

**Association of Alberta Co-op Seed Cleaning Plants Ltd.
Minutes of the 53rd Annual Meeting – January 12, 13 & 14, 2006
The Westin Hotel, Edmonton**

Friday, January 13, 2006

OPENING

President Wayne Jackson called the meeting to order at 9:00 a.m. with the following comments.

“Good morning, Ladies and Gentlemen, and welcome to the 53rd annual convention of the Association of Alberta Co-op Seed Cleaning Plants. It is rewarding for all those involved in the planning of this conference to see the support shown here today. Thank you for coming.

2005 held several challenges for Alberta producers. After several years of drought mentality, farmers experienced moisture levels ranging from plentiful to excessive to never-experienced-it-before proportions. The bad news was that harvest seemed to take forever and was filled with numerous setbacks. Many have a few acres still in the fields and/or fields with ruts visible for miles – me included. The good news is our bins are full, our feed supplies are replenished and the spring moisture outlook is optimistic. With the beef industry getting back on track again, it is hoped the grain industry will revive soon also.

Our members faced challenges too, but we cleaned over 30 million bushels in our plants this past year – a mark that is attained only through dedication and hard work. It is anticipated we can be at that level or higher again for this coming spring.

Your provincial association is constantly facing new issues and you can tell by the agenda that we will be discussing many of them in the next 2 days. Items of importance include possibly expanding our membership, funding for the organization, maintaining membership viability, and there will be at least 2 resolutions presented. I feel our association is facing an important era in terms of the future direction we take. We are looking for input from each and every one of you as to what our direction will be. I want to urge everyone to participate fully to make this another successful convention.

Besides the formal sessions, we have allotted considerable time for all to visit the sponsors’ booths in the outer rooms. There are displays covering nearly all aspects of our industry so make an effort to use this opportunity for the betterment of your plant. I wish to thank all our sponsors for participating in this convention, as without your support, it would not be possible.

Besides addressing the business at hand we have also allowed time for everyone to relax and enjoy themselves. The Allied Trade group will host Friday night festivities and a ventriloquist will headline our Saturday banquet. We will also be honoring several people after the banquet with our long service and Golden Kernel awards. The highlight will be

honoring our retiring directors and presenting Linda Henderson with the Outstanding Service award – one she certainly merits. There is also a spouses' program for those who have joined us for our conference.

Our hope is that this convention should have something of interest for everyone. I now declare the 53rd Annual Convention open. Its success will depend on everyone's participation. Please enjoy and be involved"

Nick Markovich, Region 7 Director, then led the assembly in the national anthem "O Canada".

INVOCATION

Following a minute of silence in memory of those whose presence will be missed, Mel Foat delivered the invocation.

WESTIN HOTEL

David Martin, Banquet Manager for the Westin Hotel offered greetings to the delegates on behalf of the General Manager and wishes for a successful meeting. The Westin has recently undergone some upgrades and renovations and there are more planned for 2006. Mr. Martin clarified that parking was included and the hotel would look after any parking tickets received by Association members who could not find a spot in the hotel parkade.

OPENING ADDRESS

Hon. Doug Horner, Minister of Alberta Agriculture, Food and Rural Development welcomed everyone to Edmonton on behalf of his colleagues and the legislature. He went on to say he is proud of the industry's accomplishments in 2005 and of where the industry is going. This past year he talked to industry members in all areas, his provincial and federal counterparts and attended trade and investment meetings internationally in an effort to see what needed fixing and what needed to be built. In 2005, Alberta moved out of the BSE crisis and is forging ahead from solid foundations. Programs with partners and stakeholders over the years have built a firm footing. The Association is currently cleaning around 75% of Alberta seed and the seed plants are forerunners in the search for value added and specialty markets. This is where our future lies.

The goals set are \$20 billion in secondary and \$10 billion in primary production by 2010. This compares to current values of \$10 billion secondary and \$8 billion primary. From producer to consumer we need to connect the dots all the way through the chain. Alberta's industry offers the best management, farm and food safety, and government is working to fix initiatives and programs such as CAIS. Government and industry need to work on issues like fusarium together; there is a need to remain vigilant.

New markets are essential for future success. We need access if we are to grow. The WTO round in Hong Kong in December was important for setting the playing field for agriculture for decades to come. Industry and government were represented and while we didn't get everything we asked for, there is agreement to eliminate farm subsidies by 2013. This will include eliminating financial privileges and subsidies and placing constraints on

the Canadian Wheat Board. The CWB hampers opportunities to develop markets. 90% of primary agriculture depends on trade and for that, market access is critical. We need to develop a framework for commodities. Mr. Horner said he will be urging his Federal counterpart to work on developing these plans to take advantage of the WTO trade deals. The goal for 2006 is a three prong deal covering export access, market subsidies and domestic support targeted for April 30, 2006. To develop this, the federal government will have to stay on track.

In conclusion, the Hon. Mr. Horner thanked the assembly for the invitation and said he looks forward to learning and working with the Association over the next year. It will be interesting because he sees the grain / oilseed sector as the biggest crisis in agriculture today.

GREETINGS FROM A.A.M.D.C.

President Don Johnson brought greetings from the AAMDC and noted that he saw members of the AAMDC in the session. He complimented the Hon. Doug Horner on a good job.

As president of the AAMDC, Mr. Johnson meets with his counterparts from other provinces. In Alberta we are fortunate to have people who understand and are willing to look at solutions and discuss them. Alberta strongly supports agriculture – better than other provinces – Alberta’s Provincial Treasurer is the former Minister of Agriculture. Mr. Johnson also sits on the Agriculture Task Force which Doug Griffiths from rural Alberta chairs.

Under the Rural Development Strategy, the seed cleaning plants are a vital part of the community. They are welcome at the council table. The AAMDC is anxious to support them through the ag service fieldmen and AFRD. It is a unique partnership and there was \$5.6MM additional support for the Ag Service Boards from the government in 2005.

Feed stocks are coming in from the US and we have fusarium concerns. Where he lives, corn is a huge concern. Unloading is being done without the corn being checked. The Ag Service Fieldman from Taber has been brought in to check the corn and there is a need to track and monitor it through the system. The seed cleaning plant is a vital part of that chain.

Agriculture is a backbone and value added products and processing is critical. This is an exciting, tough and challenging time. Mr. Johnson recently spoke to someone who took a B-train of grain to the elevators. After deducting his inputs, he lost \$2,000 on the load. That can’t continue.

How do we keep kids on the land? The AAMDC wants to partner with government to do that. We have the best producers in the world but it is an uphill struggle.

He concluded by saying it was a great pleasure to bring greetings to this conference and looked forward to visiting with everyone.

GREETINGS FROM ALBERTA BRANCH C.S.G.A.

Mr. Larry Kitz, Past President of the Alberta Branch C.S.G.A., brought greetings on behalf of that organization's 760 members. Mr. Kitz noted that the Hon. Mr. Horner is doing an excellent job representing us at the WTO. Mr. Kitz went on to share some interesting facts and statistics.

SIP (Seed Industry Partnership) has three members – the Government, the Association of Co-op Seed Plants and the Canadian Seed Growers. The Association represents 21,000 producers so be aware that it has a huge voice; the Minister has given that voice his ear and we need to thank him for that.

The Alberta economy received half a billion dollars through the plants. That is a significant contribution.

A survey was done rating journals and papers read by farmers and SIP managed to get seed.ab.ca on the survey. Top Crop received a rating of 42% for acceptance and value. seed.ab.ca received a rating of 41%, second in the province. The Western Producer came in at 31% and Country Guide was 20%. We are constantly facing challenges but we want to continue putting out the magazine free to all producers.

Mr. Kitz concluded that he looked forward to the conference.

INTRODUCTION OF THE BOARD OF DIRECTORS AND LADIES' COMMITTEE

Wayne Jackson introduced the board as follows, noting there were several changes due to elections:

	Board of Directors	Ladies Committee
Region 7	Nick Markovich	Ruth Markovich
Region 6	Steve Miller	Shelley Miller
Region 5	Francois Hebert	Elizabeth Hebert
Region 4	Lloyd Lidberg	Arlene Lidberg
Region 3	Floyd Hihn (VP)	Karen Hihn
Region 2	Wayne Jackson (Pres)	Pauline Jackson
Region 1	Henk Vos Thomas	Joyce Vos Thomas
General Manager	Bill Witbeck	
Manager Ass'n President	Ron Wirsta	Corrine Wirsta
Manager Ass'n Secretary	Wayne Walker	Julia Walker

A special thank you was extended to Bill Witbeck for his outstanding contribution as the General Manager. Carol Zuckerman was thanked for acting as recording secretary. Ellis Treffrey was thanked for once more acting as the conference's parliamentarian.

