floor for producer Q & A.

ALP would like to thank those eligible producers who were able to attend the meetings and for the dialogue that took place on the call. Due to the low attendance levels, ALP has decided, moving forward, to host one town hall a year. Should we get higher attendance levels, this will signify that we can consider bringing a second one into the fold.

We hope all eligible Alberta lamb producers will engage in these town hall meetings and that the format will allow focus on ideas and opportunities at each level of production.

SAVE THE DATE: Our 2023 Town Hall Meeting will be taking place on Wednesday, July 5, 2023 at 7pm. More details will be released in the spring of 2023.

Industry Events

The 2021-22 Board of Directors acknowledged the importance of attending more industry/producer-initiated events across the province this year, which provided ALP with the opportunity to engage more directly with producers, outside of ALP related workshops and meetings. Some of the events attended this year were the annual sheep/ram sales, sheep producer meetings, and various workshops.

ALP understands the importance of producer engagement and as such has decided to continue with increasing ALP presence at the 2022-23 industry/producer events. Our intent is to improve our connection with producers and continue to develop communication strategies to maintain and enhance producer engagement. If there is an event you would like to see an ALP Director at, please email the office at: info@ablamb.ca.

Producer Resources

ALP continues to provide resources to producers both as downloads from the website and as printed copies, including factsheets and production modules developed in Alberta for Alberta flocks. All production modules may be downloaded for free and printed copies are sold at cost.

In 2021, ALP introduced a new Producer Education Webinar Series as we recognize how valuable it is for producers to have access to educational tools and relevant and informative resources. We launched our first webinar in January 2021 and have hosted monthly webinars ever since. This webinar series is hosted on the ZOOM platform and is free of charge for Producers to register for and attend. Please note that you need to register in order to be sent the Zoom Meeting link to join the webinar.

ALP created a new tab on our website to share our upcoming webinars. It can be found here: <https://ablamb.ca/index.php/resources/producer-education-events>. Once a webinar has been confirmed, we will post the information here on our website, along with the registration link to sign up.

We hosted the following topics in 2022:

Predator Compensation Investigations webinar with Alex Bolland, Alberta Fish and Wildlife Officer

[Watch the recording](#)

[Download the Ranchers Guide to Predator Attacks](#)

[Information on the Wildlife Predator Compensation Program](#)

Lamb Supply and NALC Market Sustainability with Wade Meunier, Livestock Systems Manager, North American Lamb Company

[Watch the recording](#)

Shearing Fundamentals webinar with Alberta Shearer and Producer, John Beasley

[Watch the recording](#)

Perspectives from Custom Woolen Mills, an Alberta agribusiness, presented by Maddy Purves-Smith

[Watch the recording](#)

Accelerated Lambing at Circle R Livestock

[Watch the recording](#)

Stock Dog, Part One (two-part webinar): Stock Dog 101 with Ken Mackenzie

[Watch the recording](#)

Stock Dog, Part Two (two-part webinar) How to train your Stock Dog with Ken Mackenzie

[Watch the recording](#)

Principles of Breeding Stock Selection with Dr. Lynn Tait

Presented in partnership with [ASBA](#)

[Watch the recording](#)

Expanding the flock through solar grazing contracts webinar with Lyndsey Smith and Chris Moore from Shady Creek Lamb Co.

[Watch the recording](#)

Management Systems: Keeping Better Records with FarmWorks with Ronald den Broeder

[Watch the recording](#)

Upcoming Webinars:

Preparing for Emergencies in the Alberta's Sheep Industry with Shauna Mellish Animal Health Emergency Management Project (AHEM)

Presented in Partnership with **AHEM** and **AFAC**



Tuesday, October 25, 2022 at 6pm Mountain

A free informative webinar that will help you better prepare and understand the impact of a disease outbreak within the sheep sector.

Register in advance for this meeting:

<https://us02web.zoom.us/meeting/register/tZUlceMuqj8jHtC2l2QU1a8mfwtcyCMWaRK>

*After registering, you will receive a confirmation email containing information about joining the meeting.

Market Update with Ann Boyda, Prov. Livestock Market Analyst, Agriculture, Forestry, and Rural Economic Development, Government of Alberta

Ms. Ann Boyda is a market analyst at Alberta Agriculture, Forestry and Rural Economic Development with an undergraduate degree in Animal Science, and a Masters of Science degree in Agricultural Economics. She contributes to the Competitiveness and Market Analysis unit in the livestock component. She has years of experience as an agricultural consultant and has worked to support research programs at the Alberta Livestock and Meat Agency. Ann grew up on a mixed farm in the Lamont County and resides in Edmonton with her husband and son.

Tuesday, November 8, 2022 at 7pm Mountain

A look at the current lamb market, the challenges and resulting peaks and troughs in lamb prices. The presentation will provide an overview of the market situation so far and a discussion of future expectations.

Register in advance for this meeting:

<https://us02web.zoom.us/meeting/register/tZwvcOyprDkjHt1rJ8TO79hvot6etfmEHDvA>

*After registering, you will receive a confirmation email containing information about joining the meeting.

What Ewe Should Know: An Overview of Clostridial and Respiratory Diseases of Sheep with Dr. Samuel Wauer and Dr. Raymond Reynen from Merck

Tuesday, January 24, 2023 at 6pm Mountain

Like most ruminants, sheep are susceptible to a variety of clostridial and respiratory diseases that can impact health and limit production. Join Drs. Ray Reynen and Sam Wauer on for a

webinar discussion to learn more about what some of these common diseases look like and strategies for disease prevention for your flock.

This webinar will NOT be recorded and shared afterwards. If you want access to the content being discussed, you will need to attend live.

Register in advance for this meeting:

https://us02web.zoom.us/meeting/register/tZEufuqhrjorGNF8oFWG_WhbK1r89Ylv2HYI

*After registering, you will receive a confirmation email containing information about joining the meeting.

The ALP board has decided to continue to offer free, educational webinars for producers in 2023, however these will be held quarterly vs monthly. This is due to the low attendance numbers we have seen over the past year. Should attendance levels increase, the board will re-evaluate how often webinars will be hosted.

Never used the ZOOM meeting platform before? We've got you covered; ALP has put together a document that provides the information on how to join the meeting/webinar along with some tips for a successful experience!

Unable to attend one of the webinars? No problem – we will be recording the webinars and sharing them afterwards on our website, YouTube channel, social media platforms and our weekly e-communication, N'ewesline!

ALP would like to hear from our Producers as to what type of content they would like to see covered in this webinar series. If you have any suggestions, please email them to ALP Executive Director, Ashley Scott at info@ablamb.ca for consideration.

Advocacy

ALP enables the sheep industry and its producers to have a voice, to be at the table when decisions are being made and to encourage the development and success of the industry. Alberta Lamb Producer staff and directors participate in weekly calls across a variety of organizations both federally and provincially to represent the best interest of sheep producers, from animal welfare, transport regulations, to government policy changes, we do our best to cover issues that are or will be a concern to producers. Some examples of recent advocacy efforts include:

- Minister Round Table Discussions.
- Next Policy Framework and Sustainable Canadian Agricultural Partnership (SCAP) Funding Discussions where ALP was able to advocate for our producers by:
 - Lobby Government of Alberta to create a Predation Management grant program for upgrades to predation fencing, rebates on Livestock Guardian Animals (LGA's)

and trapping training subsidies,

- Lobby Government of Alberta to include funding for wool pelleting machines which addresses green/environmental initiatives on behalf of producers, and
 - Lobby Government of Alberta to include funding for specialized feed equipment to improve efficiency and align with green/environmental initiatives.
 - Regarding predation efforts, ALP continues to work with Alberta Beef Producers (ABP) in joint lobbying efforts, advocating for more predator mitigation tools and resources for producers.
- External committees, e.g. Alberta Farm Animal Care, Farmer Led Research - RDAR Advisory Committee, ABVMA ABVTA ERVPWC working group, VAMI Stakeholder Committee, Industry/Government BRM Working Committee, DSU Working Group, Agritalent Advisory Committee and participate at the National Scrapie Surveillance Program meetings.
 - National Sheep Network: Communication and collaboration with government and industry stakeholders regarding national issues: e.g. Business Risk Management Programs, national animal health/biosecurity program. The NSN website was published in 2019: www.nationsheepnetwork.com.
 - Canadian Federation of Agriculture:
The Canadian Federation of Agriculture (CFA) was formed in 1935 as a unified voice to speak on behalf of Canadian farmers. Our work continues today as a farmer-funded, national umbrella organization comprising of provincial general farm organizations and national and interprovincial commodity groups. We represent producers of all commodities, who operate farms of all sizes. Through our members we represent approximately 190,000 Canadian farm families from coast to coast.

