

Alberta Lamb Producers 2020 Annual General Meeting Business Meeting Agenda

Welcome and Introductions
Approval of the Agenda
Chair Address
Acceptance of 2019 AGM Meeting Minutes
Acclaimed Director Speeches
Financial statements for 2019-2020
ALP Operational Budget 2020-2021
Your Check-off at Work: Review
Looking Forward
Moderated Producer Q & A
Pregnancy Detection Research Study Update
Producer Resolutions
Adjournment of ALP AGM

Thank you for attending and for your support of ALP!





Agriculture Centre,
97 East Lake Ramp NE,
Airdrie, Alberta T4A 0C3

www.ablamb.ca

Tel 403 948 8533 Fax 403 912 1455
E-mail: info@ablamb.ca

2020 AGM Chair Address

If you had pulled me aside at the Alberta Lamb Producers (ALP) AGM in 2019 and told me what was about to transpire in 2020, I would have called your theory absurd. It is safe to say that we are all sick of hearing the "C" word. This past year has forced us, as producers, out of our comfort zone and given us even more uncertainty to work through together.

I want to share with you the opportunities and successes that ALP achieved through these unprecedented times. First and foremost, I am proud to witness producers' resilience and positive attitude as, together, we build on a growing industry. I feel fortunate to sit on a board with forward-thinking producers who come together to navigate uncharted waters and get behind initiatives to help producers through the last year and the recovery years to come.

The AGM will mark the end of my second year with ALP, and sitting on the board has contributed to a better understanding of the value that the organization serves. Still, I have also witnessed the disconnect with the producers that it serves. We often hear that it benefits only small producers or that ALP's organization and purpose are not understood. I have had a producer challenge me to go back to the basics, instead of spouting generic examples that are repeated and not understood, illustrate a province without ALP.

ALP is accountable to producers through the Alberta Agriculture Producers Marketing Council (Marketing Council) and at the highest level, is responsible "to initiate and carry out projects or programs to commence, stimulate, increase or improve the production and/or marketing of an agricultural product, and serve as the voice of the industry they represent." ALP works every day to be

"Alberta Lamb Producers: Empowering the sheep industry through education, innovation, and advocacy."

accountable for this task and takes this responsibility seriously. I feel the best way to break out this challenge is to break out our mission statement, "empowering the sheep industry through education, innovation and advocacy."

ALP has prided itself in developing, producing, and making material readily available to producers in the education field. We often hear from producers that the material in our resources tab on the website and available in print from our office gave them a factual basis to start on or improve their production. Often new producers are the most heavily engaged and provide feedback early in their journey, which leads to a perceived focus on only new producers. Education is an area with room for expansion to include advanced production practices and concepts; what are your ideas? What would help you, as a seasoned producer, be more profitable? The grass is greener where you water it. Two ways that ALP is looking to increase education; in the early stages of introducing a Master Shepherds course and leading a project application to translate a large amount of printed and media content, leveraging instead of duplicating industry research and training material from the Centre d'expertise en production ovine du Québec (CEPOQ.)

Innovation is the key to growth; as producers, we are always innovating, and this is a vital part of our mission and our commitment to producers to be looking ahead and not be stagnant. This year was challenging as funding opportunities have become less and less available and harder to access, and I anticipate this will not go away soon. That said, Ashley has been diligent and on the hunt for opportunities and we have been collaborating with other provincial organizations who want to support each other to strengthen applications. ALP has invested in at least eight projects this past year, in the form of a letter, in-kind, or monetary contribution. The big news this year is coming from the final report on the Pregnancy detection study. The study started in 2017 and was lead by Alberta Lamb Producers with many partners, including the Alberta Government, University of Alberta, Ontario Sheep Farmers, Canadian Sheep Breeders Association, and others. The final results are in, and we are expecting! The project identified five blood components that can differentiate between pregnant and open ewes. In addition, there was success identifying singles, twins, and if there are more than two lambs. The research was validated using six flocks with 693 ewes in Alberta and Ontario and is the first step to introducing an alternative way to detect pregnancy in ewes. We are thrilled by the results and look forward to being part of a future project to develop a pen-side kit for producers. I want to thank the

"Alberta Lamb Producers: Empowering the sheep industry through education, innovation, and advocacy."

researchers, educational institutions, funders, and producers for your dedication and collaboration in delivering this project.

This year's exciting revelation was the Government of Alberta's (GOA) announcement to establish the Results Driven Agriculture Research (RDAR) board. ALP has been working closely with the other Alberta Commodity groups, through an advisory committee, to provide feedback on how this new funding agency will function. We are excited about what it has achieved already, and ALP will contribute to this organization moving forward through active membership. I do not doubt that ALP has producers with innovative ideas that will meet the mandate, "To support results driven agriculture research priorities and programs that will increase competitiveness and profitability of Alberta's agriculture industry." ALP is excited to hear your ideas and bring them forward to RDAR.