President Jackson then recognized and thanked the following guests and co-sponsors of the convention for their participation:

Proven Seed – co-sponsors of the Thursday evening reception
Foster Park Baskett Insurance Ltd. – co-sponsors of the Friday breakfast and registration desk (Rob Dechant, Debbie Workun, and Sarah Graff)
Agricore United – registration desk (Ken Wulff and Leslie Feniak)
BASF – sponsors of the women’s program - Rick Mitzel
Syngenta – Rod Bishop, Jason James
Bayer Crop Science – Monica Klaas
Manulife Financial Services – Linda Fletcher
Morneau Sobeco – Doug Sample
Issues Ink – Robynne Anderson
Rene Borle – Renel Construction
Aubrey Eaton – Canada Plant Technology
Keith and Doris Johnson

A list of convention sponsors is included on the back cover of the agenda and their support is always appreciated.

APPROVAL OF AGENDA

Mr. Jackson presented the agenda and noted that Lynette Lefsrud, who was to present the topic “Marketing Your Business Online” on Saturday at 9:30 am, was unable to attend. This item is therefore deleted and replaced by Larry Kitz discussing the SIP Partnership. Moved by Keith Brower (Wainwright) and seconded by Don Boles (Three Hills) “That the agenda be approved as presented and amended”. CARRIED

LADIES DRAW

Francois Hebert (Director Region 5) conducted the first Ladies Draw and the winner was Vicky Penner from Mountain View Seed Cleaning Plant (Carstairs). The prize was kindly donated by BASF.

PRESENTATION AND ADOPTION OF MINUTES

In an effort to keep down printing costs, each delegate has a copy of the minutes in their package and there are other copies available. A copy was sent to each plant and copies were distributed at the regional meetings.

Mr. Jackson asked for a motion to adopt the minutes as circulated.

Arden Ziegler (Vegreville) so moved. Seconded by Jack Wade (KIBA). CARRIED

THERE WAS NO BUSINESS ARISING FROM THE MINUTES

APPOINTMENT OF COMMITTEES

Mr. Jackson opened the floor to nominations.

1. Resolution Committee

Arden Ziegler (Vegreville)

nominated by Ross Bezovie (Willingdon)

Myron Zajics (Edgerton)

nominated by Keith Brower (Wainwright)

Moved by Ben Penner (Mtn View) and seconded by Albert Melnyk (Innisfree)

“That nominations cease.”

CARRIED

Mr. Jackson declared the committee struck as nominated, with Arden Ziegler as chairman being the first person nominated.

2. **Budget Committee**

Keith Brower (Wainwright)

nominated by Myron Zajics (Edgerton)

Larry Arndt (Westlock)

nominated by Brian Trueblood (Westlock)

Bill Witbeck (General Manager)

nominated by Arden Ziegler (Vegreville)

Moved by Arden Ziegler (Vegreville) and seconded by Pat O’Neill (St. Paul)

“That nominations cease.”

CARRIED

Mr. Jackson declared the committee struck as nominated, with Keith Brower as chairman being the first person nominated.

REPORTS

Vice President Floyd Hihn (Director, Region 3) welcomed the delegates and called upon President Wayne Jackson to present the Board of Directors Report, a copy of which was given to all attendees.

Moved by Wayne Jackson (President), seconded by Joe Kitz (Innisfree) “That the report be adopted as presented”.

CARRIED

President Wayne Jackson called upon Bill Witbeck to present the General Manager’s Report.

Moved by Jack Wade (KIBA) and seconded by Pat O’Neill (St. Paul)

“That the report be accepted as presented”.

CARRIED

AUDITORS REPORT

Daryl Andre from Daryl Andre Professional Corp. presented the 2005 Financial Statement. There is a loss shown on the statement of operations due to the sale of underperforming Manulife investments.

Moved by Gilbert Soetaert (Morinville) and seconded by Jarvis Taylor (Dawson Creek)

“That the 2005 financial statement be adopted as presented”.

CARRIED

DISPOSITION OF RESOLUTIONS

President Jackson called on Bill Witbeck, General Manager, to report on the disposition of the resolutions presented to last year’s conference.

RESOLUTION #1 (2005) PROPOSED AMENDMENTS TO PLANT BREEDER RIGHTS

WHEREAS: Proposed amendments to Canada’s Plant Breeders Rights Act have endangered the “Farmers Privilege” of saving seed from a protected variety for use on their own farm, and

WHEREAS: If the “Farmers Privilege” is not adopted in the plant breeders rights amendments producers will not be able to reproduce seed, for use on their own farms, and

WHEREAS: The majority of grain cleaned by Municipal Seed Plants is grain grown under the “Farmers Privilege” option, and

WHEREAS: The only protection producers will have is if the “Farmers Privilege” is adopted as an option to the breeder’s rights,

THEREFORE BE IT RESOLVED THAT:

The “Farmers Privilege” be defined as “cleaning, conditioning and saving seed from a protected variety for use on their own farm” and be entrenched in the new Plant Breeders Rights Act as a **right** not simply a privilege or option.

DISPOSITION: This resolution was forwarded to the Minister of Agriculture, who in turn forwarded it to Plant Breeder Rights. He sent a letter in response which said there could be no individual response given due to the volume of comments on this issue.

RESOLUTION #4 (2005): *FUSARIUM GRAMINEARUM* TESTING

WHEREAS: There is a concern that not all member seed plants are in compliance with the resolution passed at the 2004 Annual Convention requiring testing of all cereals to be cleaned for seed for *fusarium graminearum* (Tombstone); and

WHEREAS: one role of this Association is to inform its members of their responsibility to help Alberta farmers maintain the viability of their industry; and

WHEREAS: the spread of Tombstone would devastate our industry,

THEREFORE BE IT RESOLVED:

That Head Office of the Association send to managers of all 77 member plants the following survey to enable us to identify and directly contact our non-compliant members, address their concerns, and inform them of the absolute need for this properly timed measure.

Fusarium Graminearum (Tombstone) Testing Survey (Please check appropriate box)

A.	We require a test	
B.	We do not require a test	
A. 1	We test a sample before grain may be delivered.	
2	We test as truck is unloaded	
B.	We do not test because:	

1	We aren't worried about tombstone	
2	Customers aren't worried about tombstone	
3	We never heard about this test	
4	The test is too expensive	
5	The test takes too long	
6	We will lose business if we require a test	
7	We will wait until there is a problem	
8	We expect to make a lot of money cleaning tombstone out of crops later	

Comments:

Chairman (Signature)

DISPOSITION: The questionnaire was sent to all the plants and there were 57 responses. They were not very illuminating though and there was no agreement. Some plants didn't respond at all, some said it was not the business of the Association, some provided their policies and some said they had no policy but were actually doing certain things.

LUNCH

Mr. Francois Hebert (Director, Region 5) chaired the afternoon session.

GENERAL INSURANCE UPDATE

Rob Dechant of Foster Park Baskett Insurance Ltd. handles the Association's general insurance program and reported on a number of insurance issues. A full copy of his presentation is available upon request. His topics, summarized below, include Property Values, Directors and Officers Liability, Seed Samples, Buying and Selling Grain and an update on Alberta Auto Insurance.

With the increased cost of insurance, it is critical that plants review the sums insured on their plants. They also need to ask themselves if they would rebuild if their plant was destroyed. If the plant is to be rebuilt, it needs to be insured for the full replacement cost of the buildings, equipment, stock and other contents. If it is not to be rebuilt it can be insured for its "actual cash value" – a far lower figure which may only cover the cost of debris removal. Directors are responsible for keeping their insurance values current and need to know that construction prices as of 2005 were in excess of 130% of a 1997 benchmark (100%).

Between 30 to 35% of the plants now purchase Directors and Officers Liability insurance. If boards have questions about this coverage, contact Rob and he will be happy to come to a meeting and review the insurance with them. This insurance is about protecting the directors personally – not the plant. Plants purchasing this insurance complete a renewal questionnaire each year and need to pay particular attention to Question #14 which asks if anyone has knowledge that may result in a future claim. As the Association members were advised by their lawyers, it is critical to disclose everything.

Seed Samples are the property of the plant and every effort must be taken to catalog them and maintain their integrity. The reason for keeping them is for comparison of the seed before and after cleaning. Mr. Dechant recommended that these samples not be used for any purpose other than insurance without the express written consent of the farmer.

Grain Sales – The Association’s liability insurance was always based on seed cleaning and the “incidental” sale of seed (i.e. where the plant is a middleman). When a plant buys seed and then resells it, they incur a product liability and must arrange additional insurance. If plants do this they need to let Foster Park Baskett know so that particulars can be obtained for negotiation with insurers.

The Alberta automobile insurance market has been very quiet. The mandatory rate freezes are still in effect and it will be a while before results of the changes can be evaluated. Certainly the government feels the program was successful in that their phone has stopped ringing.

