

CHARTING THE FUTURE

2018 Annual Report



ALBERTABEEF.ORG

VISION - Alberta Beef Producers is a strong, clear, and representative voice speaking and working on behalf of cattle and beef producers in Alberta and contributing to a vigorous and profitable beef industry.

MISSION - To strengthen the sustainability and competitiveness of the beef industry for the benefit of beef producers in Alberta.

TABLE OF CONTENTS

PAGE 4

Chair Report

PAGE 5

Executive Director Report

PAGE 6-7

Canadian Cattlemen's Association Report

PAGE 8

Canada Beef Report

PAGE 9

Beef Cattle Research Council Report

PAGE 10

Public and Stakeholder Engagement Report

PAGE 11

Governance Report

PAGE 12

Audit Report

PAGE 13

Government Relations and Policy Report

PAGE 14

Research Report

PAGE 15

Beef Production Report

PAGE 16

Communications Report

PAGE 17

Marketing and Education Report

PAGE 18

Cow Calf Council Report

PAGE 19

Cattle Feeder Council Report

PAGE 20-45

Financial Section

PAGE 46-50

Election Backgrounder

BACK COVER

Fall Meetings Schedule



CHARLIE CHRISTIE
ABP Chair

ABP CHAIR REPORT

I think it's safe to say, human nature drives us all to focus on the past, even when we should be looking to the future. Cattle producers, it could be argued are "super human" individuals, and yet are no less guilty of this trait than the mere mortals found in other industries. This is to our credit as there are times when events of the past have a strong influence on the present and the future. The weather this year is a good example, as the impact of hot, dry conditions this summer was aggravated by the low levels of moisture carried over after dry weather in many parts of the province last year. In these situations, it is understandable that producers would think a lot about the past as they deal with present challenges.

Nevertheless, it is important to remember that while we can't change the past, we are able to deal with the present and influence the future. As we watch unsettled September weather interfere once again with grain harvesting in the central and northern areas of the province, ABP is actively working with farmers, ranchers and the Alberta government to assess the feed supply situation for cattle producers. We will be trying to identify the most appropriate response to help producers facing serious and expensive feed shortages.

One action has already been taken. The federal government announced the Livestock Tax Deferral Provision allowing producers who sell

breeding animals due to drought to defer a portion of the sales proceeds to the following year. The current prescribed region for the Livestock Tax Deferral Provision includes most municipalities in southern Alberta and some municipalities in central Alberta. We are not sure if the prescribed regions accurately reflect the areas affected by extremely dry conditions and we are encouraging producers to contact their counties if they are not in the prescribed region. ABP will also be working with cattle associations in other provinces and the Canadian Cattlemen's Association (CCA) to improve the tax deferral provision by making it always available to producers who are forced to sell cattle due to extreme conditions without having to wait for an announcement from the federal government.

There is another significant opportunity this fall for cattle and beef producers to set the future course of their organization and their industry. After eight years of issuing check-off refunds as a result of a decision imposed on our industry, producers finally have the chance to decide themselves about whether the \$2 service charge, or check-off, that supports ABP and CCA should continue to be refundable or become non-refundable as it was for the first 40 years of our existence. ABP has issued over \$20 million in refunds since 2010 and many producers believe that this money would generate greater benefits for them if it was invested in strategic industry initiatives.

The Government of Alberta amended the Marketing of Agricultural Products Act in 2017 to allow service charges to be non-refundable and at the time the Minister of Agriculture and Forestry said he would require a plebiscite of producers to take this action. This spring, ABP made a formal request to the Alberta Agricultural Products Marketing Council, with the support of the Alberta Cattle Feeders' Association (ACFA), for a plebiscite

of cattle and beef producers on the matter of a non-refundable check-off. We worked with ACFA and Marketing Council on the development of the regulation for conducting the plebiscite. **Producers now have the opportunity to vote in the plebiscite between October 19 and November 13, 2018 at one of the 27 ABP fall meetings around the province, by mail, or in person at the 45 AFSC offices in Alberta.**

The basis for the pursuit of a non-refundable check-off is our plan to create the Alberta Beef Industry Development Fund (ABIDF). The plans for the ABIDF and an agreement between ABP and ACFA on the allocation of a non-refundable check-off were the reasons ACFA is supporting the plebiscite. We were pleased to reach this agreement and we see it as fostering a new era of collaboration and cooperation between ABP and ACFA as we work together for a stronger Alberta beef industry.

We are particularly excited about the potential creation of the Alberta Beef Industry Development Fund. We look forward to the strategic investment of around \$1.4 million annually in projects and activities related to research and technology transfer, market development, education, consumer advocacy, and industry collaboration. Investing in the ABIDF will make Alberta producers and the Alberta beef industry more competitive, profitable, and sustainable.

This plebiscite represents an enormous opportunity for producers and our industry. Producers have the chance to decide how their commission should be funded and the industry has the chance to invest another \$2.4 million annually in strategic projects to make it stronger. This is your decision – please make sure you vote in the plebiscite. ▼

Sincerely,

Charlie Christie, Chair



RICH SMITH
Executive Director

EXECUTIVE DIRECTOR REPORT

The theme of this Annual Report is Charting the Future and many of the specific reports in these pages are about the work that ABP has done and is doing to help make the future brighter for Alberta beef producers. Our work on government relations and policy is intended to ensure that cattle producers can operate in a legislative, regulatory, and policy environment that allows them to be competitive and profitable. Our work on market development and education is designed to encourage current consumers to purchase Alberta Beef and inform future consumers about the benefits of beef. The work on research and production efficiency helps to make cattle and beef operations more profitable. Finally, our communications activities keep producers, the public, and the government informed about the issues facing our industry and the work that ABP is doing on behalf of cattle and beef producers.

A focus on the future was the foundation of the report from ABP Chair Charlie Christie where he highlighted the opportunity producers have to set the future course of their organization and their industry through the plebiscite on a non-refundable service charge (check-off). With the vote on whether check-off should be refundable or non-refundable, producers have the chance to decide how their commission should be funded. Our industry also has the chance to have another \$2.2 to \$2.5 million of producer

funds available annually for strategic investments in projects and activities that will make the industry stronger.

Charlie noted that the creation of the Alberta Beef Industry Development Fund (ABIDF) and an agreement between ABP and the Alberta Cattle Feeders' Association (ACFA) on the allocation of funding from a non-refundable service charge were key elements in gaining support for the plebiscite. Under the proposed allocations, ABP will continue to be responsible for collection, administration, distribution, accounting, and reporting of the service charge. ABP will retain \$1.35 per head out of each \$2 check-off, approximately the amount that we currently retain after refunds are issued. The ABP allocation includes the 53 cents per head that we pay to support the Canadian Cattlemen's Association which is funded by provincial check-offs, not the national check-off as people often mistake. The ABP allocation also includes the remitter rebate, currently five cents per head, that we pay to dealers, auction markets, processors and other purchasers of cattle as a goodwill gesture for their collection and remittance of the check-off.

An important part of the discussions about a non-refundable service charge was the allocation of the \$2.2 to \$2.5 million per year that is currently being refunded and would be retained if check-off becomes non-refundable. ABP and ACFA agreed that 40 cents per head, close to \$1.4 million per year, would be contributed to the ABIDF to support research and technology transfer, market development, education, consumer advocacy, and industry collaboration projects and activities. Twenty-five cents per head, around \$850,000 per year, will be allocated to ACFA to cover the operational costs of this organization and their commitment to the National Cattle Feeders' Association. Producers who do not want 25 cents per head to go to ACFA may apply to have this money

allocated to the ABIDF.

While the plebiscite is an important opportunity for producers, it is certainly not the only issue ABP has focused our work on behalf of cattle and beef producers. While Bill 6, The Enhanced Protection for Farm and Ranch Workers Act, created the most uproar in rural Alberta, it is only one of a number of labour legislation pieces that have been introduced by the Alberta government. ABP was a founding member of the AgCoalition and we have worked hard to ensure that the regulations and standards arising from Bill 6 and other labour legislation do not place too great a financial and physical burden on farmers and ranchers.

ABP worked with industry and government representatives to develop Occupational Health and Safety (OHS) guidelines for our industry and technical rules for the OHS Code that will apply to waged, non-family workers on farms and ranches. The government has accepted the guidelines and added specific requirements for farms and ranches in key sections of the OHS Code. The guidelines and requirements are reasonable and practical for farmers and ranchers to implement. ABP also joined our partners in the AgCoalition in creating AgSafe Alberta, an industry-led farm and ranch safety association that will coordinate awareness, education, and training programs that will make all farm and ranch workers safer.

ABP and Marketing Council are working hard to ensure that producers receive sufficient information about the plebiscite to make a decision and participate in voting. We encourage all producers to participate in this decision and vote in the plebiscite. ▼

Sincerely,

Rich Smith, Executive Director



DAVID HAYWOOD-FARMER
CCA President

CANADIAN CATTLEMEN'S ASSOCIATION REPORT

I am pleased to report to you as President of the Canadian Cattlemen's Association (CCA). It is an honour and a privilege to be of service to the industry on behalf of Canada's beef producers. We remain focused on trade and market access priorities to ensure a sustainable future for Canadian beef production and continue to advance sustainable beef production as an effective partner to achieving Canada's economic and environmental targets.

The CCA has invested considerable effort into key files in recent months.

Uncertainty remains around the North American Free Trade Agreement (NAFTA) renegotiations, with significant turbulence framing the latest round of talks led by the U.S. The Canada-U.S. talks resumed in September following the elections in Mexico, which led to a change in government to take place in early December, and later the announcement of a Mexico-U.S. preliminary bilateral deal.

CCA was in Washington D.C. in September to monitor the Canada-U.S. NAFTA renegotiations. Negotiators appeared to be focused on getting a deal done, with Foreign Affairs Minister Chrystia Freeland and U.S. Trade Representative Robert Lighthizer holding a number of meetings with a few senior officials accompanying them.

We understand they discussed the full range of issues, including agriculture. There is a general sense that the process is constructive, and Minister Freeland has said as much. Overall, CCA is cautiously optimistic that there will be a trilateral deal

including Canada, once a Canada-U.S. "handshake" occurs, then Mexico will rejoin for negotiations to continue trilaterally.

The CCA and other red meat groups continue to press for improvements through the NAFTA renegotiation on regulatory issues, advocating for a "meat annex" of provisions to remove burdens and smooth trade.

Regarding the retaliatory tariffs applied by Canada on July 1 on products, including some prepared foods that have beef as an ingredient, CCA continues advocacy work with Canadian officials and U.S allies seeks to avoid further escalation of these tit for tat tariff measures and find a path forward on NAFTA.

It is widely expected that the Government of Canada will move swiftly to ratify the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) when the fall session commences on September 17. Canada must be among the first six countries to ratify the landmark CPTPP if Canada's beef and red meat and agricultural sectors are to have a leg up on competitors. The Government of Canada has given the right signals that it understands the importance of Canada being one of the first six to ratify.

The CPTPP will start to come into force once six of the 11 signatories complete their domestic ratification procedures. In July, Singapore became the third country to ratify the agreement, behind Mexico and Japan. Time is of the essence for Canada.

The trade tensions between China and the U.S. continued to escalate in September with U.S. President Trump threatening to impose an additional US\$267 billion of tariffs on China. The U.S. has already imposed US\$50 billion worth of tariffs on Chinese goods and is poised to unleash another US\$200 billion. China, meanwhile, said it will retaliate if President Trump goes ahead with further tariffs. The CCA will continue to follow this matter closely as Canadian agriculture could suffer collateral damage. As China proceeds

with tariffs on U.S. pork, soybeans and beef (implemented in July), there will likely be larger volumes on the North American market, which is expected to negatively affect U.S. and Canadian prices of all these products.

Even more worrisome is the suggestion in the U.S., that the U.S. government should compensate U.S. producers for such an impact. It is unknown what form such compensation could take, but we intend to express the view that it should not be production and trade distorting.

Canadian chilled beef recently received approval to ship directly to China on a pilot basis. This access follows CCA's participation in Minister MacAulay's mission to China in November, and again in December on Prime Minister Justin Trudeau's trip to Beijing. Follow-up will include working to earn the confidence of the Chinese market and officials to turn this into permanent access and seek approval of additional facilities. Other priorities include obtaining access for offals and negotiate a free trade agreement to eliminate the current 12 percent duty on Canadian beef.

In June, the CCA participated in the Canadian red meat sector mission to Europe to continue to build cooperation and collaboration for commercially viable two-way trade of meat products between Canada and the EU as envisaged by the now year-old Comprehensive and Economic Trade Agreement.

Discussions focused on clarifying various aspects of the technical and regulatory review and approval processes to maximize the potential for Canada's applications for approval of citric acid and peroxyacetic acid in beef and pork production to be considered and succeed in a timely manner. The CCA continues to work with government and the Canadian Meat Council to produce the research data necessary to gain European approval for Canada's meat safety procedures.

Despite technical issues in the EU packers are finding a way to manage those issues and are paying good money for EU eligible cattle.

Canadian producers are encouraged to enroll their herds in the CFIA's 'Program for Certifying Freedom from Growth Enhancing Products for Export of Beef to the EU' to be eligible for the EU market. Resources to help cattle producers understand the requirements of this program, are available on CCA's website under the Market Access tab and on the CCA's YouTube channel.

The Canadian Food Inspection Agency (CFIA) recently revised the anticipated date for the publication of draft regulations pertaining to livestock traceability in Part I of the Canada Gazette from fall 2018 to spring 2019.

The annual review of animal indicators will take place prior to the publication of the draft regulations. Recommendations from responsible administrators on the approval or revocation of animal indicators shall be provided to the CFIA before November 1, 2018.

The CCA will continue to work with CFIA to clarify definitions that may appear in the regulatory text and ensure that movement reporting upholds industry traceability principles and reflects the Cattle Implementation Plan.

The CCA will also be seeking commitment from the federal government to work with industry on a financial map that sees uniform coverage of the costs across the country to ensure we remain competitive and viable.

CCA continues to urge livestock operators to ensure they have a valid Premises ID number and record it in the Canadian Livestock Tracking System well in advance of the final version of the proposed regulation, anticipated to be implemented in 2019.

The Canadian Agriculture Partnership is a five-year, \$3 billion investment designed to bolster competitiveness,

growth and innovation in the Canadian agriculture and agri-food sector. In addition to some changes to Business Risk Management (BRM) programming, Federal, Provincial and Territorial Agriculture Ministers have undertaken a comprehensive review of BRM programming to investigate the types of risks producers face, and assess the effectiveness that BRM programming has on growth and innovation in the industry. CCA continues to explore these issues and has identified key areas it intends to advance while engaging in the BRM review in the upcoming year.

The CCA has asked the Senate to remove a last-minute addition of a greatly expanded definition of fish habitat in the Fisheries Act that will make it nearly impossible for beef and agricultural producers to be compliance with the Act, as part of suite of recommendations regarding Bill C-68.

The addition of subsection 2(2) is problematic because the expanded definition results in practically all water bodies being fish habitat or deemed fish habitat. The House of Commons passed Bill C-68 on June 20, 2018 and amendments, including the addition of the subsection, were added late in the committee process with little debate or consultation prior to third reading and passage. The Bill is now before the Senate. While date(s) for Senate presentation are yet to be determined, the CCA will ensure cattle producers' concerns and recommendations on Bill C-68 are raised with lawmakers in Ottawa this fall.

The CCA submitted comments to Health Canada's Pest Management Regulatory Agency regarding its decision to remove the registration of Liquid Strychnine use for the control of ground squirrels. The CCA is asking for continuation of the registered use of the pest management control product until an effective alternative is in place. Liquid Strychnine is already highly regulated and there are no practical and effective alternative controls for

ground squirrels. Until such a control is available, the CCA recommends the current pest control remain approved and available to bona fide farmers and ranchers and affected rural municipalities for the control of ground squirrels.