How CFA Works for Farmers

CFA aims to achieve a thriving and sustainable agriculture sector in Canada, which delivers real social and economic benefits across the country. We develop policies and programs through a grassroots, democratic process that engages our members in comprehensive discussions, considering policy issues from various points of view. Earning and maintaining public trust in the agriculture sector, through our words and actions, is vital to the CFA and its members.

Our objectives are to:

- Coordinate the efforts of agricultural producer organizations throughout Canada for the purpose of promoting their common interest.

- Assist members and where necessary, government, in forming and promoting national agricultural policies to meet changing domestic and international economic conditions.
- Promote and advance acceptance of positive social, economic and environmental conditions for those engaged in agricultural pursuits.
- Collaborate and cooperate with organized groups of producers outside Canada to further our objectives.

What CFA is Doing for Farmers

2022 has been a particularly important year, as this year is critical for the formulation of the Sustainable Canadian Agricultural Partnership (SCAP), which is the funding envelope for agriculture from 2023-2028. At a high-level, CFA throughout the year has:

- Hosted the FPT Roundtable, bringing Canada’s agriculture Ministers together to hear from industry stakeholders on the shared priorities of the sector in advance of the SCAP. Read CFA’s reaction to the SCAP here.
- Engaged heavily with government on a wide range of environmental files, including the fertilizer emission reduction strategy.
- CFA is a founding member of the industry-led process to develop a Grocery Code of Conduct in Canada, to improve fair-dealing within the supplier/retailer relationship.
- CFA is working with the Canadian Agriculture Human Resource Council and Food and Beverage Canada to develop a National Workforce Strategy for Agriculture and Food and Beverage Manufacturing over the next two years.
- CFA sits on the Resilient Economy Roundtable, one of five committees tasked with producing Canada’s National Adaptation Strategy framework.

Apart from these, CFA continues to work closely with the government on issues as they arise to ensure that the farmer’s voice is represented and that programs and policies work to the betterment of Canadian agriculture.

CFA 2022 – A year in review ...

FPT Roundtable and the Sustainable Canadian Agricultural Partnership (SCAP):

In late July, CFA hosted the FPT Roundtable, where CFA and other agricultural stakeholders presented to FPT Agriculture Ministers on the priorities of the agriculture sector for the upcoming SCAP, which is the funding envelope for Canadian agriculture from 2023-2028.



CFA recommended that the SCAP required additional investment to keep pace with the sector's aspirations and potential, in two closely related areas:

- Support for the adoption of environmental best management practices and tools to communicate evidence-based information on Canadian agricultural sustainability; and
- Enhancements to research and risk management to support producers in addressing global food security demands while on the forefront of climate change.

On July 22nd, FPT Ministers announced the SCAP, which injected \$500 million in new funds, representing a 25% increase in the cost-shared portion of the partnership. CFA was pleased to see both of the key areas highlighted in its presentation to FPT Ministers, and previous advocacy materials, reflected in the Ministers' announcement. CFA's reaction to the SCAP can be found [here](#).

CFA continues to work with the government to achieve improvements to BRM programming to improve enrollment, level of support, timeliness of payments and program structure.



Fertilizer Tariffs and Emission Reductions: The impacts of the 35% tariff on Russian fertilizer have largely fallen on the shoulders of farmers through higher prices, without negatively impacting demand for Russian fertilizer due to a global scarcity of nitrogen fertilizer.

CFA is calling on the federal government to provide compensation to farmers in Eastern Canada who were negatively impacted by federal government-imposed tariffs on imported Russian fertilizer, and that further investments in domestic fertilizer production and on-farm fertilizer storage be made to ensure long-term stability.

CFA has also made four key recommendations regarding Canada's fertilizer emissions reduction strategy:

- The strategy must not lead to regulations or policies that result in a mandatory reduction in fertilizer use.
- The strategy must support producers in the uptake of best management practices and technologies through a funding and incentive-based approach.
- The strategy must further improve Canada's methodology for measuring emissions so that existing on-farm efforts are fully recognized.
- Most critically, Government must form a working group between Environment and Climate Change Canada (ECCC), AAFC and agricultural producers and stakeholders.

Grocery Code of Conduct: The Grocery Code of Conduct is an industry-led process to develop broad consensus around a concrete proposal to improve

transparency, predictability, and respect for the principles of fair dealing within the supplier/retailer relationship. CFA is a founding member of the Code Steering Committee, overseeing the development of the Code in conjunction with 9 other associations spanning primary production, food processing, and retail.

Recently, a cross-industry Working Group examined the following topics within a code, providing expert perspectives and recommendations: Scope; Defining Agreements; Payments, Deductions, Fines and Fees; and other elements such as de-listing, forecasting, etc.

A Steering Committee has also been tasked with four workstreams that remain underway:

- Scope of products and entities covered
- Business principles (trade rules)
- Enforcement
- Dispute resolution

A high-level consensus has been achieved regarding the objectives and principles for the Code of Conduct:

Objectives

- Enabling a thriving industry
- Promoting trust, fair dealing, and collaboration throughout the value chain
- Increased commercial certainty
- Effective, equitable dispute resolution

Principles

- To promote fair dealing at all times and in all commercial relationships
- To promote mutually beneficial relationships where retailers and suppliers recognize each other's need for commercial certainty
- To promote transparency between retailers and suppliers
- To provide for an effective, equitable mechanism resolving commercial disputes
- To promote the efficiency, sustainability and competitiveness of the Canadian grocery supply chain, as well as to ensure that it delivers value and innovation to Canadian consumers

The steering committee is committed to providing FPT Ministers with a proposed code of conduct this fall and continues to work to resolve those areas that continue to lack consensus.

National Workforce Strategy for Agriculture and Food and Beverage

Manufacturing: CFA is partnering with Food and Beverage Canada, the Canadian Agricultural Human Resource Council (CAHRC) and the Future Skills Centre (FSC) to develop a National Workforce Strategy for Agriculture and Food and Beverage

Manufacturing.

This 2-year, \$1.7 million project is taking an action-oriented approach, bringing stakeholders together from across the industry under 5 working groups and two advisory bodies to identify urgent and long-term needs across the sector, constructive solutions, and plans to achieve them. An interim report from this strategy has been submitted to AAFC in October 2022, with further recommendations regarding the Temporary Foreign Worker Program anticipated in the coming weeks. The final strategic plan and associated action plans will be complete and made available in Spring 2023 with advocacy efforts underway to secure additional funding for a secretariat and associated research and public campaigns.

Canada's National Adaptation Strategy: From May to July 15th, Environment and Climate Change Canada held consultations on the Canada's first National Adaptation Strategy for climate change. The Strategy addressed five of key areas of Health and Wellbeing, Resilient Infrastructure, Natural Environment, Resilient Economy and Disaster Resilience and set objectives for 2030 and goals for 2050. CFA sat on the Resilient Economy Roundtable, one of five committees tasked with producing the strategy's framework.

CFA recommends government to continue to direct resources towards understanding the impacts of climate change and to developing the tools, strategies and research needed to ensure Canadian agriculture remains resilient and sustainable. Any adaptation strategy should focus on the following objectives:

- Weather - a substantially improved weather forecasting and warning system,
- Plant Breeding - a renewed focus and investment in the improvement of plant breeding programs,
- Pest management – significant research and effort must be placed on further developing integrated pest management techniques and understanding new pests and vectors that will emerge as the climate changes,
- Investment – a long term investment in transportation and rural infrastructure,
- Insurance – the enhancement of crop insurance programs.

Throughout the year CFA has worked on a wide range of activities beyond the highlights above, and continues to be engaged with issues as they arrive and develop. We are committed to ensuring that the farmers voice is heard on the national stage.