Finally, Mr. Dechant confirmed that Associate Members to the Association would not affect the group rates because their liability would be handled separately based on their operations.

OPPORTUNITIES & CHALLENGES: THE NEW REALITY

Dann Mattson and Merle Good from AAFRD discussed “Trends in the Agri-Food Industry” and “Follow the Challenges”. Full copies of both these presentations are available upon request. A summary of Mr. Mattson’s presentation follows.

“The biggest problem in managing a business is that change keeps occurring.” It is important to align your business with the trends which are:

Trend #1 Continued Change in Industry Structure through increased concentration (larger operations) and more vertical coordination. The drivers of this trend are globalization, decreased margins, advances in technology and market access.

Trend #2 There is an increase in the number of small part-time farms. This is being driven by the romance of country living, tax advantages for farmers and the high cost of urban living

Trend #3 Freer global trade is a trend driven by advances in communication and transportation and consumer demand for low cost, high quality food. In Canada we have excess ag-production capacity and 60% of Alberta agricultural products are exported.

Trend #4 in 1921 27.4% of the Canadian population were farmers. By 1996 this had dropped to 3%. This creates trend #4 – a decrease in the ag vote and lobby. As the percentage of the population involved in agriculture decreases, so does the sympathy for the plight of the farmer.

Trend #5 is political pressure to balance the budget. This is driven by an increased understanding of the interest cost associated with the deficit, the negative economic impact of high taxes and a decreased willingness to pay taxes.

Trend #6, decreased public funding for agriculture, is the logical outcome of Trends 4 & 5. Increased scrutiny of public spending combining with a reduced voice and our need for access to the global market are the main drivers.

Trend #7 is increased concern for “green issues”. This trend towards food safety, healthy eating, healthy food, environmental concerns and animal welfare concerns is being fueled by consumer pressure and may create opportunities for the Seed Cleaning Plants i.e. Organic foods.

Trend #8 is the increasing cost and / or standard of living. This trend increases your costs so a viable farm needs to be larger. An Ipsos Reid study showed 60% of farm managers’ had a primary objective of providing a living for their families.

Trend #9 relates to the number of seeded acres, which is flat to decreasing. Major crop acres in 1985 were 18.7 million, and that fell into the 16 to 18 million range by 2005. Major crops are wheat, barley, oats, flax and canola.

In summary, there is no growth in seed due to the flat seeded acres. An increase in vertical integration results in less open market seed. An increased cost of living creates the need for increased cleaning volumes. On one hand, concentration is creating larger farms, while on the other, part time farmers are creating more small farms. There are more “green” issues resulting in an increase in non-seed grain cleaning. The solution is to look for niches by understanding the trends. Identify which trends are affecting your business the most and develop a strategy that will allow your business to prosper in the future.

Mr. Good’s presentation is summarized as follows:

In order to follow the challenges, the first step is financial analysis. Do this by “looking forward through your rearview mirror”. Take a look at the past 3 years of your results before you project forward. What are your break evens per bushel? What are your fixed costs? Your variable costs? Analyze your customers. Who are they? Understand what you have before you plan ahead. There should be no zero based budgets.

The Canadian Farm Business Advisory provides eligible producers access to an assessment of their farm financial situation by a qualified consultant to help them set goals for their business and to develop plans to meet those goals. The program has two components.

1. Farm Business Assessment (FBA)
2. Specialized Business Planning Services (SBPS)

Who is eligible?

- An individual, corporation, cooperative, partnership or other association of persons that are engaged in farming for commercial purposes (having gross farm sales of \$10,000 or more).
- A “beginning producer”: an individual who intends to establish a farm business or who has owned and operated a farm business for less than 6 years and can demonstrate that the farm business will have, or has, annual gross farm sales of \$10,000 and over.
- Note: Groups can also apply for SBPS. Each applicant must be a distinct and separate farming business or operation.

Through SBPS services, producers are offered financial assistance to hire a consultant to assist develop a comprehensive business plan in areas such as succession, expansion, marketing, diversification, risk management or human resources.

The producer pays 50% of the consultant fee and the federal / provincial governments pay the other 50% (up to \$8,000 per farming operation).

Groups are eligible for multiples of this (i.e. 2 farmers - \$16,000; 3 farmers \$24,000, etc.)

Customer Analysis can be done through customer surveys and focus group meetings. Are you focusing on people vs. bushels? Are you dealing with the largest farmers in your area? Can you generate enough business for the small life style farmers? What is your reputation?

Business Analysis: Redefine what you are selling. Successful purebred cattle breeders are not selling bulls but rather solutions. Is your business simply a seed cleaning service or should it be more? Provide convenience by trucking seed to the drills of large operators and customer seeders. Can you provide on-site storage for small customers? What other services can you offer - seed treating, networking, equipment rental site?

With “urbanized agriculture” there are a lot of niche opportunities. Diversify with unique products. Location is important (i.e. oats for the race track at Balzac). Where do you get your investment for these ventures? Consider that the Agricore elevator that was purchased by the New Gen Co-op. Over 50% of the investors were non-farmers.

Do market analysis by looking at what is happening with your competition. There are vertically integrated suppliers out there with “bundled contracts” tied to buy seed, fertilizer and sprays. As a result you clean less of your own grain. The mobile cleaners are targeting the large producers. The cattle industry is increasing forage acres and pasture and there is increased swath grazing.

What are your opportunities? Clean grain for other purposes than seed such as identity preservation and standards. Find your niche market. Look at joint venture opportunities. For example, could the new Bayer plant in southern Alberta been a joint venture with one of your plants?

Analyze your individual plants. Be honest. Can you compete and do you have the energy to do it? Are there partnering opportunities with neighboring plants? Should there be an actual business merger and/or a territorial combination? Do you need to create a regional management team CEO? Barley seed costs \$2.20 per bushel plus \$0.35 per bushel cleaning - \$2.55. To purchase seed is \$4.55 or \$2 more. Your competition is charging a markup of 80%. What are they offering that you aren't?

CSS PENSION PLAN

Mr. Dave Kapeluck, Member Services Manager reviewed the CSS Pension Plan. A complete copy of his report is available upon request.

The CSS Pension Plan started in 1939 and operates as a defined contribution or money purchase plan. Retirement income depends on your accumulated balance at retirement and the type of retirement income option you select. Your accumulated balance is determined by your contributions and the rate of return. The income options are a monthly pension from the plan or a LIF / RIF from a financial institution.

CSS has about 500 employer members of which 20 are Alberta Coop Seed Cleaning Plants. This translates to about 36,500 employee members, made up of 17,300 active members, 14,000 inactive and 5,200 pensioners.

The plan has a Board of Directors comprised of equal numbers of employee and employer delegates who serve 3 year terms. The market value of the plan as of December 31, 2005 is around \$2.75 billion.

Effective January 2005 the CSS plan has two investment funds, the Balanced Fund and the Money Market Fund. The Balanced Fund is the default option (formerly called the Non-Retired Lives Portfolio) and is made up of roughly 50% stocks and 50% bonds. It provides a moderate return with moderate risk. Returns are variable and there are occasional short term losses. The Money Market Fund is intended as a pre-retirement investment option and is comprised of 100% short term investments. It provides low returns at low risk so it is very stable and short term losses are unlikely.

All records regarding membership and contributions are maintained by the CSS Pension Plan; there are no administration fees charged to employer members.

CSS Pension Plan membership in Alberta is available to all plant employees, management, the General Manager, etc. The maximum waiting period is 2 years of service and membership is mandatory for all full time employees. Non full-time employee membership is optional. The plan is available to non full-time employees with earnings of 35% or more of CPP YMPE in any 2 consecutive calendar years. For example the 2006 CPP YMPE is \$42,100.

Employer member sets a matched contribution rate from 1% to 9% of employees' salary / compensation. The CSS Pension Plan has a recommended contribution rate of 5% of salary up to the CPP YMPE and 6% of salary in excess of YMPE.

The Defined Contribution Pension Plan Contribution Limit is the lesser of 19% of the current year's salary or, in 2006, \$19,000. All employee contributions, and all employer contributions combined cannot exceed this limit.

Q. Are contributions tax deductible like RRSPs?

A. Yes

The employee gains ownership of Employer contributions and earnings after 2 years of continuous working service. Funds are locked in for retirement income after age 50.

The plan also has Death Benefits. If a member dies before retirement all the contributions are payable to the surviving spouse or beneficiary as taxable income. If the member dies post retirement payment depends on the lifetime retirement income option(s) selected.

Retirement is when you terminate all employment. The pension uses a normal retirement age of 60 and provides for early retirement at either 50 or a combination of age + service that totals 75 or more.

Mr. Kapeluck then provided a number of examples of how the plan would work based on various salaries, contribution rates, length of time contributing, etc.