The proposed changes to Transportation of Animals regulations reduce the maximum time mature and fed cattle will be allowed to be in transit without feed and water to 36 hours from 52 hours, and to 12 hours from 18 hours for ruminants too young to be fed hay or grain. Changes to some definitions, rest stop duration and transfer of responsibility requirements have also been proposed.

CCA's position is that any regulatory change needs to be based on scientific evidence conducted under Canadian conditions and wherever possible, use outcome-based guidelines that focus on the animal. Research conducted by Agriculture and Agri-Food Canada has found that 99.95% of cattle on long hauls over four hours and 99.98% of cattle on short hauls less than four hours reach their destination in good condition. We want to ensure that any amended regulations do not inadvertently move this number farther away from 100%. According to recent dialogue with the Canadian Food Inspection Agency, the regulations are expected to be published in the Canada Gazette Part 2 in late 2018.

Canada's Employment and Social Development department has initiated another review of the Temporary Foreign Worker Program for Primary Agriculture. The CCA remains committed to working closely with the Government of Canada and other agriculture commodities to address workforce shortages in the sector. ▼

Respectfully submitted,

*David Haywood-Farmer,
Canadian Cattlemen's Association
President*

CANADA BEEF REPORT

Canada Beef works together with Canadian farmers, ranchers, industry champions and brand partners to drive, enhance and sustain loyalty to Canadian beef. Canada Beef is harnessing the Canadian beef brand story to build consumer and customer loyalty for Canadian beef globally. These efforts increase demand for Canadian beef and the value producers receive for their cattle.

Canada Beef invests domestically to ensure Canadian beef remains a staple of Canadian diets. Canada Beef works with brand partners with large volumes and influence such as Costco, Loblaw, Federated Co-op, Tim Hortons, Swiss Chalet, Montana's, Subway and Sysco. Canada Beef ensures that these partners fully understand and appreciate the Canadian Beef brand in order to promote the value and leverage the marketing power of the Brand. Canada Beef hosted several gate-to-plate "Canadian Beef Experiences" for industry partners. To further leverage its influence, Canada Beef has presence at industry trade shows such as the Restaurants Canada and Canadian Federation of Independent Grocers.

Canada Beef sponsored the Grand Slam of Curling, the largest series of professional curling events on the World Curling Tour. It featured five events, 52+ games, telecasts and over 130 hours of live curling, providing the opportunity to build greater brand awareness and consumer loyalty of Canadian Beef. Television exposure reached over 4 million viewers along with attendance of over 75,000 at the live events. Canada Beef also partnered with the Canadian Men's and Women's National curling teams before and after the 2018 Winter Olympics developing 18 videos and 30+ posts.

Canada Beef's social and digital spaces engage and connect with

consumers and producers to build brand loyalty. With over 54,000 followers and 3.2 million impressions, Canada Beef continues to successfully build relationships and drive demand. Recent research shows that Canadian consumer awareness of the Canadian beef brand is at 82.5%. The top two brand awareness sources are: point-of-sale advertising (57%) and television (21%). Canada Beef's social media space has grown to include a variety of social media platforms, each reaching target audiences in helpful, informative, and engaging ways. Join the conversation by following and liking us.

The Import Levy (collected on beef imports at the equivalent rate of \$1 per head) provides funding for positive generic (i.e. non-branded) beef messaging to Canadians. With price concerns, consumers' diminishing food skills, and health and wellness remaining an important social license issue for the beef industry; Canada Beef developed targeted initiatives to positively influence consumer preference for beef as a choice over other proteins.

Activities in this area included: print and TV advertising; doctor office video distribution nationally; Cineplex Odeon movie theatre advertising; video ad placement at national fitness locations; responding to media inquiries and articles about beef and health including addressing concerns about the proposed changes to Canada's Food Guide; and resource/key message development on topics such as beef and cancer, red meat and health, and beef and iron. Visit ThinkBeef.ca for nutritional and culinary resources.

The Canadian Beef Centre of Excellence is a pivotal resource in Canada Beef's abilities to connect and collaborate with clients in a meaningful way. Top-notch chefs, butchers, home economists and industry professionals use the Centre to develop technical and training resources working directly with industry partners. In its first three years of operation, the Centre has hosted over 480 domestic and

international companies in business development programming; hosted 142 domestic and international missions; featured 4 media/influencer events for Canada's 150 celebrations including TV broadcasts from the Centre with outreach estimated at 4.8 million consumers; and helped generate over \$400 million in new Canadian beef business.

Canada Beef's work in export markets such as: Mexico/Caribbean/Central America; Japan; China/Hong Kong; South Korea; Taiwan; Vietnam; Philippines; Singapore; the Middle East and European Union is creating opportunities for the Canadian beef industry to realize greater value for the carcass than what could be realized in the domestic market alone. Besides offering competitive bids on middle meats, the export markets can deliver better returns for end meats, credit/thin meats and offal than here at home, contributing well over \$500 per head in additional carcass value.

In key export markets, Canada Beef strategically positioned the Canadian Beef brand as premium grain-fed beef through strategic alignment with selected partners to communicate the advantages of Canadian beef to end users and consumers.

The export market hubs supported various marketing and promotional programs as well as social media marketing in collaboration with leading export partners, and retail and foodservice distributors. With successful programs such as: the Canadian Beef Culinary Series; promotions featuring high-profile celebrity chefs; integrated marketing programs linking online and live events; culinary seminars and competitions building a Canadian Beef community among chefs and food influencers; business development outreach through trade shows and trade missions; and cooperative programs with Canadian Embassies, Consulates and Trade Commissioners - Canada Beef is creating brand awareness and positioning our high-end product in the minds of international customers, consumers and key influencers. ▼

BEEF CATTLE RESEARCH COUNCIL REPORT

The Beef Cattle Research Council (BCRC) is Canada's industry-led funding agency for beef, cattle and forage research. Its mandate is to determine research and development priorities for the Canadian beef cattle industry and to administer the Canadian Beef Cattle Check-Off funds allocated to research. The BCRC is led by a committee of beef producers who proportionally represent each province's research allocation of the Canadian Beef Cattle Check-Off.

The BCRC's research priorities focus on 1) improving competitiveness in the production of Canadian beef cattle, 2) supporting science-based policy, regulation and trade, 3) supporting science-based public education and advocacy, 4) supporting the Canadian Beef Advantage, and 5) accelerating the adoption of beneficial innovations by the Canadian beef industry.

2018/19 is a transition year for the BCRC in terms of both funding and program administration. An increase in the Canadian Beef Cattle Check-off from \$1 to \$2.50 per head in most provinces and revised allocations to research has grown the BCRC's research budget from approximately 15 cents to approximately 75 cents per head. In addition, the Beef Science Cluster II, under Agriculture and Agri-Food Canada's AgriInnovate Program, wrapped up March 31, 2018 and The Sustainable Beef and Forage Science Cluster program, under the Canadian Agricultural Partnership (CAP), has begun.

The Sustainable Beef and Forage Science Cluster (2018-2023)

Announced by Agriculture and Agri-Food Canada (AAFC) Minister Lawrence MacAulay in July, Cluster III received a total investment of more than \$21 million (\$14 million from AAFC, \$7.6 million of Canadian Beef Cattle Check-Off and \$1.5 million in in-kind industry contributions). Twenty-six projects, to be completed by March 31, 2023, will be carried out

through collaborative arrangements between academia, government and industry.

Project selection was guided by the *Canadian Beef Research and Technology Transfer Strategy 2018-23*, which is based on several years of planning and numerous consultations with experts and stakeholders, as well as economic and practical analyses.

Leveraging the Increased Canadian Beef Cattle Check-Off

The increased Canadian Beef Cattle Check-Off is enabling the BCRC to continue to play an integral role in achieving several of the industry goals identified in the National Beef Strategy by maintaining existing programming and expanding in the following ways:

Priority Research Projects: Increased funding will be allocated to research aimed at achieving specific outcomes related to beef quality, food safety, feed grain production, forage production and utilization, improved feed efficiency at both cow-calf and feedlot levels, and production-related priorities in the areas of animal health and welfare and antimicrobial resistance and use. A call for proposals was announced in June, and funding decisions will be announced in early 2019.

Research Capacity: Increased funding will enable the reinvigoration of research programming in areas where research expertise has declined in Canada: meat science (food safety and beef quality), beef production, and forage, breeding, agronomy, and utilization. Many research funding agencies are limited in their ability to fund new research positions; the BCRC has the flexibility to fund this type of initiative and is looking to leverage producer investments with institutional and government funding opportunities that exist. A call for proposals for research chairs was launched in August. The BCRC intends to commit funding to support two research chairs over the next two years. Additional calls for proposals in subsequent years are subject to annual BCRC funding allocations.

Surveillance Networks: Research surveillance networks to monitor antimicrobial resistance, production limiting diseases and other animal health information will be expanded. These are critical for our industry to demonstrate the integrity of the Canadian beef supply chain to consumers, food companies and global trading partners. Surveillance is also critical to identify areas where research and/or changes in production practices can help improve cattle production and profitably.

Knowledge and Technology Transfer: The BCRC will continue to advance the implementation of its Knowledge Dissemination and Technology Transfer Strategy to drive broad and timely uptake of research results. Focus will be placed on developing and utilizing a Canadian Beef Technology Transfer Network to support the regionally limited, underfunded, and fragmented nature of beef extension across Canada. Investments will also be made in economic-based decision-making tools and resources, to be available on beefresearch.ca, to help producers evaluate the relevance of adopting particular innovations on their operations.

Advancement of the Verified Beef Production Plus program: In addition to funding research, the BCRC is responsible for the delivery of the Verified Beef Production Plus (VBP+) program, which verifies on-farm practices related to food safety, animal care, biosecurity, and environment. Ongoing national industry investment will ensure the consistent delivery of the VBP+ program as it becomes a core pillar in verifying sustainable beef production in partnership with end-users.

To learn more about BCRC initiatives and take advantage of our extension resources, visit our website at beefresearch.ca and join our email list at beefresearch.ca/blog/subscribe ▼

Respectfully submitted,

Ryan Beierbach,
Beef Cattle Research Council Chair

PUBLIC AND STAKEHOLDER ENGAGEMENT REPORT

This fall marks the first year of a fully funded Public and Stakeholder Engagement Program (PSE) through the increased Canadian Beef Cattle Check-off, which began April 1, 2018. Most provinces have allocated between three to six percent of their national Check-Off dollars to the PSE Program which will provide an annual budget of approximately \$500,000 to \$600,000. In addition to this change, we worked with Canada Beef on a collaborative agreement that formalizes our strong working relationship on addressing public and consumer questions or misperceptions.

While many of the public trust issues we deal with are production related (i.e. consumers asking questions about how we raise cattle) some are also product related like nutrition and food safety. As part of this agreement, a 25 percent portion of the PSE budget will be allocated to Canada Beef to help address public trust issues, in collaboration with the PSE Manager and team. The core of the program will continue to be administered through Canadian Cattlemen's Association (CCA), and the PSE Manager will continue to report to both CCA senior management and the Canadian Beef Advisors.

Since April 1, the PSE Team has been focussing on the work plan development for fiscal year 2018-19, annual reporting for the Canadian Beef Cattle Check-off Agency and CCA, recruitment of a new full time PSE Manager, and continuing to manage consumer issues as they arise.

Jill Harvie was selected as the new PSE Manager and assumed the role from Tom Lynch-Staunton as he transitions to a full time government relations and policy role with Alberta Beef Producers. Jill formally began the role effective September 1. In addition, Stina Nagel will

continue to work for the PSE program as the Stakeholder Engagement Advisor and has transitioned from being a direct employee of CCA to being fully funded through the PSE program.

This spring we continued to be active on several issues, including monitoring the development of *Canada's Healthy Eating Strategy*, which encompasses revisions to Canada's Food Guide, as well as Front of Package Labelling for saturated fats, sodium, and sugar. Several representatives of CCA, Canada Beef, the Canadian Meat Council and ABP attended a Canada Food Guide Forum at the University of Calgary in June 2018. We were able to get several important messages across to the participants about the importance of animal-based proteins in a balanced diet. In addition, as a result of the background work of the PSE team, Canada Beef, and the Canadian Meat Council (CMC), we were able to share this information with CCA and our provincial organizations who have submitted several letters to Health Canada and provincial health ministries on concerns with the current recommendations in the *Healthy Eating Strategy*.

Other challenges we continue to work on include Halal and Kosher Slaughter (CMC is developing a fact sheet on this), meat alternatives including lab grown meat and plant based imitations, increased activism activity at our processors' facilities, and the grasslands display at the Royal Ontario Museum. We have also done several interviews with media mostly on the discussion about plant based proteins and other meat alternatives. Most recently, a piece was submitted to the Globe and Mail in response to an Opinion piece supporting veganism, which was shared by several provinces as well.

Other highlights include the funding approval of \$184,000 from AAFC for our Canadian Agricultural Adaptation Program (CAAP) project proposal with Canada Beef. This

project will provide funding for a social media training module and a best practices social media communications plan for the Beef Advocacy Program, a consumer communications tool kit for our provincial organizations, and extended training for Young Cattlemen's Council participants. The intention of the project is to provide our industry with customizable tools and ready to go information to address consumer questions quickly and as cost effectively as possible.

Presentations about the importance of PSE and building public trust were made this spring to the BC Cattlemen's Association, Alberta Beef Producers delegates, the Beef Value Chain Roundtable, and the Canadian Beef Advisors. We have continued to give updates to our provincial and national partner organizations, in particular the Issue Response Team and the Communications Managers. We organized and hosted our third annual National Communications Managers meeting at the Canadian Beef Industry Conference.

As we move into the fall, the priorities will be program transfer to the new team and execution of the CAAP Communications and Social Media project, while addressing ongoing issues and misleading articles or stories in the media. A strong focus will continue to be on Canada's Food Guide, and addressing concerns about the environmental impact of beef. With the increase in funding to the program, the team is excited to be able to invest in more initiatives and projects that will help build public trust across Canada. ▼



HOWARD BEKKERING
Governance Chair

GOVERNANCE REPORT

The ABP Governance Committee is one of two oversight committees prescribed in the ABP by-laws and is responsible for oversight of the governance policies and practices of the organization. In this role, the committee reviews ABP corporate governance guidelines and practices, monitors trends and best practices in corporate governance, and makes recommendations to the ABP Board of Directors regarding appropriate changes in corporate governance. These changes could affect the governance provisions of the ABP Plan Regulation and ABP by-laws, as well as the policies and practices of the Board.

The Governance Committee was established by the Board of Directors and currently consists of four members supported by the Executive Director. Three of the members are appointed by the Board, Cow Calf Council, and Cattle Feeder Council, respectively. The fourth member is appointed by the committee and is an independent person from outside the organization, not directly involved as a delegate with ABP. This year, the committee appointed Howard Bekkering, a past delegate and director, as the non-delegate member. The committee members also recommended that Bekkering become Chair of the Governance Committee, a recommendation that was approved by the Board of Directors.

Over the past eight years, the Governance Committee has completed a thorough review of ABP governance policies and practices, as

well as developed a number of important and useful governance documents. The committee has prepared documents describing delegate, director, and zone committee responsibilities. They prepared the Code of Conduct and Conflict of Interest Policy that each director signs every year, as well as a Concerns and Complaints Procedure that the Board approved in 2012. The committee put a significant amount of effort into the development of the ABP Governance Manual that was approved at the Annual General Meeting in December 2013. Last year, the committee completed a thorough review of the Governance Manual and had the revised manual approved by the Board of Directors.

The role of the Governance Committee has evolved as the Board of Directors has placed more focus and attention on governance. The Board has started including a session on governance and policy on the agenda of every board meeting. The first governance and policy session two years ago was facilitated by John Buckley and had the Board complete an evaluation of the Executive Director's performance.

Again this year, the Board participated, along with the staff, in the Executive Director performance evaluation. Later this year, the Board will be led through an exercise on board operations and relationships. The Board is striving to ensure that there is appropriate separation between the high level strategic direction that is the responsibility of the directors and the ABP operations that are the responsibility of the Executive Director and the staff.