Advocacy became a focal point in 2020 as Producers, the Provincial government, Federal government, and industry stakeholders work through a situation that doesn't have a playbook. ALP and the National Sheep Network (NSN) served a critical piece by providing insight to risks in the sheep industry, highlighting opportunities, and disseminating information and program availability back to producers. Without ALP, Alberta's sheep industry would not have had an instrument to provide this input or gather the information and get it back to producers. Advocacy is an area that is often undervalued and serves producers at all sizes equally. If there is an area you feel we are not assisting you in this regard, I would love to discuss it with you. I recognize we struggle to show value to seasoned producers and that you are the busiest farmers and ranchers we serve. Still, you also are our biggest supporters, and the reason ALP exists, so please don't forget to have us serve your needs; the grass is greener where you water it.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan Greir", is placed over a light gray rectangular background.

Ryan Greir,
Chair, Alberta Lamb Producers

Alberta Lamb Producers Annual General Meeting October 17, 2019. Red Deer, AB

The meeting was opened at 7:04pm pm with 41 attendees.

1. Motion: To accept agenda as presented.

Motion: Ileana Wenger. Seconded: Judy Buck. Carried.

2. Motion: To approve the 2018 meeting minutes as presented.

Motion: Ileana Wenger. Seconded: Annemarie Van Garderen. Carried.

3. Acclaimed Director Speeches

- a. **Brittany Walker**
- b. **Josh Korpan**
- c. **Nicole Schieck**
- d. **Scott Vulysteke – regrets**

4. Alberta Lamb Producers Financial Statements

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

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

Motion: That the 2018/9 Financial Statements of Alberta Lamb Producers be approved as presented.

Motion: Bernadette Nikkel. Seconded: Jordan Barnfield. Carried.

Notes:

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

King and Company 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 2019/20 Financial Statements of the Alberta Lamb Producers be audited by King and Company Chartered Accountant.

Motion: Shey Sotlar. Seconded: Josh Korpan. Carried.

5. Alberta Lamb Producers budget 2019/20 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.

Note: Producer point to have a more specific listing of what expenses are each in each category for Director expenses, Industry Liaison and Industry Support.

6. Presentation of ALP Annual Report

Darlene Stein, Ryan Greir and Ashley Scott presented the ALP Annual Report. Guest presentations were made by:

- Marc Carere (NSN)
- Anne Brunet-Burgess (CCIA)

7. Table Discussions & Proposed Resolutions:

1. Tax on Sheep coming into AB, off setting costs of out of province animals.
2. Approaching and working with veterinarians to bring forward more specializing in the sheep industry
3. More marketing options, increasing kill capacity
4. Work with CCIA and CFIA to improve traceability of sheep, specifically end to end, defining chain of custody, identifying enforcement/actual usage.
5. Making testing easier to do within the province, in house diagnostic lab
6. Open inter-provincial trade on carcass and box lamb.
7. Publicize Utube videos for easier access to new producers and 4H clubs
8. New requirements of on farm visits are being abused by some private clinic, bring awareness to AVMA.
9. Better Welfare information.
10. Labeling foreign lambs as Canadian and sold as Canadian Lamb if for example, they came from Montana.
11. Connect with Stock Growers Association to inquire on receiving testing coverage.

Motion: To vote on 11 proposed resolutions for 2019/20.

Motion: Bernadette Nikkel. Seconded: Ileana Wenger. Carried.

8. Resolutions: Marketing Council Representatives Brent McEwan, Susan Johnstone and Wendy McCormick counted the votes and are as follows:


1. Votes For: 3
Votes Against:17
Defeated.
2. Votes For: 20
Votes Against:0
Carried.
3. Votes For: 13
Votes Against:5
Carried.
4. Votes For: 16
Votes Against:4
Carried.
5. Votes For: 19
Votes Against:1
Carried.
6. Votes For: 13
Votes Against:7
Carried.

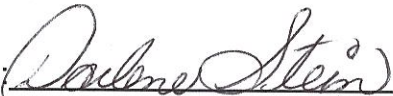
- 7. Votes For: 18
Votes Against:2
Carried.
- 8. Votes For: 13
Votes Against:7
Carried.
- 9. Votes For: 12
Votes Against:7
Carried.
- 10. Votes For: 12
Votes Against:7
Carried.
- 11. Votes For: 11
Votes Against:5
Carried.

9. Motion to Adjourn: Annemarie Van Garderner. Seconded: Melinda Grey.
Adjournment: 10:08 pm.

Approval of Minutes:

Signature:  Date: Nov 23 2019
Karl Denwood, ALP Director

Signature:  Date: Nov 23, 2019
Ryan Greir, ALP Director

Signature:  Date: Nov. 23, 2019
Darlene Stein, ALP Director

Alberta Lamb Producers Director Acclamation for 2020-21

There were two Director-at-large positions open on the 2020/21 ALP board. Two eligible producers submitted valid nominations forms before the July 31, 2020 deadline to be entered as candidates in the 2020 election. As there were only a sufficient number of valid nominations to meet the number of positions, no election was needed to be held this year. The two nominated producers were to be acclaimed to the board at the ALP AGM on November 28th. One of the eligible producers who submitted a valid nomination made the decision to withdraw their name in October 2020, therefore leaving one current opening on the 2020/21 ALP board.