CSS Pension Plan provides the following services: Annual Statements (February), a semi-annual newsletter "TimeWise", an Annual Report, information sessions, retirement planning seminars, retirement income options workshops and a website www.csspen.com

To join the employer must contact CSS Pension Plan and obtain the membership kit. Membership is restricted to Co-ops and Credit Unions. The Board of Directors must approve the eligible employees, the contribution rates and the waiting period for vesting. They complete the employer membership application and receive the employee membership applications.

The CSS Pension Plan can be contacted at:
PO Box 1850
Saskatoon, SK S7K 3S2
Phone: (306) 244-1539 Fax: (306) 244-1088

BASF

Mr. Rick Mitzel introduced the BASF staff:
Christine Hackle, Technical Specialist for Alberta
Andrea Moffat, Business Rep for the Calgary to Red Deer area
Joel McCortek, Business Rep for Edmonton

He then provided an overview of BASF's role in industry and their products. He also thanked the Association for their support in the past year and said he looked forward to working together in 2006. A complete copy of his presentation is available upon request.

Four years ago BASF purchased Charter and Fipronil treatments from Aventis. They have established a Seed Treatment Technical Centre in Germany where they test new actives, test formulations and assess handling characteristics of new formulations. They have a long term strategy that is committed to seed treatment and the development of new offerings.

Charter is the tried and trusted brand with which most seed treaters are familiar. The tagline is "Faster start. Stronger finish." Again for cereals, it provides exceptional safety at a single rate and single price. A 66.7 (200) L drum provides protection for 2,451 bushels of wheat, 3,063 bushels of barley or 4,595 bushels of oats.

Gemini received registration March 2005 and is the premium product for disease control. The tagline for Gemini is "Star Performance" and it provides disease control with a ready to use formulation and single rate application. For cereal seed (wheat, barley and oats) Gemini provides excellent control of fusarium. It is safe and on a performance grid it came out #1 in most categories.

In 2006 BASF will be selling Charter and Gemini and has good supplies of both. Charter has excellent control of true loose smut, fusarium and with excellent seed safety is a great fit for the barley market. The Charter MSP is \$225 to \$230 per acre. Gemini will be positioned as a premium product for seed and soil borne fusarium as well as root rot. It is an excellent fit in the wheat market and will cost about \$315 per acre.

MORNEAU SOBECO: Doug Sample

Insurance Plan Overview & Trends

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I. Plan Summary for Alberta Seed Plants

- a) Accident Insurance Program
Benefits are provided for injuries as the result of an ACCIDENT and include:
Accidental Death, Dismemberment and Paralysis
Weekly Accident Indemnity
Weekly Hospital Benefits
Medical Expense Reimbursement

b) Group Insurance Program

Pooled Benefits:

Life Insurance
Accidental Death and Dismemberment (AD&D)
Long Term Disability (LTD)

Experience-Rated Benefits:

Health Benefits
Dental Benefits

II Industry Trends

a) *sanofi-aventis Healthcare Survey 2005*

Plan member satisfaction with their health benefits plans has declined over the years

Plan members recognize their own important role in controlling rising costs

The majority of respondents indicated their desire to earn benefits plan rewards, or incur penalties, based on their health habits

73% agree they have an equal part to play in helping to control their plan costs
Even if given a substantial amount of money, plan members would not want to trade their benefits package : it gives them an undeniable sense of security

II.Industry Trends

b) Facts and Statistics

Aging population has increased the number of prescriptions per person

Average annual drug expenditure has increased by 59% between 2000-2004

Newer drugs are more expensive than those they are replacing. The average ingredient cost of drugs introduced in 2004 was approximately 300% more than the average for all drugs.

The average number of prescriptions per person is continuously rising year after year.
Professional fees are increasing.

Advances in drug discover and research makes them more expensive.

Reduced funding for public services, leaving either insurance companies or patients to absorb the additional costs.

III. Cost Containment Options

Extended Health Care
Reduce drug reimbursement (coinsurance) level
Introduce an annual maximum to the drug benefit
Implement a large annual deductible

Dental Care

- Reduce the annual maximum
- Limit recall exams (check-ups) to one per year
- Eliminate coverage for dentures, crowns and bridges

RESOLUTIONS

RESOLUTION #1

WHEREAS: Tariffs charged by some scale supply companies to certify seed plant weight scales are sometimes duplicated even though scales are certified in the same general area, on the same day.

THEREFORE BE IT RESOLVED:

That the Association of Alberta Co-op Seed Cleaning Plants Ltd. investigate the tendering of the scale certification for the membership.

Sponsored by Region 5

Moved by: Keith Brower (Wainwright)

Seconded by: Ted Wilkinson (Edgerton)

CARRIED

DISCUSSION: Everyone was being charged mileage and meals although all the scale certifications were done in the same area on the same day.

Mel Foat (Sexsmith) The same thing happened in this area. The truck comes up and does 10 scales at once but each plant was charged for the plane ticket and mileage from Grande Prairie to Sexsmith. This amounted to an extra charge of about \$900. Mel called Howard Pedigrew at Precision Scale who said that it was a mistake and should have been pro-rated between the various places certified. Wainwright brought this up with them as well and was promised it would be looked after. Sexsmith's issue was resolved but it appears that nothing was done for Wainwright. Roger Dicker confirmed he had not seen a rebate from the scale company.

Bill Witbeck (Gen Mgr) – At the board meeting it was pointed out that if say, Accurate Scale wins the tender to do all the plant scales, they may have problems handling the other scale company's equipment. They may not be familiar with or have the tools for Precision Scale equipment for example.

Tom Luethi (Warburg) – Weights and Measures came out and certified the plant scale at no cost. Maybe everyone should use them.

Weights and Measures only test – they cannot repair scales. Ron Wirsta (St. Paul) advised that Weights and Measures are pulling away from the certification and won't be around so often in the future. The scale companies are all ISO9000 certified.

The motion speaks to “certification” not repair.

Bill Witbeck asked for direction. What would the meeting want to happen to the resolution? It should go to the Board of Directors for implementation. Bill asked which companies the Board is being asked to obtain tenders from. A list was compiled as follows and Bill asked that if there were others to be added to let him know.

Accurate Scale
Pacific Scale
Precision Scale

RESOLUTION #2

BE IT RESOLVED THAT: The Association of Alberta Co-op Seed Cleaning Plants Ltd. send a letter to Alberta Agriculture Food and Rural Development (AAFRD) and Association of Alberta Municipal Districts and Counties (AAMDC) stating that all portable, and private seed cleaning plants be expected to operate under the SAME principles and regulations as do the stationary co-op seed plants.

Sponsored by Region 7

Moved by: James Obniawka (Sexmith)

Seconded by: Mel Foat (Sexsmith)

CARRIED

DISCUSSION: The problem is portable cleaners are cleaning for big producers but not following fusarium testing rules. We just want a level playing field where everyone is held to the same standards.

Point of Clarification: The resolution is to be sent to the Minister, AAFRD and Don Johnson, President of AAMDC.

A Notice of Motion to amend the Association bylaws was presented as follows:

NOTICE OF MOTION Amendment of Section 2.07

Notice is hereby given that a special meeting of the Association of Alberta Co-op Seed Cleaning Plants Ltd. will be held at the Westin Hotel, 10135 – 100 Street, Edmonton, Alberta, in the Province of Alberta on Friday, the 13th day of January, 2006.

Amendment of Section 2.07 of the Existing Bylaws to read as follows:

Auxiliary members may be accepted into the Association. An auxiliary member must be:

- a) a cooperative as defined by the new Coop Act and,
- b) involved in the grain business,
- c) in agreement with the aims and purposes of the Provincial Association

Fees for auxiliary members shall be equal to the fees for full members and auxiliary members shall be entitled to all rights and privileges of full membership except their delegate shall not have voting privileges at any annual, special or general meeting of the

Provincial Association, nor will their delegate be eligible to hold a position on the Provincial Board.

Moved by Wayne Jackson (President) “That the Bylaws be amended as outlined in the Notice of Motion.” Seconded by: Floyd Hihn (Director Region 3)

DISCUSSION: Wayne Jackson (Mtn View) said this was discussed with the Board, lawyers and the Department of Agriculture. If membership declines we need to maintain funding and this amendment would keep the insurance risk broad and the funding constant. There will be no impact to the general insurance or benefits and the lawyers signed off on the change. We can control these members through the bylaws which do allow for membership termination. The board can also control the number of auxiliary members admitted to the Association. The negatives are that the Association is all seed cleaning plants now and there could be auxiliary members that are ag coops but not seed cleaners. If too many of these other areas become members they could change the Association and of course, if there was a big accident it might impact the insurance rate.

Would they be inspected? They are not controlled by legislation the same way as seed cleaning plants are but if they wanted to be members some sort of inspection should be mandatory.

Ben Penner (Carstairs) Moved the motion be amended to include a fourth condition

d) Auxiliary members will be accepted on a 3 year trial period.