The Governance Committee had identified several key tasks for this year. At the Governance Committee meeting in June of 2017, the members identified a gap in ABP policies related to harassment in the workplace. An issue arose later in the fall that emphasized the need for the organization to have clear respect/harassment policies that would protect staff, delegates, and

directors from disrespectful and inappropriate behaviour.

The Governance Committee began work on these policies at a meeting held in conjunction with the Semi-Annual General Meeting. With the help of Garth Porteous, the committee has gathered a large amount of relevant information and policy examples for consideration. This fall, the committee is hoping to use this material to develop policies for the Board's approval.

ABP has a reasonable list of director responsibilities and a comprehensive Code of Conduct and Conflict of Interest policy that all directors acknowledge each year. However, the committee does not believe we have sufficient documentation on the overall responsibilities and expected conduct of our delegates. There are also concerns about the responsibilities and conduct of the people ABP may appoint to represent the organization at meetings with government officials and work on outside working groups, committees, councils, and boards. The committee members do not think the single page of delegate responsibilities we currently have is sufficient. This was another topic for the committee meeting at the Semi-Annual General Meeting and further work is needed on the issue.

The committee also needs to complete a review of the Means policies that outline how the organization operates and the Ends policies that define the direction that ABP takes in key subject areas and on specific issues. Governance is a journey and ABP has made considerable progress on that journey over the past eight years. The Governance Committee is committed to continuing to provide guidance for ABP as we move forward. ▼

Sincerely,

Howard Bekkering, Chair

Linda Messner, Cow Calf Council
Garth Porteous, Cattle Feeder Council
Fred Lozeman, Board of Directors



**HOWARD
BEKKERING**
Audit Chair

AUDIT REPORT

Audit committees are viewed as a critical component of the overall corporate governance process. The ABP Audit Committee was appointed by the Board of Directors to assist in fulfilling its oversight role and to help discharge its fiduciary responsibilities. The primary tasks of the Audit Committee are to:

- Identify and monitor the management of principle risks that could impact financial reporting.
- Monitor the integrity of the financial reporting process and the system of internal controls regarding financial reporting and accounting compliance.
- Monitor the independence and performance of the external auditors.
- Provide an avenue of communication between the auditor, management, and the Board of Directors.

The Audit Committee is comprised of:

- One member appointed by the Board of Directors;
- One member appointed by the Cattle Feeder Council;
- One member appointed by the Cow Calf Council; and
- One non-delegate member appointed by the members of the Audit Committee.

The Audit Committee has reviewed and considered ABP's internal control and risk management procedures as well as the financial reporting and disclosure procedures. The committee will meet with the auditors to review

the final audited financial statements just prior to the commencement of the ABP Semi-Annual Meeting.

The members of the Audit Committee are dedicated to the beef industry in Alberta and have demonstrated that commitment through a willingness, not only to offer their time and hard work for the greater good of the industry, but more importantly, to offer it with enthusiasm and good humour. ▼

Regards,

Howard Bekkering, Chair

Chris Israelson, Board of Directors
Kevin Krebs, Cow Calf Council
Glen Kummer, Cattle Feeder Council



TOM LYNCH-STAUNTON

Government Relations and Policy Manager

GOVERNMENT RELATIONS AND POLICY REPORT

This fall marked another significant change to Government Relations at Alberta Beef Producers. For the past two and a half years ABP government relations work has been a part-time role but as of September 1, we have transitioned to a full-time Government Relations and Policy Manager position. The government relations work will be supplemented with policy analysis and development which used to belong under Policy Analyst Fred Hays, who retired in September. Much of ABP's policy is directly related to government policy and lobbying, making it a natural addition to the previous role. We would like to thank Fred Hays for all the hard work done on behalf of Alberta beef producers and we will continue to add value to policy development.

This role will continue to be based out of Edmonton in office space graciously provided by Livestock Gentec in the Faculty of Agriculture, Life and Environmental Science at the University of Alberta. In return, we will continue to help connect beef researchers with cattle producers on collaborative projects and participate in guest lectures to students on beef industry issues.

This year we continued to increase our efforts in government relations with elected provincial government MLAs, opposition party MLAs, and government staff. Our priorities have been focused on several important initiatives which include working with Minister of Agriculture and Forestry Oneil Carlier and Marketing Council to ensure that

rules and procedures are in place to conduct a plebiscite this fall that will allow producers to vote on whether they want a refundable or non-refundable provincial check-off. Other priority ministries that we continue to engage with on issues and opportunities for the beef industry include Alberta Environment and Parks, Labour, and Economic Development and Trade.

There are also opportunities in other ministries such as Education, and Culture and Tourism, as we ramp up our efforts to revise curriculum for teaching students about agriculture, and efforts in marketing initiatives for Alberta beef like Open Farm Days and other tourism. ABP participated in an Agriculture Curriculum Roundtable with the Minister of Education David Eggen and Minister Carlier this spring.

We have met several times in 2018 with the Deputy and Assistant Deputy Ministers in both Alberta Agriculture, and Environment and Parks to discuss, in addition to the plebiscite, initiatives in relation to our environment including modernizing the Grazing Rental Rate Framework, land use planning, securing tenure for public land leases and grazing permits, and opportunities to demonstrate and/or improve environmental conservation and stewardship. In addition, we have participated in a few roundtables with our Deputy and Assistant Deputy Ministers on our federal and provincial regulatory frameworks, and science and innovation strategies and planning.

In terms of land use planning, ABP has submitted several letters to Alberta Environment for comment on the North Saskatchewan Regional Plan and the Livingstone-Porcupine Footprint Management Plan. These letters help to emphasize the importance of land use planning and the priorities we identify within these plans.

We held our third Annual Alberta Beef and Beer MLA reception at the Federal Building on the Legislature grounds in Edmonton. It was hosted by ABP, ACFA, Alberta Agriculture and new this year to complement the beef, we were joined by the Alberta Small Brewers Association. We had over 50 MLAs attend this reception to meet with our directors and learn about the opportunities for improving the competitiveness and sustainability of Alberta's beef industry. In addition, we have had positive meetings between the ABP Executive and Minister of Environment and Parks Shannon Phillips, and ABP directors met with Minister of Labour Christina Gray.

We focus our hard work on solutions-oriented approaches so we can work together with government to accomplish our mutual goals. I am thankful for the engagement and willingness of government to work with us on these solutions. Building a strong and respectful working relationship continues to be a priority so the beef industry and our government can work together finding opportunities for industry growth, while addressing and mitigating challenges we face as beef producers in Alberta. We have built a trusting relationship and we are able to express our appreciation for government initiatives, as well as have respectful and constructive dialogue when we don't agree with some policies or direction. Both ABP and government want the best for Albertans, and we will continue to work with our elected officials from both government and opposition parties as well as government staff, for the benefit of Alberta and our beef industry. ▼

Sincerely,

*Tom Lynch-Staunton,
Government Relations and Policy
Manager*



FRED LOZEMAN
Research Chair

RESEARCH REPORT

The Research Committee is an ABP operations committee with staff support from Karin Schmid, Beef Production Specialist. We work with many other funding organizations to review research proposals they receive. This helps everyone involved to have improved awareness of the research being funded by other organizations, provide input on the quality of proposals and relevance to industry, reduce duplication and explore co-funding opportunities.

This year, we again joined forces with Saskatchewan Cattlemen's Association (SCA) to deliver a targeted call focused on the following priorities:

Animal Health and Welfare

- Investigate cost effective and practical technologies or management practices to mitigate the adverse animal health and welfare effects of mycotoxin infected feed
- Develop and promote cost-effective vaccination and/or management strategies that can be widely adopted throughout beef production systems to improve health, reproductive and/or performance outcomes.

Forage and Grassland productivity

- Develop new annual and perennial grass and legume varieties with improved stand longevity, quality, yield and adaptability through traditional and/or advanced plant breeding techniques
- Identify or develop improved grazing and range management

strategies that optimize forage and beef production from native range, tame perennial pastures, and/or annual/perennial mixtures; along with agronomic and economic benefits.

These priorities were agreed upon by both ABP and SCA's respective research committees and were based on the recently renewed Canadian Beef Research and Technology Transfer Strategy. They also considered and focused on complementing the projects that formed the recently announced Sustainable Beef and Forage Industry Science Cluster.

Out of 22 letters of intent from this call, the ABP and SCA research committees invited 10 to provide full proposals. These full proposals are currently under peer review and funding decisions will be made this fall.

ABP received funding from Alberta Agriculture and Forestry to initiate knowledge translation and transfer (KTT) projects under the umbrella of the Alberta Beef, Forage and Grazing Centre. A recent tour was held to showcase the progress on the Rancher Researcher Pilot thus far, including a visit to one of the pilot ranches and discussions around incentives and barriers to innovation/technology adoption. The larger KTT project is in the process of enhancing current and developing new resources around managing grazing in extreme and average conditions, variety selection for regional adaptation and key elements of animal nutrition and feed quality. The first of these resources is designed to provide quick and easy analysis of feed to indicate the need for supplementation or alternative feeding strategies. We anticipate pilot testing this tool at some workshops this fall in conjunction with some applied research and forage associations.

We continue to engage with Alberta Agriculture and Forestry regarding their Science, Research and Innovation Framework, a draft of which was just received while this

report was being prepared.

We were pleased to hear the announcement of the Sustainable Beef and Forage Science Cluster funding of \$21 million (industry + government) earlier this summer. The increase to the non-refundable National Beef Check-Off from \$1 to \$2.50 by most of the provincial members provides a substantial and much needed boost to the Beef Cattle Research Council's (BCRC) budget. This means that BCRC can continue the excellent research projects and programs under the Cluster program for the next five years, but also respond more quickly to emerging issues with annual funding calls for both research and extension projects. They are considering capacity investments with a call for proposals from academic institutions to submit for Research Chair partnerships in areas where capacity has declined over recent years.

A return to a non-refundable check-off provincially, depending on the results of the plebiscite, would result in the creation of the Alberta Beef Industry Development Fund. This fund would present the Alberta beef industry with similar opportunities to strengthen research capacity and undertake new research and extension initiatives.

For all your beef research needs, please visit: albertabeef.org/page/research or beefresearch.ca, or contact Karin Schmid at the ABP office. ▼

Respectfully submitted,

Fred Lozeman, Chair

- Jeff Havens, CFC
- Mike Nadeau, CCC
- Kevin Stopanski, Zone 1
- Heinz Lemmer, Zone 3
- Graeme Finn, Zone 3
- Nicole Viste, Zone 4
- Stuart Somerville, Zone 5
- Ralph Buhler, Zone 6
- Martin Clausen, Zone 7
- Blair Anderson, Zone 8
- Karin Schmid, Staff



KARIN SCHMID
Beef Production
Specialist

BEEF PRODUCTION REPORT

Effective December 1, 2018, all medically-important antimicrobials (essentially everything except pour-ons, most implants, and ionophores like monensin) will become prescription only. This means that the products you could previously buy at UFA or farm supply stores will no longer be available without a prescription. Further, feed mills will not be able to sell medically-important antimicrobials used for on-farm mixing. Feed mills will still be able to sell medicated feed as micro- or macro-premixes, supplements, or completed feed with a prescription, but will not be able to sell the raw form of the drug used in on-farm mixing to producers. ABP fully supports the necessary oversight that comes from the prescription process, to demonstrate our proper and responsible use of these drugs.

This does not mean a veterinarian will have to examine every sick animal prior to writing a prescription for treatment, or that a vet needs to administer the antibiotic, but it does mean that a veterinarian must have a working knowledge of your operation, health challenges and protocols. If a suitable herd health program is developed with your vet, you may be able to have prescriptions on file, ready to be filled when necessary (up to X amount or the expiry date of the prescription).

A number of concerns have been raised about the impacts of this federal policy change. Producers are justifiably worried about timely, affordable access to these products, as well as veterinarian conflict of

interest. These concerns are shared by other livestock and poultry groups in Alberta. We will continue to strongly advocate for a distribution pathway to ensure adequate access to these products is maintained in a competitive fashion. We are in conversations with the veterinary community and the province to see if there are solutions that would result in at least the same amount of access producers experience now (i.e. products would be available in more locations than just veterinary clinics or pharmacies). We believe that the necessary oversight is contained within the prescription process and as long as that prescription is valid, where the drugs are purchased is secondary. As these discussions progress, we will be sure to update producers on where they can purchase antibiotics necessary to safeguard animal health and welfare.

Establishing or strengthening your veterinary-client-patient relationship will be extremely important once these changes take effect on December 1, 2018. See albertabeef.org/uploads/AMRList2018v6Genericpdf-792.pdf for steps you can take to prepare for the changes and a list of affected products.

The first year of active surveillance of the elk population in WMU 732 (CFB Suffield) was completed in 2017-18. Samples from 138 elk harvested on the base were submitted to CFIA and all tested negative for bovine tuberculosis. Across the rest of the province, 3472 mule deer, 2517 white-tailed deer, 229 elk, and 204 moose were tested as part of the chronic wasting disease surveillance program and no visible lesions were detected in any lymph nodes in these animals. More information is available on this fact sheet: open.alberta.ca/dataset/29d82326-426d-442f-b906-9df1b073735b/resource/781f4db2-7af7-4afb-ae4b-007226870389/download/bovinetb-surveillanceab-2017-factsheet-aug2018.pdf

The Canadian Food Inspection Agency recently revised the anticipated date for the publication of draft

regulations regarding livestock traceability from fall 2018 to spring 2019. We will continue to emphasize that traceability regulations need to be consistent with the Cattle Implementation Plan.

As of this writing we have still not seen the final version of the *Health of Animals Regulations Part XII: Transportation of Animals*. Several proposed changes had the livestock and poultry industries concerned; especially the reduction in maximum time of transport, the transfer of responsibility requirement, and available rest stop infrastructure. We were also critical of the lack of definitive scientific evidence to provide the basis for the proposed changes. The concerns and suggestions of the livestock industry have been expressed repeatedly to policy makers and politicians in Ottawa at every available opportunity.

Finally, we continue to be engaged with the management of the bison herds outside of Wood Buffalo National Park. We continue to advocate for a long-term solution to the low, but not zero, disease risk posed by the bison in and around Wood Buffalo National Park. In the absence of that long-term solution, interim activities continue to include public engagement and communications, response activities should bison be found in the agricultural zone, and surveillance flights.

Potential disease transfer was one of the concerns raised with the re-introduction of bison to Banff National Park. Even though those bison were from a clean herd initially, that doesn't mean they will stay healthy. Fortunately, the management plan for the Banff bison adequately addresses disease testing, appropriate control measures should a disease be introduced to the herd, as well as a detailed response plan to address producer concerns regarding any potential "escapee" bison that may venture onto private land. ▼

Sincerely,

Karin Schmid, Beef Production Specialist



**KATELYN
LAVERDURE**
Communications
Manager

COMMUNICATIONS REPORT

ABP communications are focused on our 2018 strategic objective to increase the understanding among producers of the value they receive from the investment of check-off funds in industry programs and activities. A significant amount of time has been dedicated to communications planning around the increase to the national check-off and leading up to a producer plebiscite on the provincial check-off. A joint roundtable discussion was held at the Semi-Annual Meeting to receive delegate input on our communications and marketing initiatives.

At the time of writing, our marketing agency was in the final steps of revamping albertabeef.org and it should be up and running once this report reaches producers. The look and feel will be streamlined to complement AllfortheBeef.ca, our marketing campaign sub-site, to ensure cohesive branding throughout our communications and marketing tools. Our social media strategy is aimed at producers, consumers and the public to provide a cross-section of information. The addition of a Communications and Marketing Assistant has played a large role in our increased social media efforts to maximize our online presence.

The Young Guns Contest was held again this year for youth ages eight to 21 involved in Alberta's beef industry. Participants were asked to tell us about beef production and the connection to the environment, conservation and stewardship through some form of communication tool. A panel of ABP delegates judged multiple strong submissions but three stood out and

were awarded \$1,000 for first prize, \$500 for second and \$250 for third.