International Trade: CFA advocates for the following principles for international trade:

- The World Trade Organization (WTO) should be the principal vehicle to establish and manage an international rules-based trading system including the maintenance of a functional dispute settlement mechanism
- Canada should continue to follow an aggressive, bilateral, and regional, trade agreement agenda and secure outcomes that benefit all of Canadian agriculture by maximizing profitable export opportunities and ensuring trade rules that allow for the maintenance of an effective supply management system
- Canada should continue to advocate harmonization/alignment of regulatory regimes in present and future agreements, without compromising health and environmental standards
- Canada must continue to strive for an equitable playing field regarding agriculture domestic support and defend its own right to manage a suite of BRM programs which facilitates and stimulates farmer profitability
- Canada must ensure mitigation programs for agriculture sectors harmed through the implementation of any trade agreements and from trade wars/retaliation
- Negotiations should never result in trading off one sector to benefit another
- CFA advocates for an aggressive workplan to harmonize/align regulatory differences between provinces to facilitate free and unencumbered trade between provinces and territories

CFA attended two WTO events throughout the year. At the Ministerial Conference, CFA joined members and other Canadian farm associations in Geneva, Switzerland. CFA and members met with farm groups and government officials from around the world to share perspectives on global trade, highlight CFA's priorities in addressing domestic supports through a review of green box spending and enhanced disciplines on non-tariff barriers to trade and AMS entitlements.

CFA also participated in the WTO Public Forum in September. CFA Vice-President Keith Currie was a presenter during the session: *Food Security: What Trade Policies Balance Domestic Food Supply and Demand in Times of Crisis?*

The forum looked at how trade can contribute to post-pandemic economic recovery and, in particular, how trade rules can be strengthened, and government policies improved to create a more resilient, sustainable and inclusive trading system.

CFA Cost of Production Committee: Struck in July, this committee's ongoing efforts are to identify strategic responses to the inflationary pressures impacting producers and the scarcity of critical farm inputs due to global supply chain disruptions, including the conflict in Ukraine. The committee will be providing interim recommendations to the CFA Board of Directors in October, with a final suite of recommendations to be presented at the CFA AGM in February 2023.

- Animal Health Canada (AHC) Working Group/CAHSS Small Ruminant Network. AHC is a pan-Canadian, public-private approach to managing animal health in Canada and successfully implement the animal health components of the Plant and Animal Health Strategy for Canada.

It is built on the guiding principles of accountability and shared decision making between the federal, provincial, and territorial governments and all animal agriculture industry sectors.

It engages expertise to address important topics such as animal welfare, emerging diseases, animal health surveillance, and AMU/AMR.

Canadian Animal Health Surveillance System:

- There is a small ruminant group that meets quarterly via teleconference, and monitors and shares information on animal health issues
- Key topics covered in the past year include parasite management and the 3 cases of Bluetongue virus in wild bighorn sheep in the Okanagan.

Why it matters:

- Enables the sheep sector to provide guidance on a functional and responsive farmed animal health and welfare system in Canada
- The sheep industry voice at the table will help ensure that animal health and welfare policies are practical and address the needs of the industry
- Participating in the Animal Health Canada Working Group has enabled the industry to ensure that the industry has a voice in the governance, and strategic planning for the organization.

Research

Research and development provide on-going improvements to sheep production, and collaboration between industry and researchers facilitates these advances. ALP has an important role in setting research priorities and directing research funds. Industry endorsement helps researchers secure funding by validating the significance of their projects to the sheep industry. Industry financial contributions can be further leveraged to ensure projects are adequately funded. Research into sheep production in Alberta happens, in part, because of the support and

endorsement of producers through ALP. We are pleased to announce Alberta research project funding has been awarded to the sheep industry! Please find information on the newly awarded research projects below.

Project title: Sheep/Goat Vegetation Management Accreditation Program

A series of modules covering vegetation management are being developed for Alberta sheep and goat producers to learn best practices for grazing forages under normal and unique situations. The modules will form a vegetation management accreditation program. Stakeholders requiring or offering vegetation management services, using livestock, could benefit from these resources for contract and partnership development purposes. Please watch for these modules to be released by the end of 2023.

The Alberta Lamb Producers and the Alberta Goat Association, in partnership with Lakeland College, successfully obtained an Alberta Environment and Parks grant through their Rangeland Sustainability Program to develop a Sheep/Goat Vegetation Management Accreditation Program.

Sheep and goats present land stewards with a unique opportunity to graze areas that cattle cannot access and by consuming plants that cattle find unpalatable. While Alberta has a thriving sheep industry producing quality lamb with over 1600 producers and ranks third in Canadian sheep and lamb inventories, producers continue to seek new opportunities to improve land stewardship and better understand grazing animal management. Few resources are available to flock managers that provide the details necessary to successfully graze sheep or goats and maintain forage health under typical and novel circumstances. Some of these typical and uncommon grazing situations include invasive weeds, solar farms, low-quality marginal lands, forests, inner city vegetation control, and powerline cut blocks.

The modules will be used to educate flock owners and serve as a go-to resource for comprehensive grazing and sheep/goat management under specific situations. The project will engage both land and animal stakeholders to balance and show both perspectives and needs related to vegetation management. The modules will include:

1. Grazing Principles
2. Grazing Forages
 - a. Tame and native forages
3. Unique Grazing
 - a. Grazing under solar panels
 - b. Grazing powerline cut blocks
 - c. Grazing to meet landscape goals and control invasive species
 - d. Grazing a forested area
 - e. Grazing in an urban area

Case studies and an FAQ page will be added after each chapter
4. Building a Business Case

Samuel Reive, a second year Agricultural Management Diploma student at Olds College, was hired by ALP for the summer of 2022 to work on the modules. He concentrated on developing the topics under the Unique Grazing module for the summer of 2022 and that information is close to complete. Next summer the hope is to hire two students, one to continue gathering information for the modules and the other person would start the accreditation process and support the information gathering. Be sure to watch for more information as the project nears completion.

Project title: The adaptation and development of the anesthetic releasing elastrator band for the use in the Canadian lamb industry project

Chinook Contract Research Inc. (CCR) of Calgary, Alberta has developed a novel anesthetic delivering elastration ligation band (or Lidocaine Loaded Band (LLB)). The future potential trade name of the LLB is The LidoBand™. This can be used with all current elastrator tools. It has been designed to deliver a clinically relevant therapeutic dose of local anesthetic (lidocaine) for the duration of its application(s). Alberta Lamb Producers (ALP) has recently been awarded \$399,000 from Research Driven Agriculture Research (RDAR) under project #2022N090R to investigate the adaptation of this product for use in the Canadian Lamb Industry. CCR has partnered with Alberta Veterinary Laboratories/Solvvet (AVL/Solvvet) of Calgary, Alberta to manufacture the device in Alberta. Studies are in progress to register this device for sale in Canada with a local anesthesia label claim for use in cattle and lambs.



Image caption: Picture of the LidoBand™ lidocaine loaded elastrator band compared to a standard elastrator band in use today.

To date, the following field trials conducted:

1. Pilot work near Airdrie, Alberta.

Objectives: The objectives of this study were to:

- a. Make a first attempt with applying beef bands on sheep.
- b. Test pain response apparatus (pressure algometry vs. electrostimulation).

- c. Test pain and stress markers for the first time (cortisol and substance P).

What we did: Fifty male non-castrated lambs with undocked tails were enrolled for this study. Five bottle babies were castrated and tail docked with regular bands. Forty-five animals were castrated and tail docked with lidocaine loaded bands (LLB) and divided into groups of five with each group assigned to each timepoint tested (0.5hr, 1hr, 2hrs, 24 hrs, 72 hrs, 14 days, 21 days, 28 days, and 35 days). Punch biopsies were collected for each group corresponding to their assigned timepoint to analyze lidocaine levels penetrating the skin. In addition, pain response was evaluated at each timepoint using an algometer and an electrostimulator and compared to a baseline measurement taken prior to banding. Finally, blood samples were obtained at each timepoint for pain marker analysis of cortisol and substance P and compared to a baseline measurement taken prior to banding.