There being no seconder, this amendment to the motion died on the floor.

Orest Berezan (Vegreville) requested clarification. These people are joining for the insurance program benefit, correct? We need to be careful because a grain co-op could affect everyone if they have a loss. Would the Association be changing its name?

Wayne Jackson answered there was no intention to change the name.

Rene Victoor (Morinville) – Obviously you have a specific instance in mind – who is it? The UFA?

Answer: No

So who asked – Bashaw? Are we talking about only Alberta coops?

Answer: The entity that asked was Westlock Terminals and we would not be soliciting new members, nor looking at co-ops outside Alberta unless in the Fort St. John area.

Bill Sinclair (Bashaw) Rob Dechant said today that there would be separate liability policies for these people. Would we need them to follow the same housekeeping practices as the plants because certainly dust problems are a concern with grain companies?

Roger Dicker (Wainwright) Why not give auxiliary members the same rights as other members? In other organizations, associate members have caused dissention at the annual meetings.

Steve Miller (Westlock) I brought this request from Westlock Terminals forward. They are a New Gen Coop owned by farmers but they lack the volume to purchase insurance. Fire insurance rates would be based on their building and they would have liability insurance based on their own operations. There is no upward insurance risk bringing them in as far as we know. The change in bylaws would just allow the Board to consider an application by them for membership and that is all.

Mel Foat (Sexsmith) – Can we table this until tomorrow to give people a chance to talk and think it over?

Moved by Mel Foat (Sexsmith) “That the Notice of Motion for amendment of Section 2.07 be tabled until the resolution item on tomorrow’s agenda (Saturday, January 14, 2006).
Seconded by Pat O’Neill (St. Paul) CARRIED

Francois Hebert (Director Reg 5) adjourned the meeting.

Saturday, January 14, 2006

Steve Miller (Director, Region 6) brought the meeting to order at 9:00 a.m. Mr. Miller thanked the Managers Association and Allied Trade Group for the entertainment and prizes Friday evening and dealt with some general housekeeping issues.

SHARING THE MESSAGE: Robynne Anderson

Robynne Anderson (Issues Ink) publishes Germination Magazine and seed.ab.ca as part of the SIP agreement. Membership participation is at an all time high with 69 member ads in the Seed Guide and 77 member adds in the winter edition of the magazine. The website and magazine ads reach 70,000 farmers and generate about \$13,000 revenue to the partnership.

“Sharing the Message” flowed out of Germination magazine and she urged everyone to pick one up one of the blue kits from the table outside. Co-op plants are part of the seed industry despite the fact there was an adversarial relationship between certified seed growers and the plants in the past.

It’s time to get serious. Serious about Sharing the Message. For the past year, the seed industry has been subject to intense scrutiny. Groups like the National Farmers Union and some others have questioned whether plant breeding adds any real value to farms. They’ve also said that the seed industry does not help farmers. And we as the seed industry have sat quietly by, biting our collective lips and not standing up for ourselves. We have not got the message out to farmers that we’re on their side – that the seed industry is profitable only when farmers are profitable.

That's why we sell new varieties that have been bred for success – to make farms better. And that's why we use the certified seed system that adds meaningful benefits to today's farm operation in terms of traceability and risk management.

It is time to clear up these misconceptions. So today, we're rolling out a new program to help you Share the Message about the value of certified seed - and in fact the value of the whole seed industry - to your farmer customers.

This program is brought to you by concerned industry players like the Canadian Seed Growers' Association, Canadian Seed Trade Association, Germination Magazine, Pioneer Hi-Bred, Monsanto, SW Seed, Dow AgroSciences, Bayer CropScience, CropLife Canada, Agricore United, Hyland Seeds, NK, and SeCan. It provides key information and tools to help you be proactive about successfully selling the benefits of quality seed.

Sharing the Message explains the benefits of certified seed, the value of plant breeding, and tackles important issues from intellectual property to the role of R&D so that the agricultural community hears some straight facts about the value of the seed industry.

Really, it is all about certainty. There's lots of risk and uncertainty in farming. Using certified seed means farmers and the value chain know exactly what they're getting. The benefits of certified seed have been encapsulated in four easy-to-remember points:

- marketing power,
- top quality seed,
- risk management,
- and new varieties that are bred for success.

In fact there are lots of great reasons to use certified seed. Here are a few of the Top 10 Reasons:

4) Farmers get access to new opportunities.

Many end-users are requiring specific varieties for their products. Using certified seed can open the door to new opportunities and greater sales by providing proof of varietal identity.

5) Farmers get new genetics.

Improved traits like better yield, pest resistance, drought tolerance, herbicide tolerance, and much more are delivered to farmers in certified seed. Years of research and development went into these traits and they can only be reliably accessed through certified seed use.

6) Farmers get substance to back up their word.

The blue tag is proof that farmers used certified seed to maintain the value traits of the crop. It's their assurance to grain buyers and others that what they are delivering is what they say it is.

10) Farmers get traceability.

Food safety and traceability are important considerations in agriculture. You can only be sure of your product if you know its origins. Certified seed is the key to that knowledge: production of this seed is carefully controlled under a quality assurance system right from

the very beginning. Using certified seed will allow farmers to capitalize on a whole history of traceability measures.

We encourage you to use these reasons, and the others, in newsletters, handouts, and even the ad formats we prepared for you.

Talking about the benefits of certified seed needs to be a habit. And it's not always easy. You get asked some tough questions...

For instance... Isn't it cheaper for me to use my own seed? How do you answer this question?

Here's an answer to a farmer: The savings may not be what you expect. Reusing your seed is not "free" – there is the commodity value of the crop, plus extra trucking for cleaning, cleaning costs, reduced risk management tools, potential liabilities, and possibly lost markets.

(Aside: Really, we know time sells in the farming community. Herbicide tolerant crops prove farmers are willing to pay to have more time.)

We've also prepared some information on the value of plant breeding...

There has been a 50% increase in productivity of the major agricultural crops during the last 30 years. Trained and experienced plant breeders working under dedicated conditions have made great scientific strides to improve the crops available to farmers.

Consider the following advances in agriculture:

- plant breeding brought wheat to the west in 1906 with the variety Marquis, and before that to Ontario with Fife
- Over the last 60 years, the efforts of North American corn breeders have been rewarded by a 400-fold increase in corn yields.
- Let's think about the value of canola, which didn't even exist prior to 1974. Now it contributes between 1.5 and 2 billion dollars to Canada's ag economy.
- Improved time management and erosion control on-farm with herbicide tolerance.
- New high-value markets in Japan with specialty soybeans are driving about 35% of soybean production.
- Global competitiveness comes through better yields and better high-value products.
- And that's the past. Think of the future. Fusarium head blight could soon be a non-issue for wheat growers, thanks to efforts to breed resistance. There's also work on:
 - drought resistance in canola, corn, and soybeans

- increasing markets with specialty crops developed for industrial products like hydraulic oils, bio-diesel, and plastics
- and value-added opportunities with crops that have increased nutritional content or healthier qualities.

These accomplishments and further crop improvement wouldn't be possible if it weren't for investment into research and development activities. Both public and private sector efforts are essential to producing varieties for Canadian farms. For instance, the private sector invests an estimated 100 million dollars into plant R&D in Canada. Globally, a billion dollars is invested in plant breeding, so Canada receives about 10% of that.

This brings important science jobs to our country, along with high-tech facilities, research sites, and significant infrastructure. These companies have chosen to invest in Canada, and Canadian farmers are the beneficiaries. But there's no guarantee it will be like this in the future. If we do not create an environment that rewards innovation, these companies can, and will, invest elsewhere. It is a globally competitive, globally mobile environment.

Beyond research, there are seed growers, field inspectors, registered seed establishments, seed trial plots, and seed retailers doing their job in farming communities right across the country. Have you encouraged your customers to think about the impact of these jobs on the economy of their community? Consider these numbers:

- there are approximately 20,000 Canadians employed in the Canadian seed industry
- 4,000 experienced, trained seed growers and 1,200 registered seed establishments are spread throughout rural communities across the country

These numbers underscore the significance of the seed industry. It is important that your customers understand the value the seed industry brings to rural communities where they live.

There may often be a sense that farmers and the seed business are at odds. This is not the case; seed producers experience the same rain, frost, pests, and soil conditions as other farmers. Seed production is every bit as risky as farm production – even more so.

Plus, seed growers face the challenges of producing high-quality varieties, challenges like roguing every field to remove off-types, meeting rotation and distance criteria, and passing inspection. On top of that, extra care is taken at seeding, harvest, and storage to ensure farmers are getting only the variety they want. If a seed grower is producing hybrid crops, there is even more work involved, requiring the management of two different parent crops in the same field; some species even require manual cross-pollination.

Of course, as a part of the seed industry, you know this. But to help farmers understand the value of certified seed, it's important that they understand the work that goes into producing seed.