First place went to Tessa Morrison, from Bashaw, who put together a video presentation on developing a watering system to protect the bay near her family operation. Riley Sharp, from Lacombe, took second place with an essay titled "The farmer, the land, and the livestock." Third place was awarded to Myra Altwasser, from Brooks, whose essay on the history of the land where her family ranches and how they have learned to work with the environment.

ABP participated in Canadian Agriculture Day on February 13, 2018. The day saw agriculture producers across Canada to come together to showcase our industry and build connections through conversations in person and online. The second Meet in the Middle dinner took place that evening bringing together a cross-section of attendees, half from agriculture and half consumers, to talk about food and food production over a locally-sourced five course meal. Alberta Beef Producers partnered with Alberta Barley to provide gift cards to attendees for a burger and a beer from Alberta restaurant chain Original Joe's.

The 2018 Environmental Stewardship Award (ESA) recipient was announced in December at the ABP Annual General Meeting. Ian and Carman Murray with Shoestring Ranch near Acme were this year's award recipients. Each year, ABP recognizes an operation that demonstrates leadership in environmental stewardship – one that contributes to the land while improving productivity and profitability. You can learn more about Shoestring Ranch and the award on our website at albertabeef.org/page/esa. Nominations have closed for the 2019 Environmental Stewardship Award and a winner has been selected. Judging and filming took place in September and the recipient will be announced at our 2018 Annual General Meeting in December.

The third Canadian Beef Industry Conference (CBIC) took place August 14-16 in London, ON. This year the conference focused on Driving Demand

– getting the right product to the right customer every time and maintaining loyalty to Canadian Beef. The conference had an excellent speaker lineup including keynote speaker Rex Murphy, Bov-Innovation sessions held by the Beef Cattle Research Council and the presentation of the national Environmental Stewardship Award. CBIC provides an inclusive meeting place for the Canadian beef industry to enhance connectivity both within the industry and the outside world. ABP provides a significant amount of support to the CBIC Promotions Committee.

Media training sessions were held in January and June for new board members and delegates. Let the ABP office know if you are interested in media training and you will be placed on the list for the next session.

Our latest Grass Routes newsletter went out in the summer. You can find it and previous issues on our website: albertabeef.org/page/newsletter.

ABP is always working towards better communications with producers. Tell your neighbours, friends or someone sitting beside you at the coffee shop that they can sign up for our weekly news updates at albertabeef.org/page/news. Signing up means you will also receive our Grass Routes newsletter in your inbox, which saves money and resources. Our Twitter account is connected to a strong community of beef and cattle enthusiasts who are always sharing information about beef and agriculture. You can find us on Twitter [@albertabeef](https://twitter.com/albertabeef), on Instagram [@alberta.beef](https://www.instagram.com/alberta.beef) and Facebook [@ABBeefProducers](https://www.facebook.com/ABBeefProducers). Be sure to comment on and share our posts.

Tune into Cattle Country with Jim Fisher every Wednesday on radio stations all over the province. You can read our monthly industry news advertorials in Alberta Beef Magazine or Alberta Farmer Express, and our next Grass Routes newsletter will be out in the New Year. ▼

Sincerely,

Katelyn Laverdure,
Communications Manager



BRAD DUBEAU
Marketing and
Education Manager

MARKETING AND EDUCATION REPORT

Over the course of 2018, the Marketing and Education department had a busy year with several projects on the go in both areas.

On the marketing side, ABP's marketing campaign was engaged on radio stations in both Edmonton and Calgary, as well as on site video activations at large consumer events. The events included:

- Northlands major events, Edmonton
- Calgary Stampede
- Big Valley Jamboree, Camrose
- Country Thunder, Calgary
- Christmas In November, Jasper
- Mealshare/ABP restaurant initiative

As was said in the marketing presentation at the 2017 Semi-Annual General Meeting, it was ABP's goal to extend our marketing campaign beyond the major urban centres of Calgary and Edmonton to the other communities across Alberta. Along with our marketing agency WS, we secured television spots on Global TV that will take Alberta Beef into those communities. The seven second spots will air from the beginning of October through to December. This is a great way to keep Alberta Beef in the minds of consumers across the province right up to the Christmas season and beyond.

A project with Mealshare took place throughout the summer from the beginning of July to the first half of August and was a popular initiative across social media platforms. Mealshare partners with restaurants

to provide simple, healthy meals for youth in need. Their logo is placed alongside select menu items at participating restaurants and when a customer orders a Mealshare dish a \$1 contribution is made to the program. Mealshare forwards most of those funds to one of the partner charities responsible for purchasing groceries and ingredients needed for the meals. If you would like to learn more about Mealshare, you can go to their website at mealshare.ca.

A major highlight from summer 2018 was the development of labelled Alberta Beef brand product now being carried by Calgary Co-op offered by JBS. With Freson Bros. and Alberta Federated Co-ops also carrying labelled Alberta Beef, the brand continues to prove that it is in consumer demand. We appreciate the efforts from both JBS and Cargill (High River) for working with ABP and grocery retailers to help make this possible. From food trucks to major retailers, Alberta Beef is as popular as ever.

ABP worked with Cargill (Spruce Grove) to continue the support of organizations like Boyle Street and Hope Mission in Edmonton, where we partnered with Dr. Sangita Sharma to provide a nutritious meal to some of Edmonton's more vulnerable population. At those events, hamburgers and side dishes were provided to feed 600+ individuals. In Calgary, ABP partnered with Elanco to provide lunch at The Alex. The Alex offers health, housing and food programs in support of Calgary's vulnerable neighbours who are tackling tough health and social issues. Their health programs provide in-depth care for teens, adults and seniors with complex health needs, while also offering support in mental health, addiction and basic needs. They help to house almost 500 members of society who are at high-risk for chronic homelessness through a Housing First approach to provide a safe and stable environment. They also have a Community Food Centre which uses healthy food as the beginning of a

path to community engagement. They offer healthy meals and cooking and gardening classes where people can come together to address issues in their community.

As mentioned in the marketing and education semi-annual report, ABP is working with the Valley Zoo in Edmonton to sponsor the cow enclosure at the Urban Farm. The Urban Farm will operate year-round and educate visitors to the zoo about where food comes from. This is a 10-year commitment. ABP is also working with Glenbow Ranch by providing sponsorship dollars to support an education program and signage at the park that will tell visitors about the positive influence of cattle cohabitating in a public park setting.

On the education side, a re-vamp of the current Beef in the Classroom manual is complete and has been renamed as the All for the Beef teacher resources. The new program is a teacher/student resource that can be used by teachers in food study classrooms province-wide at the high school level. The new resources include a teacher manual, student learning booklet, market cards, recipe cards and chef skill cards, as well as a test bank. We will increase the visibility on this new program using advertising methods and the ABP website.

The second phase of the three-year re-vamp to our current educational resources will focus on kindergarten to grade six. We hope to begin in our next fiscal year and to have it ready for fall 2019.

In early 2019, we will begin discussing the development of the next phase of the All for the Beef marketing campaign and continue to explore new opportunities in Calgary, Edmonton and smaller cities across Alberta. ▼

Sincerely,

Brad Dubeau,
Marketing and Education Manager



TIM SMITH
Cow Calf Council
Chair

COW CALF COUNCIL REPORT

The Cow Calf Council (CCC) took on responsibilities previously charged to the Wildlife Working Group and Environment Committee last year. This amalgamation resulted in an extensive portfolio of cattle industry concerns, some of which are referred to within this report.

The Safety-net Subcommittee continued a strong working rapport with Agriculture Financial Services Corporation (AFSC). Extensive reviews were done of Business Risk Management programs including AgriStability Forage and Pasture Insurance and have yielded returns to producers. Particular concerns that arose around reference margin limiting in AgriStability have been addressed. However, Forage and Pasture Insurance is still leaving many cattle producers unsatisfied, as is reflected in the low producer uptake.

Some producer concerns that we are currently dealing with include the influences of late spring and early fall frosts, high temperatures, low humidity and winds. These factors are not addressed in the simplistic Moisture Deficiency Insurance model used to insure pasture. In the midst of the weather we are experiencing this year where many perennial forage producers are lacking production, the Cow Calf Council is working hard to ensure that forage insurance does not fail producers. Current work on satellite coverage is showing promising signs of progress toward better understanding of industry needs.

During the past year, the Ecosystems Working Group (ESWG) prepared an Ecosystem Services Programs in Alberta document. This is available on the homepage of albertabeef.org. As a follow-up to the ESWG work, Ducks Unlimited (DU) approached ABP to discuss possible cross-communications arrangements between ABP and DU to leverage each other's programs. This work is being done through marketing and communications on an ongoing basis.

The CCC has representation on the Endangered Species Conservation Committee where provincial regulations protecting wildlife species, endangered animals and plants are reviewed with recommendations for legislative changes.

The Agri-Environmental Partnership of Alberta is a government/industry group looking at issues around water and land-use. ABP Executive Director Rich Smith sits on the advisory council and shares insights with the CCC, Greg Bowie to inform his role with the Water Working Group and Fred Hays to support his work with the Land-use Working Group.

The CCC elects one representative to the Alberta Forage Industry Network to address producer concerns about forage production and extension in the province. Alberta Farm Animal Care also continues to include valued and respected input from an ABP representative.

Two other representatives from the CCC are members on the Problem Wildlife Working Group promoting Government of Alberta and industry collaboration on wildlife issues.

For the past eight years, the CCC helped develop and promote Alberta Agriculture's Cow-Calfenomics program. We provide \$3,000 each year to offset registration costs for students and young producers. With government funding for the program terminated, the CCC is looking for other options to provide information on beef economics and farm business management to producers through a Cow Calf Extension Working Group.

ABP AGM resolutions

"Be it resolved that ABP promote environmental reuse of Ag Plastic and promote the awareness of its increasing danger to livestock and encourage research on a solution."

Work has been done with the Alberta Agricultural Recycling Group, of which ABP is a member, to promote developing an agricultural plastics recycling program through the Government of Alberta.

"Be it resolved that ABP in an effort to support our ranchers in areas affected and experiencing issues with wolves, that ABP hold workshops to assist those producers in wolf management. Topics could include experiences with wolf management and education, marksmanship, trapping education and explanations of tools available for use in the control of wolves." Zone 5

Wildlife issues continue to cause problems for some producers. The CCC initiated and financially supported a one-day forum with the Miistakis Institute to address the process of dealing with wildlife coexistence.

A resolution last year addressed the possibility of calf mortality insurance and the program was assessed by the Safety-net Subcommittee and AFSC. However, there were issues with trade implications that could negatively impact the industry. This year a similar resolution was made but was defeated by the Board of Directors. Another resolution was put forward "that ABP investigate the development of a cost-shared calf mortality program" and this is being addressed by the council. ▼

Sincerely,

Tim Smith, Chair

Kevin Stopanski, Zone 1; Shane Hansen, Zone 2; Kevin Krebs, Zone 3; Walter Suntjens, Zone 4; Devon Sengaus, Zone 5; Kolton Kasur, Zone 6; Martin Clausen, Zone 7; Blair Anderson, Zone 8; Linda Messner, Zone 9; Heinz Lemmer, Zone 3 at large; Mike Nadeau, Zone 9 at large; Assar Grinde, Board representative



KEN STANLEY
Cattle Feeder Council
Chair

CATTLE FEEDER COUNCIL REPORT

The Cattle Feeder Council (CFC) was created to provide a forum for discussion on issues of particular importance to the cattle feeding sector of our industry. The mandate of the Cattle Feeder Council is to provide recommendations to the ABP Board of Directors on policy and strategic direction. The CFC members believe the council is a vital part of ABP that provides effective representation for the cattle feeding sector, particularly for those cattle feeders who do not belong to one of the membership organizations. The Cattle Feeder Council held three meetings this year and there has been no shortage of topics to discuss.

For a number of years, a group of cattle feeders across Alberta have been seeking a workable solution for spreading manure on frozen or snow-covered ground. The Agriculture Operation Practices Act does not allow producers who have nine months of manure storage to do so. Feedlots have sufficient storage in pens for nine months of manure production, but many operators wish to clean their pens in late winter before they soften up in the spring. In many parts of the province, stockpiling manure does not work well and producers want to be able to spread manure on frozen or snow-covered land.

We believe there are good environmental, management, and animal health reasons for cattle feeders to spread manure on frozen or snow-covered land. We think there should be a Natural Resources

Conservation Board (NRCB) policy that allows producers to submit a nutrient management plan that would include spreading on these conditions where the practice can be done without adverse effects on the environment. A number of Alberta feedlot operators participated in a two-year Alberta Agriculture and Forestry (AAF) project assessing winter manure management plans. Through the project, producers proved to be willing and able to reduce the environmental impacts of their winter manure management practices.

The Cattle Feeder Council joined the Alberta Cattle Feeders' Association (ACFA) in writing a letter to AAF and the NRCB encouraging them to work with our industry to find a solution to this winter manure management problem. As a result of the letter and a subsequent meeting, the AAF project was extended for another year. We will continue working with ACFA toward a solution that will allow producers to manage manure effectively while protecting the environment and addressing the social license concerns of the government.

For years, the Cattle Feeder Council has supported the work of the Canadian Cattlemen's Association (CCA) to increase the level of price reporting that occurs in our industry. The lack of fed cattle price reporting creates serious issues for our policy and trade advocacy work, as well as the integrity and effectiveness of the Western Livestock Price Insurance Program. After exploring a wide range of options and finding no agreement on implementation, the CCA finally proposed, as a last resort, that Statistics Canada proceed with a feasibility study using Section 13 of their legislation to collect fed cattle prices from packers, conditional on both federal and provincial packers being included and regional pricing being maintained. ABP supported this proposal, but unfortunately, not all provinces agreed and Agriculture and Agri-Food Canada and Statistics

Canada are not willing to proceed without a consensus. The issue was discussed at the CCA Semi-Annual General Meeting and we hope to see more support soon for this proposal.