What we learned: The beef bands were found to work on lambs as well although some study method modifications will still need to be made. While the algometer was not found to be a viable objective measurement for pain determination at the banding site, the electrostimulator could allow for a repeated measure of sensitivity at the banding site with modifications to the electrode probe allowing for stimulation adjacent to the band. The blood samples obtained showed that there may be some value in examining substance P and cortisol plasma levels over time.



Figure 1: Pain response apparatus. FPX device (left) and SunStim electrostimulator (right).

What it means: The bands show merit for use in lambs although some modifications to the test methods will be required for registration in Canada.

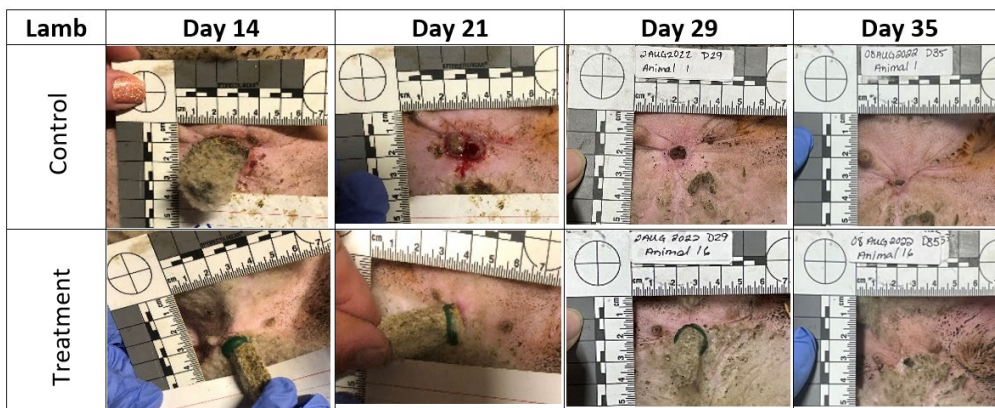
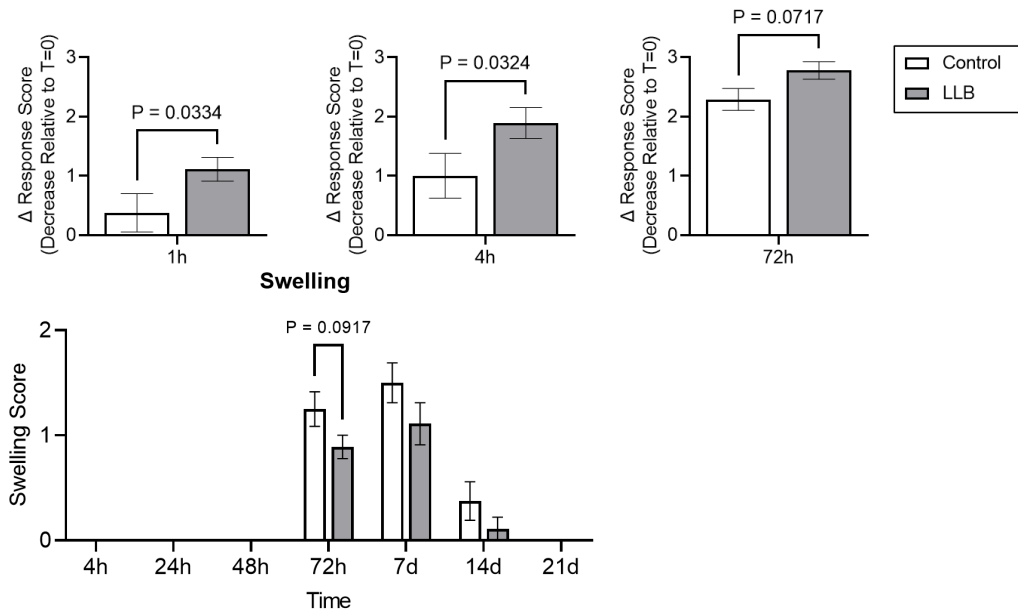
2. Follow-up work near Arrowwood, Alberta from June 04 to August 08, 2022.

Objectives: The objectives of this study were to:

- a. Evaluate the *in vivo* release levels of lidocaine from lidocaine loaded bands.
- b. Test electrostimulator modifications.
- c. Apply test method modifications made after the pilot study.

What we did: Seventeen male non-castrated lambs were enrolled for this study. Tails were already docked so only castrations were performed. Eight lambs were castrated with regular bands and 9 lambs were castrated with lidocaine loaded bands (LLB). Pain response was evaluated at 1, 2, 4, 24, 48, and 72 hours as well as 7, 14, 21, 29, and 35 days using an electrostimulator with modified electrodes and compared to a baseline measurement taken prior to banding. In addition, local tissue reaction was continuously monitored where erythema and swelling scores were assigned as well as site temperature and wound area recorded.

What we learned: The modified electrostimulator electrodes allowed for direct contact with skin directly adjacent to the band. A reduced pain response in LLB treated lambs was observed compared the control lambs at 1, 4, and 72 hours. Anecdotal evidence of less swelling in LLB treated lambs was observed over time. Representative data from the study is presented below. **NOTE:** at the time of this report data and analysis is currently underway.



What it means: Lidocaine loaded bands appear to reduce castration pain in lambs compared to regular bands, but a bigger sample size is required to confirm these findings. LLBs are hypothesized to have an antimicrobial effect that might have a preventative role in flystrike.

Ongoing & Future work:

1. Laboratory antimicrobial efficacy studies to further investigate LLBs antimicrobial effect.
2. 3rd Party Verification and Validation of Lidocaine Extraction Methodology for Lamb Scrotums and Tails.
3. Repeat study to evaluate *in vivo* release levels of lidocaine through sensitivity to electrostimulation in scrotal and tail tissues at acute and chronic time point following the application of control and lidocaine loaded elastrator bands

The objectives of this study are to:

- Evaluate the *in vivo* release levels of lidocaine from lidocaine loaded bands in both scrotal and tail tissues.
- Employ a bigger sample size to better represent statistically significant differences between groups.
- Apply updated electrocutaneous stimulation and local tissue reaction scoring rubrics.

4. Residue depletion study of lidocaine and its metabolite following the application of LLBs.

The objectives of this study are to:

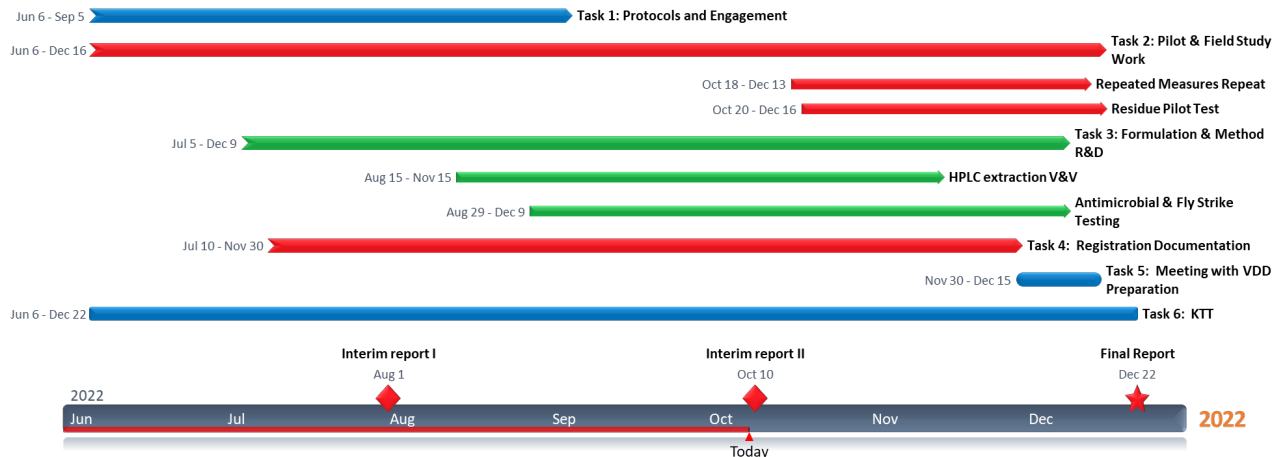
- Demonstrate the presence or absence of lidocaine residues or its metabolite in blood and tissues adjacent to the band and in distant tissues.
- Demonstrate the presence of lidocaine *in situ* for the provision of local anesthesia.
- Demonstrate the lidocaine impregnated elastrator band is safe based on a comparison of gross tissue, and its histopathology, in contact with the lidocaine impregnated or control bands, major organs, and hematological and biochemical parameters.