All this information is available. The kit includes a number of useful items like fact sheets and a CD-ROM, as well as information that will remind you of useful strategies to sell seed.

Often, retailers spend their time selling one variety against another. Focusing on the advantages for farmers of choosing certified seed in the first place needs just as much attention. Farmers who use bin-run seed represent a large target market that will only be won by compelling evidence supporting the benefits of certified. It's imperative they get this information.

It's so easy to just say I'm going to sell Variety ABC as opposed to the guy down the road who sells Variety XYZ. You should target your fight to the 80% of guys who don't use certified seed as opposed to fighting over the 20% who already do (depending on the crop). You'll increase your market share four times over if you focus your energies on winning over the guys who have not yet chosen to buy certified seed.

Consider these six tactics to help you increase your certified seed sales:

- 1) Your biggest asset is you and your people.
- 2) Listen to your customers.
- 3) Return to benefit selling.
- 4) Help farmers make an informed choice when selling seed.
- 5) Stress the quality of the seed.
- 6) Stay in contact year round.

We even have an Excel spreadsheet to help you run through the costs of bin-run seed versus certified seed to see what the costs actually are. When you talk to your customers about bin-run, they need to factor in costs for cleaning, treating, transport, loading and unloading, just to name a few. That's not even considering the extra work involved and the cost of the farmer's time. Remember, a farmer will prefer to save time by buying certified seed at crunch times.

It is in your power to increase your sales and bring farmers the benefit of certified seed.

You also need to reach out to a wider audience to get this important knowledge into your customers' hands. For instance, consider hosting a customer appreciation day or write a letter to the editor of your community newspaper if a topic is heating up. Ideas and tips on how to do this are included in our community relations section and media tips. Speak up in your community.

The CD also has an ad template that you can use in community newspapers by adding your business information, as well as a banner to put on your web site. Additionally, there is a speech and PowerPoint presentation you can use in community forums. We need you to speak up.

There is also a thank you logo you can add to your invoices. Either print it directly onto the invoice or on labels. When was the last time any of you thanked your customers for making the right choice with certified seed?

There are essentially two parts to Sharing the Message – the first part we’ve discussed helps you sell certified seed and promotes the industry. These sheets in the kit have the Sharing the Message logo.

At the same time, “Certified Certainty” is the face of Sharing the Message for farmers, your customers. This logo appears on a number of fact sheets – from the value of plant breeding to the value of the seed industry to the top 10 reasons to use certified seed and more. These fact sheets can be handed out to farmers.

These are the fact sheets on key issues. They equip you with information on some of the big issues in the seed sector. There’s information on issues like Plant Breeders’ Rights and the economic benefits the seed industry brings to rural development. In the months ahead, more documents will be developed which will supplement your ability to respond to key issues. Expect to see them through CSTA, CSGA, OABA and CAAR, or visit www.germination.ca.

We encourage you to use these sheets. For a start, it means a consistent industry-wide response to the challenges we face. It also provides consolidated facts that will help you answer the questions in the industry.

Really, that is the most important part – getting the word out. The industry MUST stand up for itself.

The policies needed to make our industry successful need to be defended. And, to start that discussion, we need to remind farmers of the importance of plant breeding and seed.

You are on the front lines of reaching farmers. We need you to speak up, and speak often, with your customers and in your community. Please – go out and Share the Message.

MARKETING YOUR BUSINESS ONLINE: Lynette Lefsrud

Lynette was unable to attend. Presentation provided.

Getting the biggest bang for your buck

Overview

1. Know why you are going online
2. Get a unique URL
3. Send out your domain to Google, Yahoo and other search engines
4. Send out your domain to industry sites
5. Link strategically
6. Add your address (e-mail and web) to all marketing materials – vehicle, business card, newspaper ads
7. Provide value online

Why Online?

- Inform current client base
- Attract new clients
- Publicize job opportunities
- Retain customers – with incentives or new products

Get a Unique URL

- Your company name
- What you do
- Your last name or family name

Good example: www.seed.ab.ca

Not a good example: <http://www.agric.gov.ab.ca/app21/rtw/index.jsp>

Add me to Google

- Google is the top search engine getting 47% of searches in a Jan 2005 study
- Don't forget about Yahoo, MSN, and other local search engines

Target Industry Sites

- Get your site listed on industry related sites that will help you meet your needs
- Options are government sites, non-profit sites, association sites etc.
- JUST ASK

Link Strategically

- If you want to work with a company to promote your business think Web. Add your web site to theirs.
- **Example:** Newspaper ad and art gallery <http://www.traceybrosh.com/>

Don't forget print

- People often need print to send them to a Web site
- So add your URL to your business cards, advertisements, vehicles, invoices, promo material. Anything that you send or give to customers should have the Web address
- Example: Alberta Farm Writers and Book marks

Provide Value Online

- Once you get someone to come to your site – provide value for them
- Give descriptions, photos, and directions
- Realize their expectations – and give them something new too

Work at it

- Marketing a business is work and it takes years of constant effort. Online marketing is no different.
- Start small but keep at it and your efforts will pay off

SEED INDUSTRY PARTNERSHIP UPDATE

Mr. Larry Kitz, President of Alberta Branch, Canadian Seed Growers Association reported on SIP. The current partnership agreement expires March 2007 and Alberta Agriculture is not planning to extend it on the same basis. Minister Horner is still focusing on R & D and

will be putting forward initiatives in that area. So we need to develop a business plan for R & D goals that are farmer directed and involve reduced production costs. We need to develop crop varieties that are not protected and available to all and improve farmer competition.

The GPDC in Australia is a great model which came about because their seed program crashed completely. They have reinvented themselves in a way we can look to for ideas.

International subsidies are killing us. Our international competition enjoys low land values and 2 cropping seasons. The fact that traditional importers like Russia are now exporting are taking a toll. Areas to investigate are alternate uses for production, like fractionation plants for glucose, biofuels, and petrochemical replacements. There are already corn varieties with drought resistance and nitrogen utilization features. These all need cleaning plants prior to processing. We will not adopt the European model of “on farm presses” – rather we can look at regional presses that can possibly combined with seed cleaning plants.

The object is to use up the grain supply and increase demand.

LADIES DRAW

Francois Hebert (Director Region 5) conducted the second Ladies Draw after thanking Shelley Miller from the Ladies Committee for her organization of this event. The prize, donated by BASF, was won by Elsa Sekulik (Central Peace / Rycroft).

KEYNOTE SPEAKER

Lloyd Lidberg (Director Region 4) introduced the keynote speaker Phil Callaway. Mr. Callaway was recommended by Mel Foat and is the author of six hit books, as well as an internationally sought after speaker and frequent guest on television and radio.

Mr. Callaway’s topic was “Slowing Down in a Speeded Up World”. He provided four quick secrets for balancing your life.

1) Laughter sure beats Prozac.

How do you develop a sense of humor? You need to see the funny in the ordinary. Attitude makes all the difference.

2) Better to live rich than die rich.

Money is nice but it doesn’t make you rich. Relationships are what make us rich. The average Canadian kid spends 13 minutes a week with their Dads and 70 hours a week with the TV. There is something amiss there. Go for a walk with your kids, find things to laugh about, read a book and TURN OFF the TV. Let your last cheque be to the undertaker and plan to have it bounce!

3) Even if you win the rat race you are still a rat.

How do you spell “success”? Everyone should have a personal definition of success that is their purpose statement for life.

4) Live so the preacher won't have to lie at your funeral.
What would you like to be remembered for?

LUNCH

BAYER CROP SCIENCE: Monica Klaas

Monica Klaas gave an update on Bayer treatments for cereals and pulse crops, plus reviewed Bayer's programs for 2006.

In review, 2005 saw extreme environmental conditions globally, including Alberta. Despite challenging growing conditions, many areas have reported bumper crops. Harvest conditions have left planting seed for next year in questionable condition once again. Excess moisture conditions replenished sub soil moisture reserves, but have also contributed to higher disease risk for 2006.

Monica reviewed the Disease Triangle which states that the severity of the hazard has three components – the pathogen, the host and the environment. Pathogens are higher due to conditions in 2005, and we can't control the weather so that leaves the host as the only leg of the triangle we can manage.

Managing disease can be achieved through seed selection and there is no substitute for quality. Farmers need to undertake a complete disease management program of variety selection, fertility, crop rotation, field scouting, seed treatments and foliar fungicides.

In seed treatments the application is important with coverage and rate being critical elements. If seed is worth planting then it's worth protecting with a seed treatment. Seed treatments minimize the impact diseases cause at the critical stand establishment phase. Seed treatments help the plant become established to better utilize moisture and nutrients.