Due to [Alberta Lamb Producers Plan Regulation AR 263/2001](#), s. 34 Election of directors, it is clear that the authority for nominations is to be once a year, so an additional call for nominations in the 2020 calendar year, is not aligned with the regulation. Subsection (9) states that if the position is vacant (after following the nomination process), the Commission must in accordance with section 20, move forward with filling the position by appointing from among eligible producers. ALP followed due process for nominations and would be adhering to our regulation by appointing as per s. 20 of the regulation, to fill the newly vacant position.

ALP has one Interim Director-at-large position available and will be recruiting to fill the position after the AGM, as per our plan regulation.

ALP has successfully filled the other Director-at-large position and is pleased to announce that Judy Buck will be acclaimed at the AGM. Please find her acclaimed director profile below and help us welcome Judy to the board!

Acclaimed Director Profile

Judy Buck Contact: 780-712-0970, judy@ablamb.ca

My name is Judy Buck and my husband and I farm near the small hamlet of Peers in West Central Alberta. We raise purebred Romanovs and also create F1s using Charollais rams on some of our Romanov ewes to supply replacement ewe lambs for our son & his family who currently run about 800 ewes, with the goal of reaching 1,200 ewes within the next couple of years.

I believe those of us who raise sheep, not just as a hobby, but from which we derive at least a good portion of our living, need to step up and make our voices heard to help shape the sheep industry, not only here in Alberta but across Canada. Alberta Lamb Producers has provided us as a family many excellent resources as we stepped into sheep production. As many of you know it can be a steep learning curve and it is so helpful to have an organization one can turn to which can supply answers or at least direct you to someone who can.

I am particularly interested in sheep health and have found it challenging to find many Veterinarians in the province who have a good understanding of the small ruminant and diseases that affect them – especially when it comes to diagnostics. It eats into the bottom line every time one dies and if it dies because we are not sure what we are treating for, to me, that is unacceptable. Too often things seem to have to be done by trial and error or my guess is as good as the next guys, or treat for everything that it could possibly be and hopefully you will hit the right thing. It can be very expensive sending tissue/blood samples for analysis and it is very frustrating therefore when the results are “inconclusive”. I would really like to see more small ruminant trained Veterinarians throughout the Province and at the same time, would like to see them share that knowledge with all the hardworking, sheep loving farmers out there, in order to provide the best care

that we can for our animals. Alternatively, if that is not realistic, maybe there could at least be more seminars and training put on by the few excellent small ruminant Veterinarians that we do have.

As you well know, there are plenty of challenges in raising sheep and as the sheep industry continues to grow, not only in Alberta, but across the country, I believe we need to do the best job we can to keep our flocks healthy and improved Veterinary/client relationships would go a long way to help achieve that goal. I also think that we as producers, need to share our experiences and knowledge with each other and need to support each other in order to have a strong sheep industry in this country. I'm sure the Alberta Lamb Producers organization can help facilitate this and being acclaimed to the Board of Directors, helps me to be a part of finding a solution for what I see as a gap in our industry.

ALBERTA LAMB PRODUCERS

Financial Statements

Year Ended August 31, 2020

ALBERTA LAMB PRODUCERS
Index to Financial Statements
Year Ended August 31, 2020

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 10

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Alberta Lamb Producers

We have reviewed the accompanying financial statements of Alberta Lamb Producers which comprise the statement of financial position as at August 31, 2020 and the statements of operations, 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 for the Financial Statements

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 these financial statements do not present fairly, in all material respects, the financial position of Alberta Lamb Producers as at August 31, 2020, 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, 2020

CHARTERED PROFESSIONAL ACCOUNTANTS

ALBERTA LAMB PRODUCERS
Statement of Financial Position
As at August 31, 2020

	2020	2019
ASSETS		
CURRENT		
Cash <i>(Note 2)</i>	\$ 135,053	\$ 194,570
Short-term investments <i>(Note 3)</i>	139,997	104,319
Accounts receivable	17,688	16,595
	<u>292,738</u>	315,484
EQUIPMENT AND LEASEHOLD IMPROVEMENTS <i>(Note 4)</i>	<u>3,597</u>	-
	<u>\$ 296,335</u>	<u>\$ 315,484</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities <i>(Note 5)</i>	\$ 13,364	\$ 14,866
Deferred revenue	825	-
Deferred contributions <i>(Note 6)</i>	4,521	58,687
	<u>18,710</u>	73,553
NET ASSETS		
Invested in equipment and leasehold improvements	3,597	-
Internally restricted <i>(Note 7)</i>	23,908	53,400
Unrestricted	250,120	188,531
	<u>277,625</u>	241,931
	<u>\$ 296,335</u>	<u>\$ 315,484</u>