Knowledge, Translation, and Transfer (KTT) Outputs:

1. Peer-Reviewed Publication.
2. Fact Sheet highlighting Lidoband key issues and best practices surrounding the use, science, impacts, and opportunities for Canadian lamb producers.
3. Technical Note intended for veterinarians and readers with scientific training that reviews the background science, technical details, and the preliminary findings of the project results.
4. Animated video.
5. Dedicated webpage.

High Level GANTT:

Adaptation of the Anesthetic Care-Ring Ligation Band for use in the Canadian Lamb Industry GANTT Chart-Update Oct 10, 2022



This initiative (project) was made possible from funding administered by [Results Driven Agriculture Research](#) (RDAR) and from the [Canadian Agricultural Partnership](#) (CAP), a five-year, \$3 billion investment by federal, provincial and territorial governments.



Project title: Ovipast Plus® Vaccine Clinical Trial update by Megan Gardner, Drs. Cathy Bauman and Joyce Van Donkersgoed

A total of 3619 (1812 unvaccinated, 1807 vaccinates) ewes were inducted onto the trial with 2612 ewes weaning lambs (1295 unvaccinated, 1317 vaccinates). Of the remaining 1007 ewes not accounted for, 253 died, 129 unvaccinated (7.1% crude mortality rate), 124 vaccinates (6.9% crude mortality rate) and 754 were withdrawn (388 unvaccinated, 366 vaccinated). There was no statistically significant difference between the death ($p = 0.828$) and withdrawal rates ($p = 0.513$) of ewes between the treatment groups. No deaths were attributed to the use of the Ovipast Plus® bacterin. The leading cause of death was pregnancy toxemia and the leading reason for withdrawal was no lambs (most likely open)/no live lambs. All ewes that were on trial have now been dismissed as the last lambs were weaned on June 1st.

A total of 5051 lambs were inducted onto the trial (2545 unvaccinated, 2506 vaccinates) with 4201 lambs being weaned (2112 unvaccinated, 2089 vaccinates). Of the remaining 850 lambs, 713 died between birth to weaning, 352 unvaccinated (13.8% crude mortality rate), and 361 vaccinates (14.4% crude mortality rate) and 137 were withdrawn (80 unvaccinated, 57

vaccinates). There was no statistical difference between overall death rates ($p = 0.639$) and withdrawal rates ($p = 0.078$) between unvaccinated and vaccinated lambs. Figure 1 outlines the causes of death in pre-weaned lambs by treatment group. The average birth weight of lambs was not different between the treatment groups, unvaccinated being 4.12 kg (95% CI: 4.08-4.15) and vaccinates being 4.07 kg (95% CI: 4.03-4.11) ($p = 0.113$). The weaning weight of lambs was also not statistically different with unvaccinated weighing 15.27 kg (95% CI: 15.10-15.44) and vaccinates weighing 15.50 kg (95% CI: 15.33-15.67) ($p = 0.058$). The average daily gain from birth to weaning was also not statistically different between the treatment groups, unvaccinated being 219 g/day (95% CI: 216-222 g/day) and vaccinates being 222 g/day (95% CI: 219-225 g/day) ($p = 0.362$). We did, however, see an ADG effect by vaccine within an epidemiological model once accounting for sex (ewe/ram), days of age, birth weight, and vaccine status. Lambs that were given the Ovipast Plus[®] vaccine had a 4.10 g/day increase in ADG versus those that were not given the vaccine ($p = 0.032$, 95% CI: 0.36-7.77). Over the growing period, this additional gain could prove to be of value, depending on how the vaccine is priced.

The last lambs were weaned on June 1st and have all entered the final finishing stage of the trial. To date, 2188 of the total 4075 lambs that entered the finishing phase have gone to slaughter, leaving 1887 to be slaughtered (not accounting for those that have died prior to slaughter). The last lambs should be eligible for slaughter by the end of October, which will bring the trial to a close. Post-weaning analysis is currently underway. Based only on preliminary pre-weaning results, we are not seeing a vaccine effect on overall lamb mortality. There is potential for an increase in ADG from the Ovipast Plus[®] vaccine based only on pre-weaning results but, full analysis on post-weaning data still needs to be completed to make any final conclusions on vaccine efficacy.

The VIDO vaccine trial is ongoing. All vaccinated ($n = 1751$) and unvaccinated ewes ($n = 1752$) have lambed and 12 of the 14 groups of lambs have been weaned and received their 1st vaccine. Lambs from this vaccine trial will be finished and processing will begin in November, with final processing expected in mid February 2023.

Stay Tuned!

**See next page for graph*

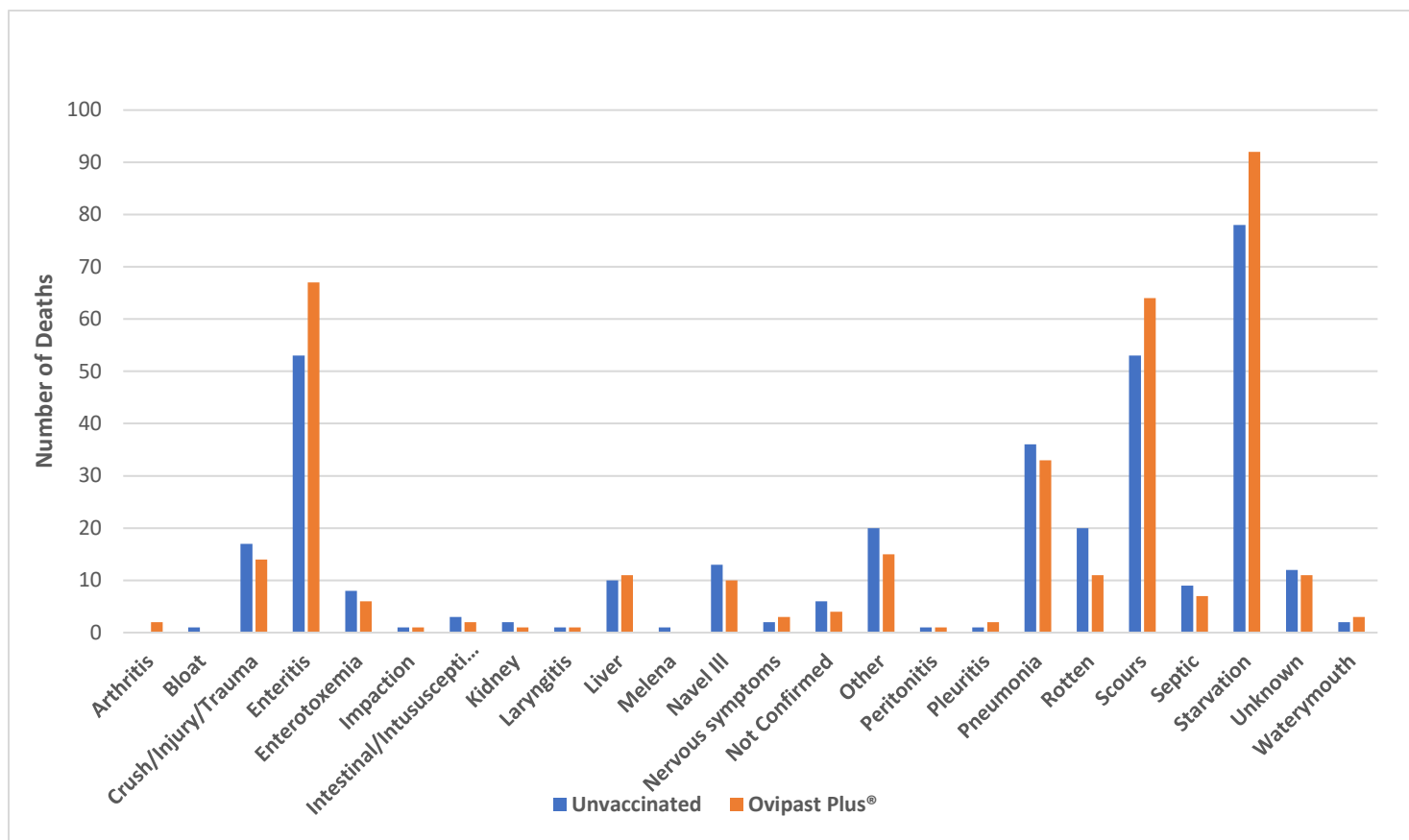


Figure 1. A bar graph of causes of death by treatment group for pre-weaned lambs raised in Alberta, Canada, participating in the Ovipast Plus® vaccine clinical trial