RAXIL T provides the newest and toughest level of seed protection. In a huge demo across Alberta it was shown that "T" stands for tougher. Raxil teams 2 active ingredients simplified to a single rate application. Raxil T is registered for 14 diseases on wheat. It is one of the best all round treatments for the big 3 cereal diseases - Fusarium, True Loose Smut and Common Root Rot. Consistency of control is apparent – Raxil works every time in varying conditions and provides a high degree of seed safety. Raxil T also shines as a barley product.

Efficacy is directly related to how well the treatment is applied. Because of the background coloration of seed, it's impossible to create "color chips" to judge treatment jobs. Each lot of seed needs to be scrutinized and correlating volume of product used to how much seed was treated is a great starting point.

How do you do a good job applying treatment?
Good is buying the treatment and putting it on.
Better is spraying the product onto the seed.

Best is commercial application.

It is better to treat ½ your farm at full rate than the whole farm at ½ rate.

Pulse seed treatments include Vitaflo 280 which is value priced for a variety of crops. Why should you treat pulse seed? It maximizes seed and seedling vigor by controlling early season diseases. Treating reduces overall levels of disease inoculums. Seed treatments make good seed better. Pulse seeds are prone to mechanical damage. There are two rates for applying Vitaflo depending on what you are looking to treat. Use a low rate for control of seed rots, seed decay, seedling blights caused by Pythium, Rhizoctonia and Fusarium (SRP \$1.75/ bu). Use a high rate for control of all the above plus Ascochyta (SRP of \$2.22/bu).

In closing, Monica reviewed “Working together for Success”. Bayer CropScience publishes the “Seed Plant News”. They offer Business Builder Programs for individual plants and are affiliate members of the Association. In 2005, the seed cleaning plants received \$200,000 in Business Builder funds. Bayer will be giving out the Golden Kernel Awards again at the banquet. The ag engineer on staff (who built the Flexicoil Seed Treater) offers equipment expertise and can trouble shoot or write proposals for upgrades and special projects. They have a brand new seed treating research centre in Regina and continue to participate in the Applicator Certification Program. Kent Hall and Monica Klaas are both approved auditors and can come to plants.

In closing Monica thanked the plants for their business.

MANAGERS’ ASSOCIATION REPORT

Mel Foat provided their report. He noted there are new faces in the Manager Association with four new managers this year. Three retired and Marwayne’s manager passed away.

There were four provincial meetings last year. Ron Wirsta and Wayne Walker stepped up and are the new President and Secretary of the Manager’s Association respectively. They therefore also sit on the Provincial Board and Mel thanked them for coming forward. Cleaning volumes were up in most areas this past year. Separations have started this year and will push numbers up. Excretia removal is becoming an important part of business.

Only 36 plants participated in the wage survey. Salaries ranged from \$24,000 to \$60,000 per year including bonus. There is a serious overtime issue. Plants running with one man find it harder. Managers don’t need to be paid overtime and are being overworked and unpaid. Plant boards need to deal with this issue fairly. Managers can get oilfield jobs for \$28 per hour and they are taking long hard looks. If boards want to continue, they need a business plan. Five year projections done by the Sexsmith plant accountant show a historical pattern of 4 years up and 1 year down. Mel urged boards to consider upping their rates to pay fair salaries and keep their managers. BASF made a tour with some US managers. The US managers saw the rates being charged and were dumbfounded. They charge \$1 minimum per bushel plus treating.

Mel thanked Bill Witbeck for setting up the Seed Tech course at Olds College. Bill applied for credits for seed applicators and Mark Kaun negotiated 9 credits for the course. Mel challenged managers to continue to gain credits at Olds. The Grading and Operating Certificates could also use upgrades.

The Canada Wheat Board is sending area managers to be crisis managers for their clientele and we need the same for seed cleaning plant managers because they face the same crisis. Bruce Matthieu, Past Secretary of the Managers Association sat on the Provincial Board and represented the managers well. He also sat with Mark Kaun on SIP. While they loved doing these things, Mel is now moving on to other things and again thanked Ron Wirsta and Wayne Walker, the new president and secretary.

SYNGENTA

Jason James presented the Syngenta update. Jason has been with Syngenta 12 years and just recently switched to the Seed Division. He started by saying there is a ton of seed out there and the quality is down. Seed treatments are not the place to cut pricing and programs. Seed treatments help manage risk, protect seed and seedling through emergence and stand establishment. Better stands make for easier combining. If you are paying for genetic improvements, get the full benefit. Treatment also offers protection for early planting in colder soils and mitigates risk of “No-till” in continuous cropping because disease organisms can survive in the old crop residue.

Dividend XL RTA

- Contains two fungicides that protect against early season seed and soil borne disease attacks.
- Multi-Crop label in cereals.
- Ready-to-use formulation.
- Registered for both on-farm and commercial application.
- #1 in market share in Wheat

Jason showed the 2005 Fungal Screen Results. Treating would definitely help against common root rot, fusarium and septoria which were all significantly present in the screen results.

Dividend Supreme Pack offers an all in one seed treatment that incorporates insecticides for wireworms. A closed system has been designed for application and there is improved safety for applicators. Patchy cereals in a field can indicate wireworm damage and Jason showed an illustrative photo. He also had photos from Milk River showing the difference between barley treated with Dividend vs. untreated.

Apron Maxx is the pulse product registered on all pulses found in Alberta. Pricing for these products is as follows:

- Apron Maxx
 - SRP = \$814.00
 - SRP Price/bushel = \$3.30

- Dividend XL RTA
 - SRP = \$505.00
 - SRP Price/bushel \$2.23 (wheat), \$1.79 (barley)
- Dividend Supreme Pak
 - SRP = \$6,825.00
 - SRP price/bushel = \$5.25 (wheat), \$4.20 (barley)

Syngenta offers a Partner Program for the farmer. You get discounts on other chemicals you use on your farms as part of using seed treatments. Jason closed by thanking the plants for their business.

IF I CAN DO IT, YOU CAN DO IT – PLANT INNOVATION

“Converting an elevator to a seed plant” was presented by Bob Hayes, Chairman of the Strome Seed Plant Board of Directors.

Mr. Hayes said that the manager would have given the presentation but he is new and started after the project was finished. The old seed plant was built in 1952 and had a 40’ scale. It was the oldest plant still standing in the province. In 2002, Strome bought the Agricore elevator and started their renovations in 2004. It had new foundations which was important. Bins and equipment were relocated from the old plant to the new one and new treating bins were added. There are four 500 bushel bins overhead with the treating room under them. The gravity table was purchased used and mounted on a new floor. An outside leg was added to receive grain for treating. The ductwork uses cyclones from the old plant and the elevator combined. The new setup keeps the screenings out of the wind. There is a winch that lifts barrels up to the treating room straight off the truck.

The vacuum leg runs all through the plant and you can vacuum almost the entire building. A rack in the basement holds all the screens. Flex augers are used for screenings and gravity for seed. The electrical was all updated and was a very major expense. 95,000 bushels of additional storage space was added. The cost for the retrofit of the elevator came to \$750,000 or about half the cost of a new plant.

With the extra storage, the plant charges \$0.21 to \$0.24 / bsl for 1 year storage. The bins were lined with tin in 8 foot sheets with a 1 foot extra for corners.

BUDGET

Keith Brower (Wainwright), Chairman of the Budget Committee presented the budget and thanked his committee for their work.

The draft budget was compared to the old budget and there isn’t much change.

Moved by Colin Lang (Holden) and seconded by Jarvis Taylor (Dawson Creek) that the budget be adopted as presented. CARRIED

RESOLUTIONS

Arden Ziegler (Chairman of the Resolutions Committee) asked for a motion to bring back the Notice of Motion which was tabled the previous day for discussion. It was so moved by Brian Trueblood (Westlock) and seconded by Henk Vos Thomas (Granum).

CARRIED

DISCUSSION

The delegates were reminded that because this motion affects the bylaws a 2/3 vote is required to pass it.

Keith Brower (Wainwright) – The idea is globally correct but maybe other co-ops should be members not auxiliary members. Co-ops are slow to move forward and we need to look for ways to cooperate and move ahead. I strongly recommend that we pass this and be careful not to miss opportunity.

Glenn Miller (Alliance) – It is important that we expand and get new members but I think we are missing the boat with the bottom half of the statement. If you pay your fees you should get a vote. If a group comes in and pays for entitlements we are a strong group that can embrace new ideas.

Glenn Miller (Alliance) moved and Keith Brower (Wainwright) seconded “That the Notice of Motion be amended to read as follows:

NOTICE OF MOTION Amendment of Section 2.07

Notice is hereby given that a special meeting of the Association of Alberta Co-op Seed Cleaning Plants Ltd. will be held at the Westin Hotel, 10135 – 100 Street, Edmonton, Alberta, in the Province of Alberta on Friday, the 13th day of January, 2006.