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

ALBERTA LAMB PRODUCERS

Statement of Operations

Year Ended August 31, 2020

	2020	2019
REVENUES		
<u>Checkoff</u>		
Sheep	\$ 209,223	\$ 187,333
Wool	3,451	6,489
	<u>212,674</u>	<u>193,822</u>
<u>Other</u>		
Advertising	11,331	14,230
SheepBytes	9,438	9,297
Interest	3,651	1,822
Expense recoveries	872	9,645
	<u>25,292</u>	<u>34,994</u>
Grants (Note 6)	89,562	116,412
	<u>327,528</u>	<u>345,228</u>
EXPENSES		
<u>Advocacy</u>		
Industry liaison	9,109	4,856
Regional development	6,988	11,741
Research	-	4,000
	<u>16,097</u>	<u>20,597</u>
<u>Extension</u>		
Newsletter	24,108	26,064
SheepBytes	3,946	5,934
AFAC	1,000	2,003
Advertising and promotion	200	90
	<u>29,254</u>	<u>34,091</u>
<u>Operating</u>		
Salaries and benefits	86,059	70,426
Directors	20,917	24,089
Administration and communications	10,574	11,305
Audit and legal	5,997	8,910
Insurance	3,252	2,465
Website	2,606	5,665
Annual General Meeting	1,924	12,189
Amortization of equipment and leasehold improvements	635	251
Governance training	-	5,670
Strategic planning	-	5,040
Bad debts	-	1,986
	<u>131,964</u>	<u>147,996</u>
Grants	76,270	116,412
Checkoff refunds	38,249	17,068
	<u>291,834</u>	<u>336,164</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 35,694</u>	<u>\$ 9,064</u>

ALBERTA LAMB PRODUCERS
Statement of Changes in Net Assets
Year Ended August 31, 2020

	Invested in Equipment and Leasehold Improvements	Internally Restricted (Note 7)	Unrestricted	2020	2019
NET ASSETS - BEGINNING OF YEAR	\$ -	\$ 53,400	\$ 188,531	\$ 241,931	\$ 232,867
Excess (deficiency) of revenues over expenses	(635)	5,492	30,837	35,694	9,064
Purchase of equipment	4,232	-	(4,232)	-	-
Transfers	-	(34,984)	34,984	-	-
NET ASSETS - END OF YEAR	\$ 3,597	\$ 23,908	\$ 250,120	\$ 277,625	\$ 241,931

ALBERTA LAMB PRODUCERS**Statement of Cash Flows****Year Ended August 31, 2020**

	2020	2019
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 35,694	\$ 9,064
Item not affecting cash:		
Amortization of equipment and leasehold improvements	<u>635</u>	<u>251</u>
	<u>36,329</u>	<u>9,315</u>
Changes in non-cash working capital:		
Accounts receivable	(1,093)	9,952
Accounts payable and accrued liabilities	(1,502)	4,199
Deferred revenue	825	(3,750)
Deferred contributions	<u>(54,166)</u>	<u>(85,016)</u>
	<u>(55,936)</u>	<u>(74,615)</u>
Cash flow used by operating activities	<u>(19,607)</u>	<u>(65,300)</u>
INVESTING ACTIVITIES		
Purchase of equipment	(4,232)	-
Purchase of short-term investments, net	<u>(35,678)</u>	<u>(1,638)</u>
Cash flow used by investing activities	<u>(39,910)</u>	<u>(1,638)</u>
DECREASE IN CASH	(59,517)	(66,938)
CASH - BEGINNING OF YEAR	<u>194,570</u>	<u>261,508</u>
CASH - END OF YEAR	<u>\$ 135,053</u>	<u>\$ 194,570</u>

ALBERTA LAMB PRODUCERS

Notes to Financial Statements

Year Ended August 31, 2020

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

Basis of Presentation

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

Revenue Recognition

The Organization 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.

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

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

Cash

Cash is comprised of cash held with financial institutions.

Equipment and Leasehold Improvements

Equipment and Leasehold Improvements are stated at cost less accumulated amortization. Equipment and Leasehold Improvements 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

The Organization regularly reviews its equipment and leasehold improvements to eliminate obsolete items. Government grants are treated as a reduction of equipment and leasehold improvements cost.

(continues)

ALBERTA LAMB PRODUCERS

Notes to Financial Statements

Year Ended August 31, 2020

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

	<u>2020</u>	<u>2019</u>
Unrestricted		
Cash	\$ 106,624	\$ 82,483
Internally Restricted		
Cash for SheepBytes	23,908	19,977
Cash for producer education	-	30,423
Cash for Sheep Centre	-	3,000
	<u>23,908</u>	<u>53,400</u>
Externally Restricted		
Cash for pregnancy research project grant	4,521	58,687
Grand Total	<u>\$ 135,053</u>	<u>\$ 194,570</u>

3. SHORT-TERM INVESTMENTS

Short-term investments represent guaranteed investment certificates that have maturity dates of December 18, 2020 and February 13, 2021 with interest rates between 1.95% and 2.05% (2019 - 0.35% to 2.35%).