Project title: Smart handheld device for automatic blood analysis: Innovative prediction of sheep pregnancy and litter size

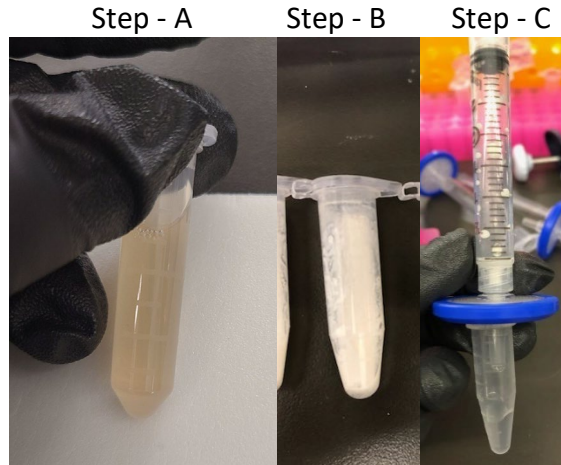
Interim Report Summary for the period May 1 - October 30, 2022 from the Lakeland College and UofA research team

Progress:

1. Development of colorimetric assays and blood processing

Planned activities: Develop and validate dry reaction colorimetric assays and perform correlations with NMR values for each target metabolite. Determine stability for the dry colorimetric assay reactions. Develop and validate liquid and dry assays for L-valine and L-glutamine. Validation of in-house serum deproteinization methods.

Deliverables this period: An economical method of deproteinization that utilizes a polymer to precipitate proteins rapidly has been developed. The in-house deproteinization method is used in combination with four in-house colorimetric assays L-carnitine assay, Creatinine assay, Pyruvate assay, and Urea assay when testing sheep serum samples. Our method doesn't need any incubation time and centrifugation like other available deproteinization methods. It is suitable for field testing.



Step - A - Serum sample

Step - B - Serum sample mixed with polymer

Step - C - Protein precipitation removed by syringe filter

Figure 1: Steps involved in protein precipitation

2. Development of a blood extraction mechanism

On-site blood collection in the volume required for all the colorimetric tests will be difficult to perform for most end users using the current accepted needle and vacutainer jugular venipuncture methods. This normally requires a skillset the average flock manager may not normally possess. Therefore, we are testing the experimental Tasso Tap device to develop a system that can simply and consistently extract enough blood from sheep for testing to integrate into our final device. Because the volume of blood required (3-5ml) for the pregnancy and litter size estimation will be more than a simple ear poke will yield, yet less than a typical 10ml vacutainer, we are experimenting with the Tasso tap device that was designed for pain-free use on infants. This tap device has an adhesive to stick to the animal and a simple button to press to engage the small lance to initiate blood suction into a small tube. Little to no special skillset is required to operate as it can be compared to the simplicity of putting on and removing an adhesive bandage. Testing will begin in November with a collaborating flock in southern Alberta. We anticipate the inner ear will yield sufficient blood volume in a reasonable amount of time. A prototype to mimic this tap device is being manufactured in the TMIC lab using 3D printers. The remaining aspect of the lab produced device, yet to be created, is the lancing or micro-needle component. The 3D printed device will be better suited to this application, having a profile and clipping system making it easier to position properly on the inner ear of a sheep and a vacuum system to collect more blood than a typical Tasso device.

3. In-house enzyme development

Further development of our assays will involve the synthesis of enzymes including Lactate oxidase, Pyruvate oxidase, Carnitine dehydrogenase, and Glutamine synthetase. We need both a constant supply and an efficient manner of significant enzyme amounts for the constant progress of the project. The enzymes are expensive and sometimes take 4-6 weeks to procure. In-house synthesis of enzymes will be beneficial for the project to lower the assay cost and save

development time. Our milestone for the rest of the project is to develop colorimetric assays for all 8 metabolites, as well as put a portion of our efforts (~20%) into developing the backup electrochemical assays using the same enzymes. There is a possibility that the final detection test will be a combination of colorimetric assay and electrochemical assays.

4. Industry Survey Results

The survey results are summarized below. While the majority of flock owners do not perform pregnancy checks, there appears to be interest in a test if it is comparable to ultrasound in both price and accuracy. The pregnancy and litter size research project aims to develop an easy-to-use test to meet these expectations, in addition to providing an estimation of litter size.

A total of 29 surveys, with the majority being from AB, SK and MB, were completed. Average ewe flock size was 210 females with over 35% of respondents having more than 450 ewes. 55% of farms were solely sheep operations while 38% were mixed operations and 17% hobby farms with the majority of all operations focused on meat or breeding stock sales. 37% of respondents have been in the sheep business for less than 3 years. 69% of respondents are planning for a flock expansion in the near future.

Typically, the breeding season is once per year for 69% of respondents while 21% breed multiple groups throughout the year and 6% of respondents breed 3 times over 2 years. Natural mating is preferred as only 28.6% have or consistently use hormones or estrus synchronization in their program and none use artificial insemination. 78.6% of farms follow a breeding season of less than 60 days. However, 6% of respondents have multiple breeding groups that are bred for periods of only 21-30 days. One ram services between 10 to 30 ewes for 75.8% of respondents with only 10.3% using one ram to service less than 10 ewes. Average conception rates are estimated at being above 85% for 86.2% of respondents. However, 9% do not calculate this flock data. Average lambing rates are above 150% for 78.6% of respondents while weaning rates are in excess of 85% for 75.8% of respondents. Open rate in females of less than 5% was recorded for 44.8%; open rates between 5-10% were listed for 37.9% of flocks, and open rates of 11-20% were listed for 10.3% of respondents. Over 50% of open ewes are rebred. Diagnosing pregnancy is not practiced for 93.1% of respondents with the remaining using ultrasonography. 10.4% of respondents do not find value in pregnancy checking ewes at all, while 89.6% might consider it depending on the performance of the test compared to ultrasound.

Costs of production for 84.6% of respondents are estimated to be between 50 and 90% of their revenue with the largest portion assigned to feed costs. Interestingly, animal health and vet related costs of production were number 3 following feed at #1 and infrastructure/machinery costs at #2. Only 41.4% of respondents report their sheep operation has been profitable, on average, in the last 5 years but over 89% have no plans for retiring within the next 5 years. Top 3 issues affecting flock profitability were reported as 1. Feed costs or feeding issues/death loss; 2. Markets; and 3. Breeding/management issues.

Next steps:

1. Finalizing/Optimizing Color Assays

The main ongoing work currently is finalizing and optimizing the color assays for each metabolite. This involves 1) finalizing all sample preparation steps (optimizing dilutions, sample treatments, etc.), 2) converting lab-based processes to ones that can be done on-site (eliminating small volume measurements, and steps that require large lab equipment), 3) minimizing the amount of blood needed for each reaction (so less blood needs to be extracted and processed), 4) optimizing reaction time and sensitivity, and 5) testing each reaction for stability and calibrating them to the existing color sensor device.

L-carnitine, Creatinine, Pyruvate, and Urea assays are integrated with the in-house deproteinization method. Correlation studies are completed for L-carnitine dry assay and the determined R2 is 0.99. Dry assay correlation for creatinine assay, integrated with the deproteinization method is still in progress. Dry assay for pyruvate and still in progress.