In addition to the issues covered earlier in this report, the CFC increased our funding for the Intensive Livestock Working Group (ILWG) as a result of the loss of government funding for the group. ABP is working with our ILWG partners to address moves by rural municipalities to exert control over Confined Feeding Operation (CFO) developments by creating CFO exclusion zones in their Municipal Development Plans. The CFC believes that responsibility for approval of CFOs should remain with the NRCB under the Agriculture Operation Practices Act and not be unduly affected by Municipal Development Plans. We are still waiting for the results of the appeal against the Lethbridge County business tax on feedlots and will then consider our strategy for finding a provincial solution to the taxation of agricultural land and agricultural operations. It has been another interesting and challenging year for CFC members. ▼

Sincerely,

Ken Stanley, Chair

- Jimmy Nelson, Zone 2
- Colin McNiven, Zone 4
- Cam McLerie, Zone 5
- Cecil Andersen, Zone 6
- George L'Heureux, Zone 8
- John MacArthur, Zone 9
- Garth Porteous, Zone 1 at large
- Sheila Hillmer, Zone 2 at large
- Jeff Havens, Zone 3 at large
- Glen Kummer, Zone 7 at large
- Tim Sekura, Board representative

ABP OPERATIONS BUDGET FOR 2018-19

Alberta Beef Producers

Operations Budget for the year ending March 31, 2019

With comparisons to the actual expenses for the year ending March 31, 2018

	Budget	Actual
	March 31, 2019	March 31, 2018
National Policy and Trade Advocacy Programs:		
Canadian Cattlemen's Association	\$ 1,751,000	\$ 1,541,137
Enhanced Federal Lobbying	35,000	23,315
National Governance and Oversight	30,000	20,491
U.S. and International Trade Management	30,000	20,777
Organizational Expenses:		
Board of Directors and board appointed representatives	133,000	76,317
Annual General Meeting	120,000	101,968
Fall producer meetings & resolutions policy development	96,500	94,349
Semi-annual Meeting	72,000	65,550
Zone Committees	70,000	57,274
Executive Committee	60,000	51,191
Annual Report	52,000	48,475
Audit Committee	2,000	410
Governance Committee	2,000	2,101
Operational Expenses:		
Salaries and benefits, related to priority areas	595,000	578,403
Marketing and Education	323,500	287,226
Communications	285,000	240,927
Industry Partnerships	230,000	181,886
Project Reserve Fund	75,000	267,300
Research Committee	93,600	65,040
BCRC Science Cluster	-	100,000
Feed Grain Research Project	50,000	100,000
Service Charge Campaign	87,000	12,511
Canfax Membership and Services	53,400	53,400
Cow Calf Council	69,800	41,768
Sponsorships	40,000	33,857
Cattle Feeder Council	50,000	28,260
Provincial Advocacy	30,000	14,819
ESA (Formerly Environment Committee)	20,000	18,843
Animal Health and Welfare	18,000	17,616
Industry Collaborations	10,000	3,257
Administrative Expenses:		
Rent, office supplies and equipment	400,000	376,407
Salaries and benefits	349,000	297,833
Legal, audit, and consulting	40,000	36,564
	<u>5,272,800</u>	<u>4,859,272</u>
Non Cash expense		
Amortization of furniture and equipment	<u>20,000</u>	<u>13,250</u>
Total operational budget	5,292,800	<u>\$ 4,872,522</u>
Capital asset budget	<u>10,200</u>	
	<u>\$ 5,303,000</u>	

ABP REFUND REPORT

Refund Report

Refund Period Ending	Number of refund requests	Number of marketings refunded	Net Amount Refunded	Refunded Cow Calf # requests	Amount Refunded Cow Calf	Refunded Feedlots # requests	Amount Refunded Feedlots
Dec-17	453	716,624	\$ 1,414,277	274	\$ 139,511	179	\$ 1,274,767
Jun-17	396	576,869	\$ 1,124,459	221	\$ 133,260	175	\$ 991,199
Dec-16	429	683,325	\$ 1,343,890	244	\$ 112,518	185	\$ 1,231,373
Jun-16	401	597,675	\$ 1,132,472	218	\$ 135,845	183	\$ 996,626
Dec-15	429	633,744	\$ 1,239,422	268	\$ 140,995	161	\$ 1,098,427
Jun-15	388	564,365	\$ 1,113,233	218	\$ 126,484	170	\$ 986,749
Dec-14	489	662,967	\$ 1,294,845	291	\$ 135,955	198	\$ 1,158,890
Jun-14	442	639,849	\$ 1,246,736	244	\$ 154,600	198	\$ 1,092,136
Dec-13	491	624,396	\$ 1,217,511	306	\$ 156,936	185	\$ 1,060,575
Jun-13	432	615,941	\$ 1,204,360	232	\$ 142,473	200	\$ 1,061,887
Dec-12	532	547,308	\$ 1,061,740	332	\$ 143,423	200	\$ 918,317
Jun-12	407	569,901	\$ 1,109,397	219	\$ 105,554	188	\$ 1,003,843
Dec-11	572	599,038	\$ 1,173,105	350	\$ 144,556	222	\$ 1,028,549
Jun-11	414	516,204	\$ 1,008,705	221	\$ 107,185	193	\$ 901,520
Dec-10	647	584,075	\$ 1,586,156	438	\$ 275,373	209	\$ 1,310,783
Jun-10	396	364,789	\$ 1,042,110	223	\$ 152,695	173	\$ 889,414
	7,318	9,497,070	\$ 19,312,418	4,299	\$ 2,307,363	3,019	\$ 17,005,055
	Percentage of refunds allocated				12%	88%	

Note: While there have been a total of 7,318 refund requests since the refund process was implemented, these requests have come from approximately 2,225 producers as many producers have made refund requests in more than one refund period. 1,596 Cow Calf and 629 Feedlots

Refund Rates

The full \$3 service charge and levy was refundable until November 30, 2010.

Thereafter, only the \$2 Alberta Service Charge was refundable.

Note, effective April 1, 2018 the Non refundable levy increased to \$2.50.



KINGSTON
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June 11, 2018
Edmonton, Alberta

INDEPENDENT AUDITOR'S REPORT

To the Directors and Delegates of Alberta Beef Producers

We have audited the accompanying financial statements of Alberta Beef Producers, which comprise the statement of financial position as at March 31, 2018 and the statements of operations, changes in net assets and cash flow 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Alberta Beef Producers as at March 31, 2018 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Kingston Ross Pasnak LLP
Chartered Professional Accountants

ABP STATEMENT OF OPERATIONS

ALBERTA BEEF PRODUCERS

Statement of Operations

Year Ended March 31, 2018

	2018	2017
REVENUE		
Alberta service charge and levy revenue (Note 2)	\$ 11,043,044	\$ 10,351,614
Less dealer rebate	(182,208)	(174,401)
Less Alberta service charge refunded	(2,538,736)	(2,476,362)
Interprovincial marketings (Note 2)	91,291	83,716
	<u>8,413,391</u>	<u>7,784,567</u>
Canadian Beef Cattle Research, Market Development and Promotion Agency (Note 9)		
Canada Beef	2,915,330	2,790,414
Beef Cattle Research Council	728,833	697,604
	<u>3,644,163</u>	<u>3,488,018</u>
Excess of revenue over expenses before the undernoted	<u>4,769,228</u>	<u>4,296,549</u>
OTHER REVENUE		
Grants (Note 7)	1,052,377	2,024,370
Interest and other income (Note 4)	177,751	156,616
Producer Loyalty Partnership Program	12,500	12,500
	<u>1,242,628</u>	<u>2,193,486</u>
OTHER EXPENSES		
	\$ -	\$ -
Grants (Note 8)	1,053,717	2,026,644
CCA legal assessment (Note 9)	147,315	137,483
ABP matching funds for Marketing Campaign	129,755	168,157
Research commitments, conditionally restricted fund	17,500	25,000
Producer Loyalty Partnership Program	1,237	2,804
	<u>1,349,524</u>	<u>2,360,088</u>
EXCESS OF REVENUE OVER EXPENSES BEFORE OPERATING EXPENSES	<u>4,662,332</u>	<u>4,129,947</u>
OTHER EXPENSES		
Operating Expenses (Schedule 1)	\$ 4,859,272	\$ 4,375,040
Amortization of furniture and equipment (Note 6)	13,250	14,634
	<u>4,872,522</u>	<u>4,389,674</u>
DEFICIENCY OF REVENUE OVER EXPENSES	<u>\$ (210,190)</u>	<u>\$ (259,727)</u>

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Statement of Changes in Net Assets

Year Ended March 31, 2018

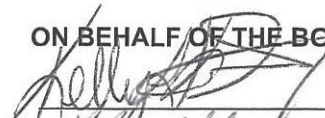


	Trade Advocacy Reserve (Note 3)	Operating Reserve Following year (Note 3)	Operating Reserve Future years (Note 3)	Project Reserve Fund (Note 3)	Invested in Furniture and Equipment (Note 6)	Unrestricted	2018 Total	2017 Total
NET ASSETS - BEGINNING OF YEAR	\$ 4,362,580	\$ 4,296,549	\$ 1,500,000	\$ 277,500	\$ 45,374	\$ 2,506,665	\$ 12,988,668	\$ 13,248,395
Transferred to current year operations	-	(4,296,549)	-	-	-	4,296,549	-	-
Internally restricted for following year operations	-	5,303,000	-	-	-	(5,303,000)	-	-
Internally restricted transfers	120,735	-	(400,000)	(277,500)	-	556,765	-	-
Deficiency of revenue over expenses	(147,315)	-	-	-	(13,410)	(49,465)	(210,190)	(259,727)
Invested in furniture and equipment	-	-	-	-	7,387	(7,387)	-	-
NET ASSETS - END OF YEAR	\$ 4,336,000	\$ 5,303,000	\$ 1,100,000	\$ -	\$ 39,351	\$ 2,000,127	\$ 12,778,478	\$ 12,988,668

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS
Statement of Financial Position
March 31, 2018

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 441,253	\$ 2,100,550
Restricted cash (Note 3)	-	277,500
Operating Reserve Fund, Following year (Note 3)	5,303,000	4,296,549
Investments (Note 4)	7,582,325	7,481,448
Service charge receivable	1,578,305	1,354,115
Interest and other receivables	348,314	770,009
Prepaid expenses	22,942	17,023
Inventory (Note 5)	7,148	17,124
	15,283,287	16,314,318
OPERATING RESERVE FUND, Future years (Note 3)	1,100,000	1,500,000
FURNITURE AND EQUIPMENT (Note 6)	39,351	45,374
	\$ 16,422,638	\$ 17,859,692
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 1,410,972	\$ 2,171,361
Goods and Services Tax payable	39,546	28,429
Alberta marketings held in trust	1,547,460	1,657,218
Deferred revenue (Note 7)	646,182	1,014,016
	3,644,160	4,871,024
COMMITMENTS (Note 10)		
NET ASSETS		
Trade Advocacy Reserve Fund (Note 3)	4,336,000	4,362,580
Operating Reserve, Following year (Note 3)	5,303,000	4,296,549
Operating Reserve, Future years (Note 3)	1,100,000	1,500,000
Project Reserve Fund (Note 3)	-	277,500
Invested in Furniture and Equipment (Note 6)	39,351	45,374
Unrestricted	2,000,127	2,506,665
	12,778,478	12,988,668
	\$ 16,422,638	\$ 17,859,692

ON BEHALF OF THE BOARD

 _____ Director
 _____ Director


ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Statement of Cash Flow

Year Ended March 31, 2018

	2018	2017
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	\$ (210,190)	\$ (259,727)
Items not affecting cash:		
Amortization of furniture and equipment	13,250	14,634
Loss on disposal of furniture and equipment	161	-
Change in unrealized gain on investments held at year end	50,967	32,098
	(145,812)	(212,995)
Changes in non-cash working capital:		
Service charge receivable	(224,190)	(433,657)
Interest and other receivables	421,695	(652,159)
Prepaid expenses	(5,919)	51,343
Inventory	9,976	4,021
Goods and Services Tax payable	11,117	19,878
Accounts payable and accrued liabilities	(760,390)	627,281
Alberta marketings held in trust	(109,758)	113,262
Deferred revenue	(367,834)	(1,111,413)
	(1,025,303)	(1,381,444)
Cash flow used by operating activities	(1,171,115)	(1,594,439)
INVESTING ACTIVITIES		
Purchase of investments	(2,947,000)	(2,047,250)
Proceeds from sale of investments	2,795,156	1,940,324
Purchase of furniture and equipment	(7,387)	(5,925)
Cash flow used by investing activities	(159,231)	(112,851)
DECREASE IN CASH FLOW	(1,330,346)	(1,707,290)
CASH - BEGINNING OF YEAR	8,174,599	9,881,889
CASH - END OF YEAR	6,844,253	8,174,599
CASH CONSISTS OF:		
Cash	\$ 441,253	\$ 2,100,550
Restricted cash (Note 3)	-	277,500
Operating reserve fund, following year (Note 3)	5,303,000	4,296,549
Operating reserve fund, future years (Note 3)	1,100,000	1,500,000
	\$ 6,844,253	\$ 8,174,599

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2018

1. DESCRIPTION OF BUSINESS

Alberta Beef Producers ("ABP") was incorporated under the Marketing of Agricultural Products Act for the purpose of initiating and carrying out projects and programs to stimulate, increase and improve the production and marketing of cattle and cattle products. Effective since November 30, 2010, ABP is authorized under its Plan Regulation and Commission Regulation to collect a \$2.00 refundable Alberta service charge and a \$1.00 non-refundable National Levy from producers who sell or who are in the business of feeding and slaughtering their own cattle ("Alberta Service Charge and Levy").

Since April 1, 2000, \$1.00 (the "National Levy") of the per head service charge collected has been paid to the Canadian Beef Cattle Research, Marketing Development and Promotion Agency ("the Agency"). The National Levy is paid to the Agency by all the provincial cattle associations to fund research, market development and promotion projects for the benefit of Canadian producers.

Effective July 1, 2011, the ABP Board of Directors allocates the National Levy as follows: \$0.80 to Canada Beef ("CB") and \$0.20 to Beef Cattle Research Council ("BCRC").

ABP meets the qualification of a not-for-profit organization as defined in paragraph 149(1) of the Income Tax Act, Canada and as such is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for Not-for-Profit Organizations. Significant accounting policies observed in the preparation of the financial statements are summarized below.

Cash, cash equivalents and restricted cash

Cash, cash equivalents and restricted cash consist of cash on deposit, less cheques issued.

Financial statement presentation

ABP has chosen to continue to present net assets invested in furniture and equipment as a separate category of internally restricted net assets.

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2018

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

Revenue recognition

The Alberta Service Charge (Note 1) collected is held in trust until such time as the refund period is complete. When the number of marketings retained is known, the revenue is recognized. The revenues reported represent Alberta Service Charge collected and management's best estimate of uncollected fees. Due to the uncertainties in the industry reporting, there may be adjustments in future periods and such adjustments may be material to the financial position of ABP.

ABP pays a dealer rebate of \$0.05 per head to those who collect and remit the Alberta Service Charge and Levy collected on behalf of ABP.

ABP follows the deferral method of accounting for contributions, which includes government grants. Grant revenue is recognized in accordance with the terms of the grant agreements when received or receivable if the amounts to be received can be reasonably estimated and collection is reasonably assured.

Investment income includes interest and realized and unrealized gains and losses on investments. Revenue from investments and other income is recognized on an accrual basis as it is earned.

Budgeting process

The net revenues remaining from the Alberta Service Charge and Levy collected less refunds of the Alberta Service Charge and payments to the National Agency in one year are to be used for the following year's draft budget. This process of collecting net revenue one year for the following year's expenditures enables ABP to budget effectively and ensure there are funds available for core operations. The budget is finalized once the total amount available to be spent is known.

Refunds

The Alberta Service Charge and Levy is payable by producers who sell cattle and by producers who feed and slaughter their own cattle. The Alberta Service Charge paid by or on behalf of a producer is refundable to that producer on request of that producer. A producer could request a refund of all or a portion of the \$2.00 Alberta Service Charge. The \$1.00 National Levy is non-refundable. The refund is only available to Alberta residents selling or feeding and slaughtering cattle in Alberta.

Interprovincial marketings

When non-Alberta residents sell cattle in Alberta, the purchaser or livestock dealer is deducting and remitting a \$3.00 Federal Levy and not the Alberta Service Charge and Levy. The \$3.00 Federal Levy is collected by ABP on behalf of the Agency. Payments of the Federal Levy are forwarded to the Agency for national beef cattle research, marketing and promotion projects for the benefit of Canadian producers. The Agency pays a portion of the Federal Levy to the provincial cattle association in the province where the seller resides. When an Alberta resident sells cattle in another province, the provincial cattle association in that province is, in turn, collecting the Federal Levy from the Alberta producer. The Federal Levy is non-refundable.

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2018

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

Investments

Investments are recorded at market value. ABP's investments consist of government bonds which are held primarily for trading purposes. The portfolio is managed by a third party investment manager and is subject to an investment policy set by the Board of Directors and which has as its main objective the growth and preservation of capital. Transition costs are recognized immediately in the statement of operations.

Inventory

Inventory is valued at the lower of cost, determined on an average cost basis, and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less estimated selling costs. Cost of inventories includes materials and other costs incurred in bringing the inventories to their present location and condition.

Furniture and equipment

ABP provides amortization on its furniture and equipment using the straight-line method at the following rates:

Furniture and fixtures	10 years
Computer equipment	4 years
Audio-visual equipment	5 years

Financial instruments

All financial instruments are initially measured at fair value, and, unless otherwise noted, ABP subsequently measures its financial instruments at amortized cost.

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. These estimates included the useful lives of the furniture and equipment, collection of Alberta Service Charge, collectability of accounts receivable and inventory obsolescence.

Disclosure of allocated expenses

ABP has chosen to continue to classify their expenses by function and allocate their expenses to a number of functions to which the expenses relate. ABP has allocated salaries expenses to Operational Expenses and to Administrative Expenses (Note 13).