ALBERTA LAMB PRODUCERS

Notes to Financial Statements

Year Ended August 31, 2020

4. EQUIPMENT AND LEASEHOLD IMPROVEMENTS

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Office equipment	\$ 4,494	\$ 4,494	\$ -	\$ -
Computer equipment	4,232	635	3,597	-
Leasehold improvements	2,154	2,154	-	-
	<u>\$ 10,880</u>	<u>\$ 7,283</u>	<u>\$ 3,597</u>	<u>\$ -</u>

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
Operations	\$ 8,709	\$ 10,358
Salaries	2,827	3,819
Goods and services tax	1,828	689
	<u>\$ 13,364</u>	<u>\$ 14,866</u>

6. 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:

	2020	2019
Balance, beginning of year	\$ 58,687	\$ 143,703
Contributions received	35,396	31,396
Recognized as revenue	(89,562)	(116,412)
	<u>\$ 4,521</u>	<u>\$ 58,687</u>

Deferred contributions are comprised of:

Pregnancy research project	<u>\$ 4,521</u>	<u>\$ 58,687</u>
----------------------------	-----------------	------------------

ALBERTA LAMB PRODUCERS

Notes to Financial Statements

Year Ended August 31, 2020

7. INTERNALLY RESTRICTED NET ASSETS

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

	<u>2020</u>	<u>2019</u>
SheepBytes	\$ 23,908	\$ 19,977
Producer Education	-	30,423
Sheep Centre	-	3,000
	<u>\$ 23,908</u>	<u>\$ 53,400</u>

8. RELATED PARTY TRANSACTIONS

During the year, the Organization paid fees and reimbursed expenses to directors totaling \$25,871 (2019 - \$24,089).

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.

9. COMMITMENT

In 2002, the Organization signed an agreement (along with other provincial sheep associations) which permits the Canadian Sheep Federation to administer the Canadian Sheep Identification Program. The purpose of this agreement is to govern the distribution and sale of approved tags to sheep producers across Canada. Alberta Lamb Producers has contracted with the Canadian Co-Operative Wool Growers Ltd. to act as exclusive distributor and agent of the approved tags in Alberta. The agreement is automatically renewed every year unless the contract is renegotiated or terminated by either party.

10. 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, 2020.

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization is exposed to credit risk from customers. In order to reduce its credit risk, the Organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Organization has a significant number of customers which minimizes concentration of credit risk.

The corporation'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, 2020

11. COVID-19 PANDEMIC

During March 2020, the global pandemic caused by COVID-19 required the implementation of quarantine measures by the Government of Alberta and the Government of Canada for individuals, businesses, and not-for-profit organizations. The date at which these measures will be fully lifted has not been set. The financial impact caused by this pandemic to the future operations of the corporation is believed to be minimal but cannot be accurately determined at this time.

12. COMPARATIVE FIGURES

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

			<u>Budget</u>	<u>Actual</u>
			<u>2020-21</u>	<u>2019-20</u>
Account	Item	Revenue		
4000	1	Check off - sheep	\$208,000.00	\$209,223.18
4005	2	Check off - wool	\$4,500.00	\$3,451.23
4105/15	3	Newsletter Advertising	\$11,000.00	\$10,730.80
NEW		Online/Web Advertising	\$1,000.00	\$600.00
4200	4	Recoveries	\$0.00	\$7,872.35
4900	5	Interest	\$1,700.00	\$1,701.37
4300	6	Manuals, programs and courses	\$0.00	\$200.00
4400	7	SheepBytes - ALP income	\$1,000.00	\$1,850.00
-	8	Transfer from reserves*	\$34,880.00	\$45,000.00
4700	9	AGM Meals	\$0.00	\$0.00
4410	10	AGM Sponsorship	\$0.00	\$0.00
	11	Refunds from Government	\$0.00	\$0.00
	12	Total	262,080.00	280,628.93
		Expenses		
7500		Advocacy*		
7595	13	Industry support	\$6,500.00	\$5,258.81
7530	14	Industry liaison (govt & ind)	\$15,000.00	\$9,108.82
7550	15	Promotion	\$500.00	\$200.00
7560	16	Regional funds	\$3,500.00	\$200.00
7561	17	Provincial 4-H	\$1,000.00	\$1,000.00
7565	18	Industry events - Symposium	\$1,250.00	\$0.00
8200	20	Calgary Stampede Sponsorship	\$1,000.00	\$0.00
7115		Plebiscite	\$5,000.00	\$0.00

7105	21	Promotional Events	\$1,000.00	\$0.00
8055	23	AFAC membership	\$1,000.00	\$1,000.00
7500	24	Total	\$ 35,750.00	\$ 16,767.63
8000		Extension		
8005	25	Newsletter	\$11,500.00	\$18,037.50
8010	26	Newsletter ads commission	\$2,650.00	\$1,707.46
8025	27	Industry Research	\$5,000.00	\$0.00
New		Producer Education	\$7,000.00	
8500	28	SheepBytes ALP exp	\$0.00	\$0.00
8000	29	Total	\$ 26,150.00	\$ 19,744.96
9000		Operating Expenses		
-	30	Admin & communications		
9030	31	Admin	\$2,100.00	\$682.09
9025	32	Communications	\$6,900.00	\$4,779.51
9040	33	Website	\$5,500.00	\$3,731.08
9045/50	34	Service charges/penalties	\$250.00	\$402.43
9070	35	Office Supplies	\$2,200.00	\$2,934.44
7110	36	Office Equipment/I.T.	\$1,500.00	\$1,828.16
-	37	Total Admin & communications	\$18,450.00	\$14,357.71