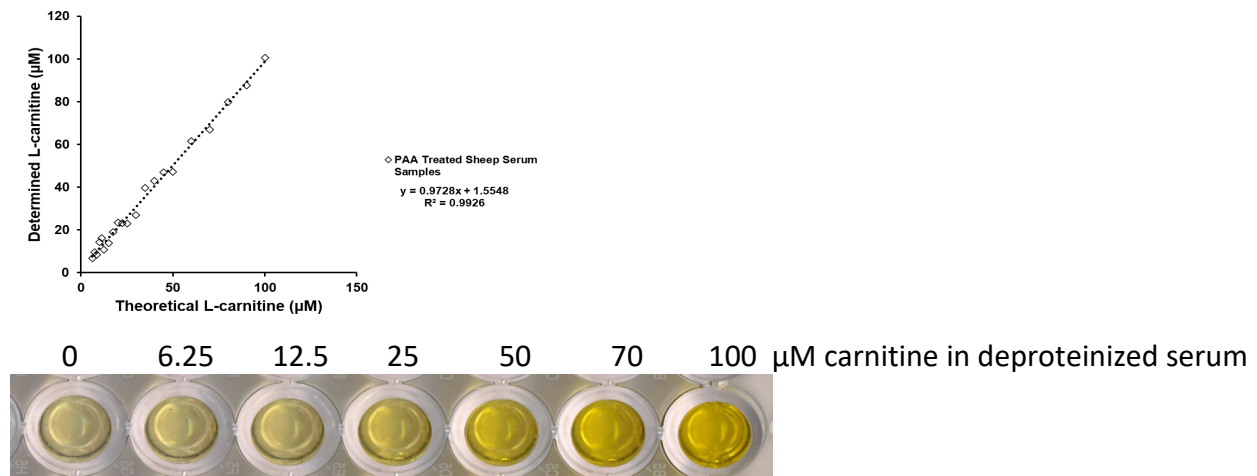


Figure 2: Optimization of L-carnitine assay

Enzyme synthesis -

- a. Carnitine Dehydrogenase (CDH) - In-house synthesis of CDH is completed and a highly pure enzyme is extracted. The purified enzyme will be used for electrochemical detection of L-Carnitine in serum, which is in progress right now.

MW marker - Lysate - Pure CDH

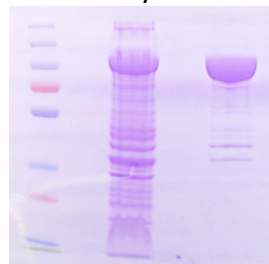


Figure 3: SDS PAGE for purified CDH

- b. In-house synthesis of Lactate oxidase, Glutamine synthetase, and Valine dehydrogenase is in progress.

2. Automating Sheep Blood Extraction

As mentioned previously, work is ongoing with existing Tasso devices to easily extract blood from sheep. While this testing is ongoing, we are working on prototype devices to improve upon the original design for sheep blood extraction. The purpose of this modification is to 1) make placement on sheep ears more reliable and easier, and 2) extract enough blood for all of the metabolite color tests (currently about 4mL). The original Tasso devices attach to skin using tape, have a large circular base, and can only extract about 0.5 mL of blood with its built-in vacuum chamber. These are all fine for extracting blood from people for lab testing, but in this case, we need to attach devices and draw blood from sheep ears, and we require more blood to run all of the required tests.

To this end, we are prototyping systems to increase the amount of vacuum for each device and changing the device profile and attachment method (different footprint and added clips). Some current prototype designs are shown in the figures below.



Figure 4: A modified Tasso device with an extra vacuum chamber to attempt to draw out more blood.



Figure 5: A 3D printed base for a blood extraction device with a clip for better and easier attachment to sheep ears.



Figure 6: fully 3D printed vacuum blood extraction devices with (left) a rectangular base and (right) a circular base to better adapt to placement on sheep ears.

3. Automating Blood Sample Preparation

Work is underway to automate the two main sample processing steps after blood is extracted from the sheep: serum separation and deproteinization. We are planning to use antibody-

modified magnetic nanoparticles to bind to red blood cells, then flow the blood over magnets to remove the red blood cells leaving the serum. A flow cell attached to magnets with blood pumped through is shown in the figure below.

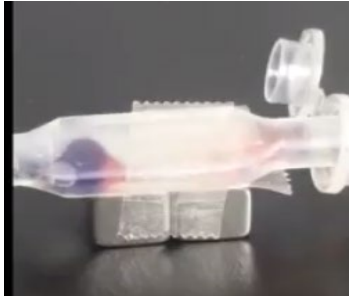


Figure 7: A flow cell with attached magnets. A peristaltic pump drives blood with magnetic nanoparticles through the cell and red blood cells are drawn to the magnets and removed, leaving behind the serum.

Some early prototypes are being developed to automate the deproteinization process that was developed for treating the serum and preparing it for the color assays. The first step of this process in the lab is to mix the serum with a dry polymer. This is done at high speed for over 20 seconds. This is not possible on-site as it would involve too much power and too large of a motor. Designs are being made and tested currently to effectively mix serum with the polymer, then filter the mixture portably.

4. Field Testing Assays

In February 2023, a subset of these components will be tested on-site alongside ewes. Results will be compared to in-lab results from blood samples collected the same day and sent to the lab. A subset of the automated sample preparation devices and on-site assays will be used.

Challenges:

Blood Collection and Blood Volume

Experimental use of the blood collection device on animals with hair, compared to current approved use on humans, may be an issue.

One of the main challenges currently is the blood volume required to do a full colourimetric test. Factoring in serum separation, deproteinization, sample volume lost in channels and devices, and having enough serum volume for each color assay, we would currently require about 4mL of blood per test. Work is therefore focusing on 1) collecting enough blood reliably from each ewe, 2) reducing the amount of blood required for each test, and 3) maximizing the yield of deproteinized serum generated by automated processing.

Manufacturing/Consistency/Packaging

Once the devices are designed and the on-site tests are finalized, work will need to be done to control the quality and ensure that all the tests work the same way. Packaging will need to be

designed that can keep dry components of the color assay dry and keep the reactions fresh and active. We already have some drying, sealing and packaging techniques available, but these will need to be verified for each color assay.

Multiplexing

The system in development would be able to process, test and record the results for one ewe at a time. This will not be practical for a large ranch with many ewes requiring testing at the same time. Work will need to be done to multiplex testing (testing several blood samples simultaneously).

Looking Forward

ALP Proposed Bylaw Amendment

Please see the table below that outlines the terms for your 2022-23 Board of Directors:

Terms Expiring in 2023			
<p>Rick Cromarty <i>Filled Interim position Feb 2022</i> <i>Acclaimed Fall 2022</i> Re-Election needed Fall 2023</p>	<p>Jordan Allen <i>Filled Interim position Feb 2022</i> <i>Acclaimed Fall 2022</i> Re-Election needed Fall 2023</p>	<p>Judy Buck <i>Acclamation Fall 2020</i> Re-Election needed Fall 2023 for Second term</p>	<p>Nicole Schieck <i>Acclamation Fall 2020</i> Re-Election needed Fall 2023 for Second Term</p>
Terms Expiring in 2024			
<p>Richard Boscher In First Term <i>Acclamation Fall 2021</i> Re-Election Fall 2024</p>	<p>Emilie Rowe In First Term <i>Acclamation Fall 2021</i> Re-Election Fall 2024</p>	<p>Jolene Airth In First Term <i>Acclamation Fall 2022</i> Re-Election Fall 2024</p>	

Generally, when forming the bylaws, the existing wording from the previous Plan Regulation gets carried over into bylaws and in ALP’s case, the wording in section 28 around the staggering of director terms still reflects a three-year cycle for directors, which was changed in November 2021 to two-year terms.

An amendment to paragraph 28 of the bylaws is necessary so that it no longer references the staggering associated with a 3-year term cycle because ALP has moved to a 2-year Director term, as referenced above.

In order to correct this error, the board has proposed a change in the wording for section 28. The process set out in ALP’s bylaws to amend them is as follows:

84. The repeal or amendment or a new bylaw relating to the requirements of the Act and Plan may be initiated by

- a) a motion of the Commission,
- b) a petition of eligible producers in accordance with paragraph 85, or
- c) upon the request of Council.

86. Subject paragraph 87, these bylaws may be amended or repealed by special resolution of the eligible producers at an annual meeting or special meeting.