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS Notes to Financial Statements Year Ended March 31, 2018

3. INTERNALLY RESTRICTED NET ASSETS

Trade Advocacy Reserve Fund

In 2005, the Board of Directors passed a motion to establish a reserve fund for the purpose of future trade advocacy and legal defence projects.

In 2018, the transactions in the fund consisted of expenses of \$147,315 were incurred (2017 - \$137,483) and a transfer from the Unrestricted Fund in the amount of \$120,735 (2017 - \$281,092).

	Withdrawal	Transfer	2018	2017
Balance, beginning of year	\$ -	\$ -	\$ 4,362,580	\$ 4,218,971
Payment of CCA legal assessment	(147,315)	-	(147,315)	(137,483)
Motion to transfer funds into fund	-	120,735	120,735	281,092
	\$ (147,315)	\$ 120,735	\$ 4,336,000	\$ 4,362,580

Operating Reserve Fund

On April 30, 2009, the Board of Directors passed a motion to establish a reserve fund for the purpose of allocating operational funds for the following budget years.

	2018	2017
Balance, beginning of year	\$ 4,296,549	\$ 4,900,000
Transferred from the fund for operations in current year	(4,296,549)	(4,979,700)
Allocation from the current year to the following year's operations budget	5,303,000	4,376,249
	\$ 5,303,000	\$ 4,296,549

Operating Reserve Fund, future years

In 2010, the Board of Directors established this fund to cover budget shortfalls caused by short-term declines in cattle marketings during the cattle cycle. The purpose of this fund is to allow ABP to maintain a high level of services for the benefit of producers during these periods. The cattle herd in Alberta is currently at a low level and the Board of Directors expects that the number of marketings will be low over the next few years as the herd is rebuilt.

	2018	2017
Balance, beginning of year	\$ 1,500,000	\$ 1,500,000
Motion to transfer funds out of the fund	(400,000)	-
Balance, end of year	\$ 1,100,000	\$ 1,500,000

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2018

3. INTERNALLY RESTRICTED NET ASSETS *(continued)*

Project Reserve Fund

In 2007, the Board of Directors established a project reserve fund for the purpose of segregating all multi year commitments. The Board established a policy that the full value of long-term commitments would be removed from the current year budget and placed in this fund. This policy was modified in 2013 and modified again in 2014. Now, the policy on long-term projects is when all the funding for a long-term project is available in a current budget year, this funding will be moved to the Project Reserve Fund (for long-term projects), but when all the funding is not available in a current budget year, the ABP Board of Directors may make long-term project commitments on a year to year basis subject to the availability of funding in future years.

	2018		2017
Balance, beginning of year	\$ 277,500	\$	230,625
Current year marketing campaign obligations expensed	-		(213,125)
Current year commitments	(277,500)		260,000
	\$ -	\$	277,500

4. INVESTMENTS

	2018	2018	2017	2017
	Cost	Fair Value	Cost	Fair Value
Bonds:				
Provincial government, bearing yield rates ranging from 1.35% to 2.55%, due between June 2018 and January 2021	\$ 7,559,308	\$ 7,582,325	\$ 7,407,464	\$ 7,481,448

Although some of the bonds have maturity dates beyond one year, due to their ability for prompt liquidation, all have been classified as current assets.

Interest and other income is comprised of the following:

	2018	2017
Interest on investments	\$ -	\$ -
Change in unrealized gain in investments held at year end	(50,967)	(32,098)
Interest on bank balance	89,081	90,045
Other income	84,969	64,346
	3,701	2,225
	\$ 177,751	\$ 156,616

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2018

5. INVENTORY

	2018	2017
Inventory consists of the following:		
Promotional items	\$ 7,148	\$ 17,124

During the year ended March 31, 2018, ABP expensed \$15,364 (2017 - \$25,040) of its inventory in the regular course of operations and had no inventory write-downs.

6. FURNITURE AND EQUIPMENT

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Furniture and fixtures	\$ 106,997	\$ 80,780	\$ 26,217	29,517
Computer equipment	23,239	11,584	11,655	12,540
Audio-visual equipment	10,378	8,899	1,479	3,317
	\$ 140,614	\$ 101,263	\$ 39,351	\$ 45,374

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS Notes to Financial Statements Year Ended March 31, 2018

7. DEFERRED REVENUE

	Opening	Additions	Recognition of Revenue	2018	2017
Targeted Antimicrobial Use Resistance Research Call	\$ 394,999	\$ 75,000	\$ (248,292)	\$ 221,707	\$ 394,999
Targeted Forage Research Call	382,39	11,02	(206,025)	187,39	382,39
Climate Change Extension Initiative	112,000	-	-	112,000	112,000
Rancher Research	-	96,95	(2,492)	94,45	-
Environment Grant	25,342	-	-	25,342	25,342
AHI Investigation Summary and Producer Education Information Program (1)	3,276	-	-	3,276	3,276
Cow Calf Sector Sustainability Extension Initiative	96,000	24,000	(118,000)	2,000	96,000
Satellite Derived Forage Insurance Grant	-	195,46	(195,460)	-	-
Alberta Beef: Marketing Campaign	-	100,00	(100,000)	-	-
Elastrator Bands Development Grant	-	97,17	(97,170)	-	-
Wood Buffalo Biosecurity Grant	-	76,938	(76,938)	-	-
Provincial Research and Development Grant	-	5,60	(5,600)	-	-
Farm Feedlot Sampling Grant	-	2,400	(2,400)	-	-
	\$ 1,014,016	\$ 684,543	\$(1,052,377)	\$ 646,182	\$ 1,014,016

(1) Funds from the Animal Health Investigator (AHI) program are earmarked for producer education and awareness programs regarding the effects of the oil and gas industry on cattle health.

Refer to Note 8 for details of the external restrictions on these amounts.

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2018

8. GRANTS

	2018	2017
Targeted Antimicrobial Use Resistance Research Call	\$ 248,291	\$ 1,030,001
Targeted Forage Research Call	206,025	251,871
Satellite Derived Forage Insurance Grant	195,460	402,240
Cow Calf Sector Sustainability Extension Initiative	118,000	-
Alberta Beef: Marketing Campaign	100,000	188,125
Elastrator Bands Development Grant	97,170	-
Wood Buffalo Biosecurity Grant	76,938	140,117
Provincial Research & Development Grant	6,941	15,174
Rancher Research Pilot	2,492	-
Farm Feedlot Sampling Grant	2,400	2,200
Cross Border Animal Care Grant	-	5,000
Environment Grant	-	(8,084)
	\$ 1,053,717	\$ 2,026,644

Targeted Antimicrobial Use Resistance Research Call

In 2016, Alberta Livestock and Meat Agency (ALMA) provided ABP with a grant in the amount of \$1,425,000 to administer and deliver a call for research proposals in the area of antimicrobial use and resistance (AMU/AMR). With the dissolution of ALMA, this grant agreement has continued between ABP and Alberta Agriculture and Forestry. In 2018, a balance of \$248,291 (2017 - \$1,030,001) was recognized as revenue and eligible expenses.

Targeted Forage Research Call

In 2016, ALMA provided ABP with a \$950,000 grant to administer and deliver a call for research proposals in the area of forage. A balance of \$206,025 (2017 - \$251,871) was recognized as revenue and eligible expenses in 2018.

Satellite Derived Forage Insurance Grant

ABP has received funding from the Agriculture and Agri-Food Canada AgriRisk Initiatives Program for a project entitled, Assessing the Feasibility and Development of an Innovative Forage Insurance Plan using Satellite-Derived Biophysical Parameters with a focus on Alberta. It is a two-year project that was suggested to ABP by the Agriculture Financial Services Corporation in Alberta. Our industry has been looking for better forage and pasture insurance programs for some time and we hope this project will contribute to the development of more effective programs. ABP has engaged the University of Manitoba as the lead researcher on the project and AgReSoft Enterprises Ltd. as a consultant on the project. ABP will provide in-kind project management services, but will not be contributing cash to the project. In 2018, a balance of \$195,460 (2017 - \$402,240) was recognized as revenue which agrees to to the eligible expenses incurred.

Cow Calf Sector Sustainability Extension Initiative

In 2017, Growing Forward II provided ABP with \$120,000 for the use in a one year study on cow calf sustainability extension initiatives. \$118,000 was recognized as revenue and eligible expenses incurred.

Alberta Beef: Marketing Campaign

In 2017, Minister of Alberta Agriculture and Forestry provided ABP with \$184,786 for use in a two year provincial marketing campaign. \$100,000 was recognized as revenue and eligible expenses incurred. A balance of \$188,125 was recognized in 2017 related to the previous grant.

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2018

8. GRANTS *(continued)*

Elastrator Bands Development Grant

In 2017, ABP received a grant from the Canadian Agricultural Adaptation Program for the development of analgesic elastrator bands. \$97,170 was recognized as revenue and eligible expenses incurred.

Wood Buffalo Biosecurity Grant

In 2012, Growing Forward provided ABP with an initial grant to assist with costs related to a study on tuberculosis and brucellosis present in bison outside Wood Buffalo National Park. In 2014, Growing Forward 2 provided ABP with a second grant of \$425,450 to continue work on this project. In 2018, a balance of \$76,938 (2017 - \$140,117) was recognized as revenue which agrees to the eligible expenses incurred.

Provincial Research & Development Grant

In 2017, ABP received a grant from ALMA. In 2018, a balance of \$5,600 (2017 - \$12,900) was recognized as revenue and \$6,941 (2017 - \$15,174) of eligible expenses were incurred.

Rancher Research Pilot

In 2017, Alberta Agriculture and Forestry provided ABP with a grant in the amount of \$109,350 to carry out an extension project encouraging the adoption of new management practices, technologies, and innovations on a subset of pilot ranches in Alberta. \$2,492 was recognized as revenue and eligible expenses incurred.

Farm Feedlot Sampling Grant

In 2015, the Public Health Agency of Canada entered into an agreement with ABP to assist with on-farm feedlot sampling for the Canadian Integrated Program for Antimicrobial Resistance Surveillance (CIPARS) and FoodNet Canada. The total value of the contract is \$12,600. In 2018, a balance of \$2,400 (2017 - \$2,200) was recognized as revenue and eligible expenses incurred.

Environment Grant

In 2012 ABP received a grant from Alberta Agriculture and Rural Development (ARD) for an Overwintering Sites project. During the year, no expenses were incurred. A balance of \$8,488 was recovered in 2017.

Climate Change Extension Initiative

ABP has received a grant from Alberta Agriculture and Forestry (AF) to undertake a two-year Climate Change Extension Initiative. The purpose of the grant is to develop and implement beef cattle climate change practices among cattle and beef producers and increase participation in the project, an extension coordinator will be hired to develop and implement the program while working with AF and ABP staff. ABP will be providing in-kind project management services and in-kind support for the extension coordinator. No expenses have been incurred to date.

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS Notes to Financial Statements Year Ended March 31, 2018

9. RELATED PARTY TRANSACTIONS

National Organizations:

The Alberta Beef Producers Plan provides for ABP to be the provincial member of and contribute funds to the national organizations. As a contributing organization, ABP is entitled to representation as follows:

1. Canadian Cattlemen's Association (CCA)
 - a) The number of seats on the Board of Directors of the CCA is based upon the proportionate share of the CCA annual assessment. Effective July 1, 2012, ABP is entitled to seven of the twenty-eight seats.

2. Canadian Beef Cattle Research, Market Development and Promotion Agency (the "Agency"). As a contributing organization, ABP is entitled to representation as follows:
 - a) The Agency
 Alberta is entitled to two of sixteen seats on the Board of Directors of the Agency and by agreement, these seats are divided between ABP and the Alberta Cattle Feeders' Association. Canada Beef is the marketing and promotion division of the Agency.

 Canada Beef allocation for the year totaled \$2,915,330 (2017 - \$2,740,414) (Note 1).
 - b) Beef Cattle Research Council
 BCRC is responsible for providing research services for the Agency. A number of representatives to the Beef Cattle Research Council based on its proportionate share of total funding. For the year ending March 31, 2018 ABP was entitled to four of the eleven seats.

 Beef Cattle Research Council allocation for the year totaled \$728,833 (2017 - \$697,604) (Note 1).

3. Payments

	2018	2017
CCA Monthly Assessments Payments	\$ 1,541,137	\$ 1,482,302
CCA, Other		
CCA Legal Assessment	\$ 147,315	\$ 137,483
Research project funding, BCRC	139,460	125,000
VBP + Enhanced Tools Project	50,000	50,000
Canadian Round Table for Sustainable Beef Project	2,500	10,000
Young Cattlemen's Council, membership	2,000	3,500
	\$ 341,275	\$ 325,983

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2018

9. RELATED PARTY TRANSACTIONS *(continued)*

ABP made additional payments to the foregoing parties for contracted services as follows:

	2018	2017
Payments to Canfax, a division of CCA:		
Membership and services	\$ 53,400	\$ 53,400
Research projects	12,000	10,210
Communications	10,200	10,200
	\$ 75,600	\$ 73,810

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.

Amounts payable at March 31, 2018 to the following:

Canadian Beef Cattle Research, Market Development and Promotion Agency	\$ 1,130,006	\$ 1,534,613
Canadian Cattlemen's Association - Funding for research project	-	25,000
Canadian Cattlemen's Association - Operations	-	5,667

Amounts receivable at March 31, 2018 from the following:

Canadian Beef Cattle Research, Market Development and Promotion Agency	\$ 5,495	\$ 16,821
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Amounts receivable and payable at year-end are in the normal course of operations. The amount owing to and from Canadian Beef Cattle Research, Market Development and Promotion Agency includes the monthly collection of the National Levy and the province of origin amounts.

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS Notes to Financial Statements Year Ended March 31, 2018

10. COMMITMENTS

Operating leases:

ABP leases office space and equipment under various operating leases. The future minimum lease payments over the next five years and thereafter are as follows:

2019	\$	152,114
2020		152,064
2021		158,862
2022		160,041
2023		156,547
Thereafter		<u>188,029</u>
	\$	<u>967,657</u>

Funding of research projects:

Funding of research projects is contingent upon researchers meeting certain criteria prior to payments being advanced. The obligations for payments are only recorded in the financial statements when such criteria have been met. If the researchers meet such criteria for all projects outstanding as at March 31, 2018 the additional charges will be \$nil (2017 - \$277,500), which has been set aside in the Project Reserve Fund (Note 3).

In 2013, a \$500,000 funding agreement has been signed payable to BCRC to continue the Beef Science Cluster Projects and will be funded out of retained funds over five years commencing in 2014. In 2018, one payment was made for \$100,000 completing the agreement (2017 - \$100,000).

In 2013, a \$200,000 agreement was signed with BCRC to fund various research projects over four years. The final balance of \$17,500 was expensed in 2018 (2017 - \$25,000).

The balance of these research commitments to Beef Science Cluster Projects and BCRC is \$nil (2017 - \$117,500).

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2018

11. DIRECTOR, DELEGATE AND NON-DELEGATE EXPENSES

With respect to payment of honoraria and the reimbursement of expenses to producers elected as a delegate or a director and to the payment of the daily allowance and reimbursement of expenses to producers not elected as a delegate or director of ABP who worked as a delegate or director of ABP with respect to authorized ABP programs or activities, the following director and delegate honoraria, and non-delegate daily allowances, and expenses are included in each of the categories is as follows:

	2018	2017
Board of Directors and Board Representatives	\$ 60,407	\$ 98,425
Executive Committee	50,146	55,212
Annual General Meeting	49,831	55,777
Semi-annual Meeting	31,703	35,361
Cow Calf Council	27,509	11,202
Enhanced Federal Lobbying	20,256	29,523
Fall producer meetings and Resolution Policy Development	18,930	15,238
Canadian Cattlemen's Association	16,414	13,580
U.S. and International Trade Management	13,938	14,038
Animal Health and Welfare	13,473	16,800
Cattle Feeder Council	10,270	8,708
Provincial Advocacy	9,209	9,675
Research Committee	4,272	7,057
Industry Partnerships	3,578	4,815
Zone Committees	3,427	7,002
Marketing and Education	1,912	3,073
Audit and Governance Committees	1,701	2,179
Environment Committee	1,408	14,592
Beef Cattle Research Council	525	855
Communications	343	-
Canadian Beef Cattle Research, Market Development and Promotion Agency	225	2,287
Wildlife Committee	-	9,000
	\$ 339,477	\$ 414,399

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2018

12. FINANCIAL INSTRUMENTS

ABP is exposed to various risks through its financial instruments. The following analysis provides information about the ABP's risk exposure and concentration as of March 31, 2018. Unless otherwise noted, ABP's risk exposure has not changed from the prior year.