9038	38	Staff Recruitment	\$0.00	\$0.00
	39	Capital Purchase	\$1,000.00	\$4,278.44
9005	40	Salaries & Wages	\$88,000.00	\$88,567.34
	41	Staff Devt	\$3,000.00	\$1,835.00
9010	42	Directors expenses	\$37,580.00	\$21,368.24
9007	43	Governance Training	\$0.00	\$0.00
9009	44	Strategic Planning	\$0.00	\$0.00
9015	45	Audit & legal	\$10,000.00	\$9,700.00
9060	46	Insurance	\$1,900.00	\$2,547.00
9100	47	AGM meeting expenses	\$2,250.00	\$1,923.64
	48	Loss on disposal of assets		
	49	Amortization		
7000	50	Check off refunds	\$38,000.00	\$38,218.50
9000	52	Total	\$200,180.00	\$197,153.58
	53	Total expenses	\$ 262,080.00	\$ 233,666.17
	54	Excess of revenue over expenditures	\$ -	\$ 46,962.76

ALP Year in Review: 2019-2020

Alberta Lamb Producers mission:

“Empowering the sheep industry through education, innovation and advocacy.”

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.

2019/20 for ALP was an unprecedented year due to the Covid-19 outbreak. Despite these challenges, 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 2020/21 year begins. A return to long-term staffing and regular communications helped propel key initiatives forward and will continue into the new year.

As per ALP’s commitment to work for every producer in our province to enhance advocacy, education, communication, research, and community-building for a stronger sheep industry, we organized two Zoom calls with Alberta producers to open up the lines of communication during the Covid-19 pandemic.

ALP Chair, Ryan Greir, provided an industry update at the beginning of the call and then opened it to the floor for any questions, comments or concerns to be brought forward for discussion.

Board Governance and Strategic Planning

Proper governance is vital for effectively and efficiently moving an organization’s mission and initiatives forward. Governance training was originally scheduled to take place at our April, 2020 face to face board meeting however due to the Covid-19 outbreak, this meeting and governance training session were cancelled. This training session has recently been rescheduled and directors are looking forward to their governance session scheduled for Friday, November 27th to help increase their knowledge of board function and to improve board communications.

At our first meeting after the 2019 AGM, ALP Directors and Executive Director spent time reviewing our strategic plan that was established in March 2019 and were able to create a number of new SMART Goals to tie in with the already established plan which resulted in 3 newly formed ALP committees. These new SMART goals ensure that your board of directors remains focused on working towards goals that will benefit the industry.

Annual General Meeting (AGM):

The 2019 AGM was held in conjunction with the Alberta Sheep Breeders Association Sheep Symposium, creating greater efficiencies and strengthening ties between the organizations. The 2019 AGM offered the ALP business and financial review, along with speakers from the CFIA and the NSN. Following the 2019 AGM, ALP created an AGM Committee at the first face to face board meeting which is comprised of 3 directors and our Executive Director, who worked together to bring forward a new and exciting two day, hands on workshop to be combined with the 2020 AGM at Olds College, utilizing their flock and butchering department. Unfortunately, due to the current landscape with Covid-19, we made the tough decision to postpone this

hands-on, in person event and switched to an online/virtual platform to help ensure we are following proper social distancing and maximum capacity for in-person event rules and regulations.

Producers are reminded that the move from zones does not limit their ability to communicate with directors. Members of the board and staff are always available on the phone or email to discuss any concerns that producers have at any time of the year.

Visit <https://ablamb.ca/index.php/about-alp/contact> for ALP contact information.

Plebiscite:

A resolution was passed at the 2018 AGM for the ALP board to move forward with a request to hold a plebiscite that would allow producers a say determining the service charge model for their provincial organization. Moving ALP's service charge from refundable to non-refundable would provide greater stability and planning capacity for the organization, and would ensure all producers benefiting from the organization are contributing. A request was made from the ALP board to the Agricultural Products Marketing Council to proceed, and was subsequently approved by the Government of Alberta in June 2019. This past year, ALP was providing input to and working with Marketing Council regarding the development of the regulation determining how the plebiscite would be implemented. The plebiscite was scheduled to take place at the AGM this year however, due to Covid-19, the plebiscite has been put on hold, with a new projected timeline of hosting the plebiscite at the 2021 AGM.