87. A bylaw, including an amendment or repeal, is not effective until it is approved by Council.

At the August 11th ALP Board meeting a motion was made to amend the bylaws as presented below and is the “initiation” under section 84(a). The next step in the process is to have the proposed bylaw amendment presented to producers for approval at the AGM (a motion is needed to be carried by producers). Assuming producers approve the proposed bylaw amendment, it will then go to Marketing Council for the final approval.

Current Bylaw Wording for Director Terms	Proposed Bylaw Wording for Director Terms
<p>Election of Directors</p> <p>28. The election of directors under the Plan will be staggered and, to permit for the staggered election of directors</p> <ul style="list-style-type: none"> a) 3 directors will be elected in one year, b) 2 directors will be elected in the following year, and c) 2 directors will be elected in the next following year. 	<p>Election of Directors</p> <p>28. The election of directors under the Plan will be staggered and, to permit for the staggered election of directors</p> <ul style="list-style-type: none"> a) 4 directors will be elected in one year, and b) 3 directors will be elected in the following year.

The following motion will need to be made by one of our eligible producers and seconded to proceed with the proposed bylaw amendment:

I move that section 28 of the bylaws be amended as presented to reflect that terms will be staggered by electing 4 directors in one year ad 3 directors in the following year.

Consumer Awareness Initiatives

Alberta producers take pride in their ability to raise the highest quality lamb. Our clean air, sparkling water, rich and hearty feed grains and forages create a pristine and world-class

environment to produce premium quality meat.

In 2021-22, the ALP Board of Directors recognized the importance for us to continue to focus on consumer awareness initiatives to get more attention on our products –Alberta lamb! In order to achieve this, ALP decided to become an official partner of Alberta on the Plate. Alberta on the Plate is a province-wide celebration of the incredible bounty grown and produced across our beautiful province.

Anchored by a ten-day dine around festival highlighting local restaurants and products, Alberta on the Plate connects consumers to agriculture through our local restaurant industry and by continuing the conversation started by initiatives like Alberta Open Farm Days.

Throughout the year, Alberta on the Plate shares the Alberta food story with media and consumers through targeted outreach and its social channels. This includes celebrating and sharing the stories of our local restaurants, producers, farms, destinations, and businesses to encourage visitation and investment in our local food economy. AOTP also helps chefs and restaurateurs to develop new relationships and/or strengthen existing relationships with local farms and producers.

Each year during Local Food Week in August, AOTP hosts a province wide Dine Around where participating restaurants offer multi-course, fixed price menus highlighting local producers, growers, distillers and brewers. These restaurants range from casual to fine dining and everything in between. Each menu has recommended local pairings to be sure you get the perfect match for your meal (not included in pricing).

Alberta on the Plate takes place in conjunction with Alberta Local Food Week and wraps up the same weekend as Open Farm Days. Closing the loop of farm-to-table, it brings the same farm freshness to the plate across Alberta.

ALP also wants to increase our presence at the Calgary Stampede, which offers a great opportunity for us to connect directly with thousands of potential consumers.

ALP is committed to providing consumers with education and encouragement to embrace an often-under-appreciated treasure—our local producers and their appetizing offerings! In order to do this, ALP has placed an internal restriction of \$20,000.00 to be strategically spent on this initiative.

ALP Check-Off History

The Alberta Sheep and Wool Commission (ASWC) conducted a producer vote by ballot at their seven annual zone meetings held between October 27 and November 17, 2007 to seek support from the producers for increasing the service charge from \$1.00 to \$1.50 for each sheep. A similar vote conducted in November 2006 to increase the service charge to \$1.30 was defeated.

The service charge rate has not increased since July 1, 1982. The service charge is attached to the purchase of identification tags. The additional service charge revenue will enable the Commission to carry out its operational activities as budgeted and approved by the membership. At a board meeting on November 21, 2007, the board of directors approved a motion to amend the regulation to implement the service charge increase effective January 1, 2008.

Check-Off Refund Request Statistics

Fiscal Year	Number of Produces requesting check off refunds	Amount of the refund requests
2021-22	24	\$48,272.50
2020-21	20	\$50,040.00
2019-20	23	\$36,583.50
2018-19	21	\$16,498.33

Alberta Lamb Producers Plebiscite on Service Charge Model Refundability

At the request of the Alberta Lamb Producers (ALP) and in accordance with the provisions of the *Marketing of Agricultural Products Act* and the Alberta Lamb Producers Plebiscite Directive (2022), the Alberta Agricultural Products Marketing Council (Marketing Council) is conducting a plebiscite on the question of ALP’s service charge model. Plebiscites empower producers to provide their opinion on questions of importance to the industry and we hope you will take the time to consider the plebiscite question and cast your vote.

The service charge model is the structure under which ALP (the Commission) collects service charges from producers. Under ALP’s current regulations, a producer may request a refund of all or a portion of their provincial service charge from ALP. The purpose of the plebiscite is to consider whether the service charge should be refundable or non-refundable. If the plebiscite results in a vote for a non-refundable service charge model, changes to the ALP’s regulations will be necessary for the change to take effect. These changes will require approval from ALP, Marketing Council, and the Government of Alberta. If the plebiscite results in a vote for the service charge model to remain refundable, there will be no change to the current service charge structure or regulations. The following table describes each service charge model:

Non-Refundable Service Charge Model	Refundable Service Charge Model
Does not include an option for producers to request all or a portion of their provincial service charge back from the Commission as a refund.	The current model allows producers to request all or a portion of their provincial service charge back from the Commission as a refund, following the process outlined in ALP’s regulations.
A vote in the plebiscite for a non-refundable service charge would mean the service charge paid by producers would be non-refundable. All service charges would be retained by the Commission.	A vote in the plebiscite for a refundable service charge would mean a continuation of the current service charge model (refundable service charge model).

This plebiscite will ask eligible Alberta lamb producers whether they support a:

- (a) Non-refundable service charge model, or
- (b) Refundable service charge model

MNP has been engaged as the Deputy Returning Officer (DRO) to work with the Marketing Council to ensure the plebiscite is conducted in a fair, objective, and efficient manner.

Producers would have received an information package because they were on the initial ALP list of eligible voters. Plebiscite voting will be held from noon October 18 to noon November 16, 2022. MNP expects to complete the results of the tabulation by end of day November 16, 2022. Results will be provided to the Minister of Agriculture, Forestry and Rural Economic Development, Marketing Council, and ALP and will be released to the public shortly thereafter. Further information on voter eligibility and voting procedures is provided below.

In accordance with the Alberta Lamb Producers Plebiscite Directive (2022) producers who meet the following criteria may vote in the plebiscite:

- A producer is an individual person, or an individual representing a corporation, partnership or cooperative. One authorized individual may vote on behalf of a corporation, partnership or cooperative.
- The producer must have paid a service charge to the ALP between September 1, 2020 and September 30, 2022.
- The person voting must be 18 year of age or older.

An individual person may vote only once in the plebiscite notwithstanding that the producer may manage, operate, own, lease or hold equity in two or more operations.

Voting in the ALP plebiscite will be electronic or by mail-in ballot. Electronic voting includes the ability to vote over the phone by calling a toll-free number. Voting packages will be mailed via Canada Post to all eligible producers on October 13. Watch for your package to arrive in the mail between October 18 and 21, 2022.

If you have any questions regarding the plebiscite, contact the Marketing Council at 780-427-2164 or af.marketingcouncil@gov.ab.ca or visit Alberta.ca/LambPlebiscite.

ALP Producer Proposed Resolutions

ALP made some changes to how eligible producers can submit Proposed Resolutions that are discussed and voted on by eligible producers at our Annual General meeting. Effective December 2020, eligible Producers were able to submit proposed resolutions year-round for board consideration.

Providing eligible producers with the opportunity to submit year-round submissions allows the board and staff to research and provide information to the proposed resolution(s) in advance of

the AGM to help make the discussion more effective at the AGM before the voting period begins. To submit a resolution for discussion at this year's AGM, eligible Alberta Lamb Producers needed to complete our resolution form and submit it to the ALP office by September 15, 2022. Proposed resolutions would not be accepted past this deadline or from the floor at the virtual AGM.

ALP did not receive any proposed resolutions by our submission deadline of September 15, 2022, therefore there will be no conversation at the AGM regarding Resolutions.