Credit, liquidity and price risk

ABP has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed in investments. The risks that arise from transacting financial instruments include credit risk, liquidity risk, and price risk. Price risk arises from changes in interest rates, foreign currency exchange rates, and market prices. ABP does not use derivative financial instruments to alter the effects of these risks. ABP manages these risks using extensive risk management policies and practices, including various Board-approved asset mix strategies and risk management limits.

Changes in interest rates and credit ratings are the main cause of changes in the fair value of government bonds resulting in a favourable or unfavourable variance compared to book value. Credit risk is mitigated by investing in securities with a rating of BBB or better and diversifying the securities. Interest rate risk is mitigated by managing maturity dates and payment frequency. ABP is also exposed to interest rate fluctuations on its cash balances. A sensitivity analysis for interest rate risk has not been performed for the year ending March 31, 2018 as the effect of a change in interest rates would have been minimal as the interest on the existing cash on hand is not a material amount. ABP limits credit risk associated with accounts receivable by dealing with counterparties that it believes are creditworthy. ABP has a significant number of customers which minimizes concentration of credit risk.

13. ALLOCATION OF EXPENSES

The salaries of the Executive Director and Controller have been allocated proportionately as determined by the Board of Directors on an annual basis. Costs that can be directly attributable to the individual programs and functions have been allocated to the specific programs and functions.

	Operational Expenses		Administrative Expenses	
	2018	2017	2018	2017
Executive Director	40%	40%	60%	60%
Controller	30%	30%	70%	70%

14. SUBSEQUENT EVENTS

Subsequent to year end, the National Check-off has increased to \$2.50 from \$1.00. Effective April 1, 2018, the ABP Board of Directors allocates the National Check-off as follows: 50% to Canada Beef ("CB"), 44% to Beef Cattle Research Council ("BCRC"), and 6% to Issues Management.

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Operating Expenses

(Schedule 1)

Year Ended March 31, 2018

	2018	2017
National Policy and Trade Advocacy Programs:		
Canadian Cattlemen's Association (Note 9)	\$ 1,541,137	\$ 1,482,302
Enhanced Federal Lobbying	23,315	34,903
U.S. and International Trade Management	20,777	26,160
National Governance and Oversight	20,491	19,247
Organizational Expenses:		
Annual General Meeting	101,968	116,796
Fall producer meetings and resolution policy development	94,349	84,407
Board meetings and Board appointed representatives	76,317	121,731
Semi-annual Meeting	65,550	69,301
Zone Committees	57,274	56,057
Executive Committee	51,191	57,519
Annual Report	48,475	50,178
Governance Committee	2,101	640
Audit Committee	410	2,240
Operational Expenses: (Note 13)		
Salaries and benefits related to programs	578,403	458,089
Marketing and Education	287,226	110,801
Project reserve fund	267,300	97,500
Communications	240,927	236,600
Industry Partnerships	181,886	186,239
Feed Grain Research Project	100,000	100,000
BCRC Science Cluster	100,000	100,000
Research Committee	65,040	23,924
Canfax Membership and Services (Note 9)	53,400	53,400
Cow Calf Council	41,768	16,110
Sponsorships	33,857	1,000
Cattle Feeder Council	28,260	21,712
Environment Stewardship Awards, previously the Environment Committee	18,843	44,585
Animal Health and Welfare	17,616	22,787
Provincial Advocacy	14,819	62,885
Service Charge Campaign	12,511	-
Industry Collaborations	3,257	5,388
Wildlife Committee	-	11,974
Administrative Expenses: (Note 13)		
Rent, office supplies and equipment	376,407	374,242
Salaries and benefits	297,833	302,548
Legal, audit and consulting	36,564	23,775
	\$ 4,859,272	\$ 4,375,040

CANADIAN CATTLEMEN'S ASSOCIATION FINANCIAL STATEMENTS

CANADIAN CATTLEMEN'S ASSOCIATION

Schedule of Revenue, Expenditure and Net Assets (Unaudited)

Year ended June 30, 2018, with comparative figures for 2017

	2018		2017	
Revenue:				
Assessments				
Alberta	\$1,558,019	45.6%	\$1,49,492	34.1%
Saskatchewan	537,060	15.7%	555,163	12.7%
Ontario	375,281	11.0%	420,292	9.2%
Manitoba	238,502	7.0%	266,949	6.1%
British Columbia	132,756	3.9%	126,722	2.9%
Nova Scotia	12,069	0.4%	12,069	0.3%
New Brunswick	10,057	0.3%	10,057	0.2%
Prince Edward Island	9,770	0.3%	9,770	0.2%
	2,873,514	84.2%	2,873,514	65.7%
Legal assessments	206,229	6.0%	142,212	3.3%
Public and Stakeholder Engagement	143,145	4.2%	-	0.0%
Young Leaders Development Program	88,443	2.6%	4,528	0.1%
Young Cattlemen's Council	37,814	1.1%	28,480	0.7%
Other	33,717	1.0%	30,301	0.7%
Sponsorship	10,000	0.3%	10,000	0.2%
Town Halls	8,802	0.2%	8,360	0.2%
National Beef Strategy	6,099	0.2%	597,457	12.7%
Interest	8,550	0.2%	4,811	0.1%
CYL Second Step	-	0.0%	114,640	2.6%
Sustainable Beef	-	0.0%	597,961	13.7%
Total Revenue	3,416,314	100.0%	4,372,265	100.0%
Expenses:				
Calgary Office	1,301,840	37.0%	\$1,201,658	27.2%
CCA Division Services	358,261	10.1%	359,450	8.2%
Ottawa Office	354,484	10.0%	320,572	7.3%
Advocate Services	313,282	8.8%	435,407	9.9%
Legal Reserve	206,229	5.9%	142,212	3.2%
Executive & Finance	172,005	4.9%	159,954	3.6%
Public and Stakeholder Engagement	139,241	4.0%	-	0.0%
Foreign Trade Committee	111,393	3.2%	65,899	1.5%
Annual Meeting	109,299	3.1%	94,856	2.2%
Young Leaders Develop	88,443	2.5%	4,528	0.1%
Animal Health & Meat	83,565	2.4%	93,206	2.1%
Semi Annual Meeting	58,620	1.7%	52,743	1.2%
Communications	44,885	1.3%	43,123	1.0%
International Beef Alliance	38,984	1.1%	51,848	1.2%
Young Cattlemen's Council	37,814	1.1%	28,480	0.6%
Environment	32,274	0.9%	29,595	0.7%
Animal Care Committee	21,888	0.6%	18,700	0.4%
Convention	17,972	0.5%	15,552	0.4%
Domestic Ag Policy	11,221	0.3%	8,389	0.2%
Town Halls	8,802	0.3%	8,360	0.2%
National Beef Strategy	6,099	0.2%	557,458	12.7%
Value Creation & Competitiveness	3,807	0.1%	856	0.0%
Canadian Cattlemen's Foundation	56	0.0%	96	0.0%
Sustainable Beef	-	0.0%	597,961	13.5%
CYL Second Step	-	0.0%	114,640	2.6%
Total Expenses	3,520,464	100.0%	4,405,543	100.0%
Net (loss) revenue	(104,150)		(33,278)	
Net assets, beginning of year	792,375		825,653	
Net assets, end of year	\$688,225		\$792,375	

CANADIAN BEEF CHECK-OFF AGENCY FINANCIAL STATEMENTS

Canadian Beef Cattle Research, Market Development and Promotion Agency Operating as Canadian Beef Check Off Agency

Schedule of Revenue, Expenditures and Net Assets (Unaudited)

For the year ended March 31, 2018, with comparative figures for March 31, 2017

	2018		2017	
Revenue				
Canadian Beef Check Off:				
Alberta	\$4,057,994	33.4%	\$3,830,942	29.6%
Saskatchewan	1,120,761	9.2%	993,854	7.7%
Ontario	905,224	7.4%	896,805	6.9%
Quebec	726,720	6.0%	887,729	6.9%
Manitoba	505,394	4.1%	457,087	3.5%
British Columbia	255,391	2.1%	235,721	1.8%
Nova Scotia	80,157	0.7%	8,225	0.1%
P.E.I.	30,331	0.2%	14,965	0.1%
New Brunswick	19,231	0.2%	17,223	0.1%
	<u>7,701,203</u>	<u>63.3%</u>	<u>7,342,551</u>	<u>56.7%</u>
Import Levies	947,730	7.8%	937,469	7.3%
Other income	78,036	0.6%	75,505	0.6%
	<u>8,726,969</u>	<u>71.7%</u>	<u>8,355,525</u>	<u>64.6%</u>
Government of Canada-Growing Forward II	2,905,042	23.8%	1,977,994	15.3%
Western Economic Diversification	552,687	4.5%	1,197,431	9.3%
Canadian Cattlemen Market Development Council	-	0.0%	1,395,000	10.8%
	<u>12,184,697</u>	<u>100.0%</u>	<u>12,925,950</u>	<u>100.0%</u>
Expenses				
Canadian Beef Check off Agency:				
Board of Directors	200,644	1.5%	234,259	1.8%
Operations	399,472	2.9%	346,915	2.6%
	<u>600,116</u>	<u>4.4%</u>	<u>581,174</u>	<u>4.4%</u>
National Check Off Allocated to Provincial Programs:				
Federation des Producteurs de Bovins du Quebec	717,218	5.3%	876,974	6.7%
Beef Farmers of Ontario	437,060	3.1%	437,394	3.3%
Nova Scotia Cattlemen's Association	40,166	0.3%	8,960	0.1%
Manitoba Cattle Producer's Association	39,364	0.3%	37,099	0.3%
New Brunswick Cattle Producers	19,352	0.1%	19,143	0.1%
Prince Edward Island Cattle Producers	15,444	0.1%	17,230	0.1%
	<u>1,262,604</u>	<u>9.2%</u>	<u>1,369,800</u>	<u>10.6%</u>
	<u>1,862,720</u>	<u>13.6%</u>	<u>1,977,974</u>	<u>15.0%</u>
Programs:				
Marketing (Canada Beef):				
Market Development:				
North America Canada Market Development	1,584,942	11.6%	1,465,387	11.1%
Global Markets	4,512,255	32.9%	3,825,472	29.1%
Operations, Canadian	3,134,285	22.9%	3,337,167	25.4%
Operations, Foreign	1,157,076	8.4%	1,165,740	8.9%
	<u>10,388,558</u>	<u>75.8%</u>	<u>9,793,766</u>	<u>74.5%</u>
Research (Beef Cattle Research Council)	<u>1,361,648</u>	<u>9.9%</u>	<u>1,288,478</u>	<u>9.8%</u>
Issues Management (CCA)	<u>95,239</u>	<u>0.7%</u>	<u>95,239</u>	<u>0.7%</u>
	<u>13,708,165</u>	<u>100.0%</u>	<u>13,155,457</u>	<u>100.0%</u>
(Deficiency) excess of expenses over revenue	(1,523,468)		(229,507)	
Net assets, beginning of year	8,514,553		8,744,060	
Net assets, end of year *	\$6,991,085		\$8,514,553	

* The Board of Directors has internally restricted \$4,000,000 as a contingency fund to allow for orderly operations to continue in the event of a change in funding or a wind down of the Agency.

BEEF CATTLE RESEARCH COUNCIL FINANCIAL STATEMENTS

BEEF CATTLE RESEARCH COUNCIL

Schedule of Revenue, Expenditures and Net Assets (Unaudited)
Year ended June 30, 2018, with comparative figures for 2017

	2018		2017	
Revenue:				
National Check Off	\$1,435,011	47.68%	\$1,263,767	42.01%
Enhanced VBP Plus	721,577	23.97%	807,314	26.84%
Other Project Funds	695,098	23.09%	699,561	23.25%
ABP Beef Science Cluster	67,500	2.24%	75,000	2.49%
Interest Earned	53,936	1.79%	30,348	1.01%
Verified Beef Program Plus	37,092	1.23%	132,342	4.40%
Total Revenue	3,010,214	100.0%	3,008,332	100.0%
Expenses:				
Cluster Projects	724,111	25.77%	1,109,530	32.70%
Enhance VBP Plus Expenses	684,349	24.35%	807,314	23.79%
Projects	583,012	20.75%	466,144	13.74%
Verified Beef Program Plus	555,708	19.77%	751,112	22.13%
Verified Beef Program Plus	197,031	7.01%	136,449	4.02%
Cluster III Projects	34,573	1.23%	122,986	3.62%
	31,537	1.12%	-	0.00%
Total Expenses	2,810,321	100.0%	3,393,535	100.0%
Surplus (Deficit) of revenue over expenses	199,893		(385,203)	
Net assets, beginning of year	3,171,171		3,556,374	
Net assets, end of year *	\$3,371,064		\$3,171,171	

* The majority of the net assets are committed to future year projects and are essentially held in trust for these projects.

PUBLIC AND STAKEHOLDER ENGAGEMENT FINANCIAL STATEMENTS

Public and Stakeholder Engagement
 Schedule of Revenue, Expenditure and Net Assets (Unaudited)
 For the Year ending June 30, 2018

	2018	2018
Revenue:		
Canadian Cattle Research Market Development and Promotion Agency	\$71,429	49.90%
National Check-off	15,614	10.91%
Alberta Beef Producers	43,675	30.51%
Deferred Revenue	12,428	8.68%
Total Revenue	<u>143,146</u>	100.00%
Expenses:		
Accounting, Administration and Management Fees	100,000	71.83%
Office	475	0.34%
Phone	1,897	1.36%
Computer	275	0.20%
Training	4,042	2.90%
Professional Development	2,271	1.63%
Air Travel	7,843	5.63%
Mileage	966	0.69%
Hotels and Meals	7,345	5.28%
Website and E Tools	304	0.22%
Miscellaneous	2,607	1.87%
Registration	2,688	1.93%
Beef Advocacy	7,100	5.10%
Depreciation	1,429	1.02%
Total Expenses	<u>139,242</u>	100.00%
Net income	3,904	
Net assets, opening	<u>-</u>	
Net assets, ending	<u><u>\$ 3,904</u></u>	

ELECTION BACKGROUNDER



ZONE 1

INCLUDES: Vulcan County, Newell County No. 4, Forty Mile County No. 8, Cypress County, Taber, Special Area No. 2 (south of the Red Deer River).



Kevin Stopanski
Jenner
403-898-2373



Brad Osadczuk
Jenner
403-793-5041



Kody Traxel
Seven Persons
403-502-1915

Zone 1 Candidates: **Acclaimed**

Brodie Haugan was born and raised on his family's ranch by the town of **Orion**. Brodie attended Medicine Hat College and later transferred to the University of Saskatchewan where he received a Bachelor of Science in Agribusiness with distinction. The year following university, Brodie worked for the MNP Farm Management Consulting team in Lethbridge. He currently lives and works full time on the ranch. Along with his parents, Brodie operates a commercial cow-calf herd, small backgrounding lot and produces all of their own feed. Brodie is a graduate of the Cattlemen's Young Leaders program, a past board members of the Young Cattlemen's Council and has been a Zone 1 delegate for ABP for the past four years.

Garth Porteous, along with his family, operates Laidlaw Ranch, a ranch and finishing feedlot along the South Saskatchewan River near **Bow Island**.