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:

- Investigation of predation programs: ALP connected with commissions in other provinces and ABP regarding the current Predation compensation program to prepare for advocacy in this area.
- External committees, e.g. Alberta Farm Animal Care, Farmer Led Research - RDAR Advisory Committee.
- 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
- Throughout Covid-19, participating and advocating on behalf of our producers and industry needs during our weekly Agriculture Producer calls with our Agriculture Minister, Devin Dreeshen and weekly federal calls with AAFC/ACC.

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. An example of the most recent project research is

our involvement with the approved accuracy in diagnosing pregnancy and predicting litter size at early ewe gestation: Metabolomics analyses for pen-side kit development: Dr. Susan Markus.

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. Once again in the spring of 2020, ALP offered free lamb kits to producers. The kits highlight the importance of neonate interventions and post-mortems. We still have a few kits left – contact the office for yours.

SheepBytes

As it has since the program was launched in 2012, ALP remains the administrator for the SheepBytes Ration Balancing Program. Visit www.sheepbytes.ca to learn more about the program and how it can help you improve the nutritional management of your flock.

Communications

Ensuring producers have the information they need to make informed decisions and promoting lamb to consumers, are important roles for ALP. Communications are provided through:

Websites: www.ablamb.ca provides free access to production resources, industry links, events and contacts, free classified ads for producers.

www.albertalamb.ca is specially designed for consumers, to connect the public with local Alberta lamb suppliers, as well as, nutritional information and recipes.

N'ewesletter is a quarterly publication where ALP works with industry experts to bring you relevant articles about sheep supply/marketing, animal health and welfare issues, and industry updates. At the September 12-13, 2020 board meeting, the ALP Board of Directors made the decision to make some changes to the way Alberta Lamb Producers distributes our quarterly n'ewesletters.

Beginning this new fiscal year, ALP will be printing and mailing hard copies of the Spring and Fall N'ewesletters to all eligible producers (who have purchased CSIP ear tags within the past two years), and switching the Winter and Summer editions to a free, soft copy (online) only.

We encourage all Producers to sign up for our e-communication called N'ewesletter E-Advise, as this email communication will notify you when the new, quarterly n'ewesletter has been uploaded to the ALP website for your reading pleasure.

N'ewesline: Free, weekly email service that delivers timely information to your inbox.

Marketline: Free, weekly email service, which list market prices from Alberta and Ontario.

YouTube/sheepcentralalberta: A wide variety of industry videos and webinars are available at www.youtube.com/user/SheepCentralAlberta/

Webinars: Cost effective method of providing producers with expert advice on a variety of topics. Recordings from past webinars are posted to YouTube.

Facebook: Follow ALP's Facebook account for industry information
www.facebook.com/AlbertaLambProducers/

Requests for information: ALP fields many requests for information

Industry promotion and support

ALP continues to support industry events that promote the sheep industry, such as the Calgary Stampede. ALP is also a proud supporter of local sheep clubs and the 4-H groups through our provincial sheep show sponsorship, providing donations, supplies, and attendance of events.

Display materials and producer resources are available for any event – make your request to the office or an ALP director. This last year we provided over 1500 recipe cards and other materials including cut charts and other promotional items.

Questions and input regarding ALP's activities are invited – please call your director or the office for a chat!

*Dr. Susan Markus
Livestock Research Scientist,
Alberta Agriculture and Forestry*

*Seyed Ali Goldansaz
PhD candidate and research associate
University of Alberta and Olds College*

Highly accurate and commercially viable pregnancy and litter size tests for ewes are not yet widely accessible nor affordable for all sheep producers. Currently, the gold standard and only available option for early ewe pregnancy detection is ultrasound. However, that may soon change. Research completed by University of Alberta and Alberta Agriculture and Forestry scientists, with funding from the Alberta Lamb Producers, Ontario Sheep Farmers, Canadian Sheep Breeders Association and Alberta Agriculture and Forestry Strategic Research and Development fund, has discovered and validated promising blood biomarkers. These biomarkers, detected through metabolomics technology, are predictive for both pregnancy and litter size at 50 days into pregnancy. Long story short, these results suggest that drawing a few drops of ewe blood, at least 50 days after breeding, can accurately detect absence or presence of pregnancy and the number of lambs to expect.

Potential benefits of this new technology

As a flock manager, you know that fertility is of utmost importance as one open ewe, if undetected, can literally eat up the profits of several pregnant ewes in the flock. This is exactly why the research project was designed – to develop a test to detect at earlier than 60 days into pregnancy not only if an ewe is pregnant or not, but if she is, how many lambs she's carrying. Ultimately, it's the number of ewes bred and confirmed pregnant, the lambing rate and the survival rate of these lambs that are the most important factors in determining sheep productivity and the economic efficiency of a lamb production enterprise. By detecting and culling open ewes, or rebreeding them, and improving the nutrition of ewes that deliver more viable and healthy lambs, we anticipate flock profitability is increased by \$2.5 for every \$1 invested in ewe nutrition as a result of using this tool. In addition, feed costs are reduced by adjusting feed based on pregnancy requirements and preventing blind feeding of all animals with the same ration. Single lambs tend to have large birth weights with more dystocia issues while triplets tend to have poor birthweights with low survivability. Ewes giving birth to triplets have increased risks of pregnancy toxemia and hypocalcaemia, which result in high mortality rates in ewes. Knowing the litter size at early stages of pregnancy also offers the opportunity to maintain ewe health and welfare since both over or underfeeding can be avoided. Moreover, epigenetics

and nutrigenomics research have proven that adjusting maternal feed based on pregnancy requirements programs the progeny to be healthier and physiologically more sound than the average lamb.