"I am honoured to be nominated as a delegate for the Alberta Beef Producers, not only as our heritage comes from the grassroots agricultural sector, but as we wish to continue to provide this way of life for our future generations. I would like to help build the present and future beef industry."

Cattle Feeder Council

Zone 1 can appoint up to one CFC Zone Delegate for the 2018-19 term.



ZONE 2 INCLUDES:

Warner County No. 5, Lethbridge County, Cardston County, Pincher Creek No. 9, Willow Creek No. 26, Ranchlands No. 66, Crowsnest Pass, Kananaskis.



Sheila Hillmer
Del Bonita
403-394-5798



Kayla Weston
Fort Macleod
403-634-9802



Tyler Sawley
Nanton
403-652-6829

Zone 2 Candidates: **Acclaimed**

Shane Hansen is a cow-calf producer near **Cardston**.

Fred Lozeman is co-owner and operator of a mixed farm near **Claresholm** with his cousin Grant Vogelaar. They are helped by their families, employees and friends.

"I have been an ABP Zone 2 delegate for the past two years and have served on the Board of Directors, the Research Committee (currently as Chair) and the Governance Committee. I am also an ABP representative on the Beef Cattle Research Council."

Cattle Feeder Council: Acclaimed

Jimmy Nelson is from a mixed operation near **Stirling** that he runs with his four brothers. Jimmy has six kids that all love the farm and an amazing wife, Patty, who keeps them all together. Two years ago, they expanded and started a partnership with Grace Hirsche called Nelson Hirsche Purebreds.

"It has been great to see the work done between ABP and ACFA and I look forward to the great things we can do working together."

ELECTION BACKGROUNDER



ZONE 3 INCLUDES:

Wheatland County, Mountain View County, Bighorn No. 8, Foothills No. 31, Rocky View County, I.D. No. 9 - Banff, Calgary.



Graeme Finn
Crossfield
403-312-2240



Chris Israelson
Didsbury
403-994-0561



Jeff Havens
Madden
403-899-2639

Zone 3 Candidates: Acclaimed

Keith Chitwood is a fourth-generation mixed farmer from east of **Airdrie**. He has an extensive background in agriculture with a Bachelor of Applied Science in Agribusiness from Olds College. He was a member of the Balzac 4-H beef club and started his own cow-calf herd in 2007. Keith is interested in becoming an ABP delegate because he would like to continue contributing to the industry and give back to the community he strongly believes in.

Heinz Lemmer and his family have been involved in the cattle business, directly and indirectly, for the last 32 years. They currently operate a 140 head cow-calf and heifer replacement

operation east of **Calgary**, previously in east central Saskatchewan. Depending on feed availability and markets they add value by raising replacement heifers for other cow-calf operations. Lemmer also has extensive experience with the dairy and pork industries. He and his wife have both worked off farm for 32 years and now both children are involved in the farm and ranch business.

“The beef business has been a passion of mine for many years and still is. Alberta has the resources and the attitude to supply beef and by-products to the world. However, to do so we need a strong united voice to stand in support of our industry

and I feel it’s my responsibility, and my turn, to give back and support the future of the beef business. My first term as a delegate has been interesting and rewarding. Working on the Cow Calf Council, Research Committee, AFIN Council and the Ecological Services Working Group has given me perspective on what ABP does to keep our industry association sustainable. I wish to do more to help build a strong, progressive association for the future. For this reason, I ask that you allow me to work on your behalf to make our industry stronger and unified.

Cattle Feeder Council

Zone 3 can appoint up to one CFC Zone Delegate for the 2018-19 term.



ZONE 4 INCLUDES:

Paintearth County No. 18, Flagstaff County, Provost No. 52, Wainwright No. 61, Special Area No. 2 (north of the Red Deer River), Special Area No. 3, Special Area No. 4.



Nicole Viste
Hanna
403-854-1986



Tim Smith
Coronation
403-575-1173



Jesse Williams
Hanna
403-854-1114

Zone 4 Candidates: Acclaimed

Shawn Freimark runs a 150 head cow-calf operation south of **Castor**. Shawn has been involved in and around the cattle business all of his life. He has been active as a supervisor of the local feeder association and Alberta breeder association. He worked at the local auction marts and enjoys working with every aspect of cattle.

“I am married with two kids who all work on and off farm. I have also worked all my life off farm and I currently work at a building supply store selling beef supplies.”

Garth Johnson operates a cow-calf and backgrounding operation near **Killam**.

Cattle Feeder Council: Acclaimed

Walter Suntjens and his wife run a mixed operation with between 400-500 cows depending on conditions and they crop 3,000 acres in the **Hanna** area.

ELECTION BACKGROUNDER



ZONE 5 INCLUDES:
Stettler County No. 6, Lacombe County, Red Deer County, Starland County, Kneehill County, Clearwater County.



Charlie Christie
Trochu
403-588-8384



Cathy Sharp
Lacombe
403-358-0575



Stuart Somerville
Endiang
403-741-7746



Cam McLerie
Red Deer County
403-505-3059

Zone 5 Candidates

Katlyn Benedict is a fourth-generation farmer on the family farm she currently operates with her parents near **Wimborne**. She attended the University of Alberta receiving a Bachelor of Science in Agriculture in 2015. Since then she has returned to work at the family's mixed grain and cow-calf operation.

"I am interested in becoming an ABP delegate because I am passionate about the industry and hope to bring a young perspective to the current issues in the Alberta beef community."

Kelly Fraser runs her family's cow-calf operation at **Pine Lake** with her mother Kristine, husband Scott and daughter Aubrey. NuHaven

Cattle Co. is a purebred Maine-Anjou operation that also raises show steers and heifers.

Kelly has served the producers of Zone 5 for the last three years as zone director, Finance Chair and Vice Chair of Alberta Beef Producers. She is also past president of the Canadian Maine-Anjou Association and a Canadian Cattlemen's Foundation director. She holds a Bachelor of Arts in Marketing from Texas Tech University.

"I have been honoured to represent Alberta's beef industry the last four years. I look forward to the continual strengthening of the industry through the collaboration efforts with our industry partners. This is an exciting time in our industry, and as all

sectors come together working for a common goal, the potential is limitless."

Dick Wymenga and his wife Rose operate a mixed grain and cattle operation with 200 cow-calf pairs in the **Leslieville** area. Despite not being a delegate last year, Dick continued to take an active role and represented ABP on the Drought and Excess Moisture Advisory Group.

"I support building the environmental, social and economic sustainability of our cattle industry and continuing to increase demand for our beef products amid the new threats we seem to face. With your support, I would like to continue to use my skills to represent Zone 5 for ABP."



ZONE 6 INCLUDES:
Ponoka County, Beaver County, Wetaskiwin County No. 10, Strathcona County, Camrose County, Leduc County, Parkland County, Brazeau County, Edmonton.



Tim Sekura
Rocky Rapids
780-621-6704



Ralph Buhler
Armena
780-893-0274



Kolton Kasur
Bashaw
780-387-8376

Zone 6 Candidates

Raymon Boeve is a cow-calf producer and grain operator in the **Gwynne** area. He has been a delegate for the past two years and has been learning a lot about the industry and the workings of ABP. In the past year he was a member of the Emergency Response Working Group and feels that we have been doing great work for the industry and would like to be part of the completion.

"I have been married for 18 years and have two children in senior high school. I volunteer as a director of the Wetaskiwin Agricultural Society where I feel we have done a lot of great things and want to do more in the community. I hope I am able to stay on as an ABP delegate and continue to help the industry and community."

ELECTION BACKGROUNDER

Zone 6 Candidates continued...

Jill Burkhardt and her husband, along with their three children, operate a 100 head cow-calf operation and background feeders near **Gwynne** in Wetaskiwin County.

Jill has a Bachelor of Science in Range Sciences from Montana State University and previously worked for the province of Alberta as a Rangeland Agrologist. She is also an active member in the Society for Rangeland Management. Currently, she is a freelance agricultural journalist and a member of the Alberta Farm Writers Association.

"I believe in putting consumers in touch with where their food comes from. In 2012, I started a blog to discuss issues in the beef industry and share about daily life on a beef cattle farm. I also volunteer with the Classroom Agriculture Program and our 4-H beef club."

Assar Grinde manages a 300 head cow-calf operation near **Bluffton**.

Arnold Hanson and family operate a third-generation cow-calf operation on their centennial **Viking** farm. He believes in balanced and inclusive industry discussions that support long range viability, board decisions that sustain all beef production sectors and continued consumer liaison on multiple levels, such as consistent quality control and innovative product development. He would like ABP to be a significant partner in all discussions that impact cattle producers. Past ABP experience was at the zone, provincial and national levels with additional governance involvement through multiple local, regional, provincial and federal committees and initiatives.

Cattle Feeder Council: Acclaimed

Cecil Andersen with his wife and two sons run Andersen River Ranches near **Drayton Valley**. They run around 450 cows and background around 700 calves. He is also Chair of Great West Feeder Association and the Pembina Grazing Reserve Association.



ZONE 7 INCLUDES:

Thorhild County No. 7, Barrhead County No. 11, Athabasca County, Lac Ste. Anne County, Woodlands County, Opportunity No. 17, Sturgeon County, Westlock County, Yellowhead County, Lesser Slave River No. 124, I.D. No. 12 - Jasper Park.No. 12, Municipality of Jasper.



Ken Stanley
Westlock
780-349-1936



Glen Kummer
Barrhead
780-305-4916



Colin Campbell
Bon Accord
780-914-9066



Martin Clausen
Westlock
780-307-7042

Zone 7 Candidates: Acclaimed

Rod Carlyon, with his wife Janet and three daughters, operates a cow-calf and backgrounding operation in the **Dapp** area. He is also in partnership with a neighbour on some purebred Red Angus cows. His operation utilizes rotational grazing and solar water systems to optimize water and grass quality, and sustainability. They have maintained large areas of trees and riparian areas to support wildlife. Birdhouses have been built and erected across the land base. His operation has opened its doors to the public by annually participating in Alberta Open Farm Days.

"I am interested in becoming an ABP delegate. I will bring passion, governance and ideas to support ABP to be a thriving organization which meets the goals of its members. I am a strong team player and believe excellence in team work will grow the Alberta beef industry."

Lorrie Jespersen farms with his wife, daughter and son-in-law west of **Barrhead**. They have a dairy operation milking 100 cows and run a cow-calf operation of about 160 cows. They attempt to grow all of their feed as well as some canola and wheat cash crops.

"I have been a director of Alberta Milk for several years as well as a delegate to ABP."

ELECTION BACKGROUNDER



ZONE 8 INCLUDES:

Smoky Lake County, St. Paul County No. 19, Two Hills County No. 21, Vermilion River County, Minburn County No. 27, Lamont County, Lakeland County, Lac La Biche County, Bonnyville No. 87, Wood Buffalo, I.D. No. 24 - Jasper Park.



Blair Anderson
Minburn
780-581-4690



Melanie Wowk
Beauvallon
780-210-2500



Gordon Graves
Iron River
587-201-1410

Zone 8 Candidates: Acclaimed

Danny Hozack operates a cow-calf operation near **Streamstown**.

"I have been an ABP supporter for the better part of my life and a delegate for some of the best days of my life. I believe that we need a strong organization now more than ever and I continue to be prepared to serve our organization and our industry if producers so wish."

Zone 8 can appoint up to one Zone Delegate for the 2018-20 term.

Cattle Feeder Council: Acclaimed

George L'Heureux has a cow-calf and backgrounding operation near **Lac La Biche**.



ZONE 9 INCLUDES:

Mackenzie County, Northern Lights County, Clear Hills, East Peace No. 131, Northern Sunrise County, Peace No. 135, Fairview No. 136, Birch Hills County, Saddle Hills County, Smoky River No. 130, Spirit River No. 133, Grande Prairie County No. 1, Greenview No. 16, Big Lakes.



John MacArthur
Fairview
780-835-1194



Linda Messner
Berwyn
780-338-2281



Lorrie Beck
Sexsmith
780-814-1939



Mike Nadeau
Beaverlodge
780-933-8886

Zone 9 Candidates: Acclaimed

Gary These runs a cow-calf operation and backgrounds his own calves just north of **Peace River**. He has been at this location for 24 years.

Gary is a past director of the Peace Country Forage and Beef Association and he is waiting for the final farm inspection to become a member of the Verified Beef Production Plus program.

"I am interested in becoming an ABP delegate because this is an industry I have made my living from for most of my life and therefore have a vested interest in helping the industry improve and move forward."

Zone 9 can appoint up to one Zone Delegate for the 2018-20 term.

VISION - Alberta Beef Producers is a strong, clear, and representative voice speaking and working on behalf of cattle and beef producers in Alberta and contributing to a vigorous and profitable beef industry.

MISSION - To strengthen the sustainability and competitiveness of the beef industry for the benefit of beef producers in Alberta.

FOR MORE INFORMATION

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Calgary, AB T2E 7H7
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fax 403.274.0007

albertabeef.org

Twitter @AlbertaBeef
Facebook @ABBeefProducers

2018 FALL MEETINGS & ELECTIONS SCHEDULE

ZONE 1 ALL MEETINGS 7 p.m. START
OCT 23 **TABER, AGRIPLEX**
OCT 24 **MEDICINE HAT, FEEDING COMPANY**
OCT 25 **BROOKS, BOW SLOPE**

ZONE 2 ALL MEETINGS 7 p.m. START
 FREE SUPPER 6 p.m.
OCT 29 **FORT MACLEOD, AUCTION MART**
OCT 30 **PICTURE BUTTE, TRACTOR MUSEUM**
NOV 5 **TWIN BUTTE, COMMUNITY HALL**

ZONE 3 ALL MEETINGS 7 p.m. START
NOV 1 **COCHRANE, RANCHEHOUSE**
NOV 6 **STRATHMORE, GOLF CLUB**

ZONE 4 ALL MEETINGS 7 p.m. START
 FREE SUPPER 6 p.m.
OCT 23 **PROVOST, LIVESTOCK EXCHANGE**
OCT 24 **KILLAM, SENIORS CENTRE**
OCT 25 **OYEN, SENIORS CENTRE**

ZONE 5 ALL MEETINGS 7 p.m. START
 FREE SUPPER 6 p.m.
OCT 22 **LESLIEVILLE, COMMUNITY HALL**
OCT 23 **BIG VALLEY, COMMUNITY HALL**
OCT 24 **INNISFAIL, LEGION**

ZONE 6 ALL MEETINGS 7 p.m. START
 FREE SUPPER 6 p.m.
OCT 23 **CAMROSE, REGIONAL EXHIBITION**
OCT 25 **PONOKA, LEGION**
OCT 30 **BRETON, COMMUNITY HALL**

ZONE 7 ALL MEETINGS 7 p.m. START
 FREE SUPPER 6 p.m.
OCT 30 **HAZEL BLUFF, COMMUNITY HALL**
NOV 1 **ANSELMO, COMMUNITY HALL**

ZONE 8 ALL MEETINGS 7 p.m. START
 COFFEE AND DONUTS 6 p.m.
OCT 29 **SANDY RAPIDS, COMMUNITY HALL**
 47407 HIGHWAY 55, IRON RIVER
OCT 30 **KITSCOTY, SENIORS CENTRE**
NOV 5 **VILNA, SENIOR REC BUILDING**
NOV 6 **MINBURN, COMMUNITY HALL**

ZONE 9 ALL MEETINGS 7 p.m. START
 FREE SUPPER 6 p.m.
OCT 29 **LA CRETE, HERITAGE CENTRE**
NOV 1 **GRIMSHAW, LEGION**
NOV 5 **VALLEYVIEW, MEMORIAL HALL**
NOV 7 **GRANDE PRAIRIE, POMEROY INN**

**ELECTIONS ARE BEING HELD
 IN ZONES 5 AND 6**

Attend your local producer meeting to vote in the plebiscite. This is your opportunity to make a decision on future funding for your organization and industry.



www.albertabeef.org

Return Undeliverable Canadian Addresses to:
 Alberta Beef Producers 165, 6815 – 8 Street NE, Calgary, AB T2E 7H7