Ewe nutrition in the last 8 weeks of gestation is critical as it impacts lamb survivability. Typically, 95% of singles, 79% of twins and only 67% of triplet born lambs survive the first week of life. Assuming variation in breed type and a 15% cull rate (Statistics Canada, 2020) 437 000 Canadian ewes are exposed to breeding in a year with 20% of these ewes expected to bear triplets or more lambs in one litter. Thus, 87 400 ewes at a cost of \$961 400 (\$11/ewe/year increased nutrition) will potentially yield 12% more lambs at weaning. Canadian lamb sales increase by \$2.5 million if we can identify those prolific ewes at 50 days gestation and sort them into management groups for feeding.

Research results

The research team identified and validated 5 blood components that differentiated between ewes that were open and those that were pregnant. At day 50 of pregnancy, we were also able to identify if the pregnant ewe would deliver a single, twins or triplet lambs. If a farmer is interested in precisely knowing how many lambs a pregnant ewe will deliver, we can use 2 specific biomarkers to identify ewes with a single lamb and 6 different specific biomarkers to identify pregnant ewes carrying twins. All other pregnant ewes that do not test positive for these two sets of biomarkers would automatically be categorized as pregnant ewes carrying triplets or more.

These results were identified and validated using a total of six different flocks, 4 in Alberta and 2 in Ontario. Comprehensive statistical analyses are currently being conducted and evaluated to confirm the accuracy of the statistical methods used. These results, though promising, suggest more work needs to continue to bring the tool to commercialization for industry use.

The next steps

Once the prototype kit has been confirmed and replicated in field studies (under various management practices, different breeds, different environment conditions, and at different times of the year), the yet-to-be-developed test kit would be modelled after a human pregnancy test. In this case, you would perform an ear pinch to collect blood. The blood sample would instantly react with the biomarker panel on the hand held, chute-side test to determine if she's pregnant and predict with how many lambs, so she could immediately be sorted into management and/or feeding groups. Anyone could operate the device without needing any technical experience, scientific knowledge or waiting days for results. The cost of this test per animal would remain constant and independent of the location of the farm and the number of animals in the flock. Therefore, producers with any size of a flock can afford this service making

this technology widely available. Whether you have five pregnant ewes or 500, and whether you're located in rural areas or closer to the city, you'll still be able to detect pregnancy and litter size in your sheep. The test kit is also expected to offer a similar consistency and accuracy of detection.

We would like to acknowledge the central & southern Alberta and Ontario producers who have been collaborating on these projects, providing access to their animals and facilities. Furthermore, our relationships with various academic institutions including Guelph University, Olds College, Lakeland College and Laval University has made the sheep projects multidimensional. We hope these research efforts will soon make a difference on farm and enhance the growth of our sheep industry.

Stay tuned for more exciting news on prototype development as our research continues!

ALP Proposed Resolution(s):

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 November 1, 2020. **Proposed resolutions would not be accepted past this deadline or from the floor at the virtual AGM.**

This information and associated resolution form was included in our Fall N'ewesletter (distributed in mid-September), was on our website since the end of August, 2020 as well as being continually included in our weekly edition of our e-communication N'ewesline, from the end of August up until the submission deadline.

ALP received only one, proposed resolution. Please see the submission below, with details about the proposed resolution.

Proposed Resolution: Alberta Lamb Producers to approach CSF to establish alternate suppliers of 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.

Details on proposed resolution from ALP Board of Directors:

For Producer awareness, the Canadian Food Inspection Agency (CFIA) is responsible for Canadian traceability. The CFIA chose the Canadian Sheep Federation (CSF) as the national voice for the sheep industry for traceability who chose the Canadian Cattle Identification Agency (CCIA) as its responsible administrator to meet CFIA requirements. The CSF requested to have tag distribution solely with the Canadian Cooperative Wool Growers (CCWG.) After reaching out to our contact at CCIA in regard to this producer proposed resolution there are two comments from CCIA we would like to share with our producers:

1. Tag distribution is one of the responsibilities of the responsible administrator. In this case, CCIA. When negotiating their agreement with the CSF, CSF were quite insistent on being exclusive with CCWG.
2. While purchasing tags at retail locations is more convenient for producers, it also brings some data integrity issues. CCIA works with 760 retailers at the moment. We are not looking at increasing that number simply because of the additional administration burden it brings and the difficulty at keeping them compliant.

Alberta Lamb Producers understands that purchasing tags from a single source, typically through the mail, can be challenging. We commit to evaluating access to tags and understanding what alternatives are available, if any.