Amendment of Section 2.07 of the Existing Bylaws as follows:

Auxiliary members may be accepted into the Association. An auxiliary member must be:

- d) a cooperative as defined by the new Coop Act and,
- e) involved in the grain business,
- f) in agreement with the aims and purposes of the Provincial Association
- g) Fees for auxiliary members shall be equal to the fees for full members and auxiliary members shall be entitled to all rights and privileges of full membership. ~~except their delegate shall not have voting privileges at any annual, special or general meeting of the Provincial Association, nor will their delegate be eligible to hold a position on the Provincial Board.~~

CARRIED

The main motion having been amended, discussion continued on the AMENDED Motion.

Wayne Jackson (President) closed discussion by saying he appreciated all the discussion both for and against and now it is up to the membership to decide what they want to do.

DEFEATED.

There being no other resolutions, the Resolution Committee concluded their business with thanks to everyone for their consideration.

APPOINTMENT OF AUDITOR

Pat O'Neill (St. Paul) moved, and Gilbert Soetaert (Morinville) seconded, that "Daryl Andre Professional Corporation is appointed as auditors for 2005/2006 for the Association of Alberta Co-op Seed Cleaning Plants". CARRIED

UNFINISHED BUSINESS/NEW BUSINESS

Rene Victoor (Morinville) asked that there be better parking for next year. Bill Witbeck advised that the Association has a five year agreement in place with the Westin until 2007. The City and the Westin had a disagreement and as a result the Library Parkade is no longer part of the hotel package. The Impark surface lot behind the Westin may or may not be available. If the only parking is the Westin's own lot there are not enough spots for everyone. The planning committee will be looking at it and it may come to pass that parking will be on a first come, first served basis.

Last year, you asked for Evaluation Forms and these are in your packages. Please drop them off.

Ross Bezovie (Willingdon) – I heard that the CSGA may lean toward restricted tolerance for fusarium. Is that true?

Bill Witbeck (Gen Mgr) – This is not solely a CSGA issue. There are a number of producers in the south battling the problem who are proposing a tolerance level. But I reiterate, fusarium is a pest and that means zero tolerance at present. Any change would go back to the Minister and so this will likely become a political situation where not everyone will be happy with the outcome.

Steve Miller (Director Region 6) thanked all the sponsors for their support of the convention. Arden Ziegler (Vegreville) moved that the meeting adjourn.

EVENING ENTERTAINMENT

The annual conference concluded with a banquet and entertainment provided by Damien James, an international champion ventriloquist.

There were special presentations and awards at the banquet as follows:

RETIRING DIRECTORS

Nick presented a watch to Seth Toone in appreciation as the Retiring Director for Region 1. Ruth presented a picture to Donna Toone. Seth and Donna were thanked for their efforts on behalf of the Association.

Steve presented a ring to Mel Foat in appreciation as the retiring President, Manager Representative. Shelley presented a candle stick holder for their home to Gwen Foat. Mel and Gwen were thanked for their involvement on behalf of the Association.

Wayne presented Bruce Mathieu a watch in appreciation as the retiring manager representative secretary and a collection dish for Wanda. Wayne presented these to Bruce at the Managers Meeting as he was not able to attend the Awards Presentation. Wayne thanked Bruce and Wanda for their dedication on behalf of the Association.

Wayne presented a contribution towards a new sewing machine to Linda Henderson in appreciation.

OUTSTANDING SERVICE AWARD

The Outstanding Service Award is the highest award the Provincial Association can bestow on an individual. It is presented to those who contribute to our organization above and beyond reasonable expectation. There have been ten previous winners and tonight we add the name of Linda Henderson to our honor roll.

Linda joined the provincial association in 1998 and in the next seven years she left an outstanding list of accomplishments.

She:

- a) streamlined the printing of the annual summaries.
- b) set up different fonts for the Alberta Branch CSGA and the provincial association. This way anyone coming into the office could immediately tell seed plant business from seed grower business.
- c) set up the filing system to be more user friendly.
- d) did an outstanding job of editing reports for the president and general manager.
- e) was able to help organize Bill, Keith and Wayne.

She did all of this with style, friendliness, grace and understanding. She truly is deserving of this award. Please rise and join me congratulating the 2006 Outstanding Service Award winner – Linda Henderson.

The 2006 Service Awards were presented as follows:

ASSOCIATION OF ALBERTA CO-OP SEED CLEANING PLANTS LTD.		
2006 Award Recipients		
40 Yr. Plaque		
Don Fadden	Vermilion	5
35 Yr. Plaque		
Joe Lizee		7
30 Yr. Plaque		
Keith Irving	Three Hills	2
Art Speelman	Blackie	2
Wayne Hageman	Ponoka	4
Art Gibson	Holden	5
Small Plaque + 25 Yr. Pin		
Seth Toone	Claresholm	1
Rick Priest	Balzac	2
Keith Reynolds	Strathmore (plaque has been made)	2
Howard Woodrow	Clive	4
Dale Benoit	Vegreville	5
Brian Esak	Willingdon	5
Ted Leliuk	Willingdon	5
Phillip Leonty	Willingdon	5
Albert Melnyk	Innisfree	5
Gilbert Soetart	Morinville	6
Eldon Phoenix	Rycroft (Forage)	7
Ed Toker	Nampa	7
20 Year Certificate		
Bruce Mathieu	Enchant	1
Ken Ward	KIBA Beiseker	2
Don Herriman	Okotoks	2
Trevor Szott	Camrose	4
Brian Johnson	Bonnyville	5
Nick Yanitski	Myrnam	5
Bevin McNelly	Westlock	6
Gerald Sauchuk	Radway	6
Outstanding Service Award		
Linda Henderson	Lacombe	
Retiring Director		
Bruce Mathieu	Enchant	1
Seth Toone	Claresholm	1
Mel Foat	Sexsmith	7

**ASSOCIATION OF ALBERTA CO-OP SEED
CLEANING PLANTS LTD.
2006 ANNUAL MEETING
Present were the following plants:**

Alliance	Alliance Seed Cleaning Association Ltd.
Balzac	Balzac Seed Cleaning Plant Ltd.
Barrhead	Barrhead District Seed Cleaning Co-op Ltd.
Bashaw	Bashaw Seed Cleaning Co-op Association Ltd.
Beiseker	K.I.B.A. Seed Cleaning Plant Ltd.
Bonnyville	Bonnyville Municipal Seed Cleaning Co-op
Boyle	Boyle Seed Cleaning Co-op Ltd.
Camrose	Camrose County Seed Cleaning Plant
Carstairs	Mountain View Seed Cleaning Plant Ltd.
Clandonald	Clandonald Co-op Seed Cleaning Association
Clive	Clive Seed Cleaning Co-op Ltd.
Coaldale	County of Lethbridge Seed Cleaning Co-op Ltd.
Coronation	Coronation Seed Cleaning Co-op Ltd.
Craddock	Sunshine Seed Cleaning Plant Ltd.
Dawson Creek	South Peace Grain Cleaning Co-op Ltd.
Delia	Starland Seed Cleaning Plant Ltd.
Edgerton	Edgerton & District Seed Cleaning Co-op Ltd.
Enchant	Enchant Co-op Seed Cleaning Association Ltd.
Fairview	Fairview Co-op Seed Cleaning Plant
Falher	Falher Co-op Seed Cleaning Plant Ltd.
Forestburg	Forestburg Co-op Seed Cleaning Plant Ltd.
Granum	Granum Seed Cleaning Co-op Ltd.
High Prairie	High Prairie Seed Cleaning Co-op Ltd.
Holden	Beaver County Seed Cleaning Co-op Ltd.
Hussar	Hussar Seed Cleaning Co-op Ltd.
Innisfree	Innisfree Municipal Seed Cleaning Association Ltd.
Leduc	Leduc Seed Cleaning Association Ltd.
Lougheed	Lougheed Co-op Seed Cleaning Plant Ltd.
Marwayne	Marwayne Seed Cleaning Association
Medicine Hat	The 11-22 Co-op Seed Plant Ltd.
Morinville	Morinville Municipal Seed Cleaning Co-op Ltd.
Myrnam	Myrnam Municipal Seed Cleaning Association
Nampa	Nampa Co-op Seed Processors Ltd.
Olds	Olds Seed Processing Co-op Ltd.
Paradise Valley	Battle River Seed Cleaning Co-operative
Ponoka	Ponoka Co-op Seed Cleaning Plant Ltd.
Pincher Creek	Pincher Creek Seed Co-op
Provost	Provost Co-op Seed Cleaning Plant Ltd.

**ASSOCIATION OF ALBERTA CO-OP SEED
CLEANING PLANTS LTD.
2006 ANNUAL MEETING
Present were the following plants (Cont'd):**

Radway	Radway Co-operative Seed Cleaning Plant Ltd.
Rosebud	Rosebud Seed Cleaning Plant Ltd.
Rycroft	Central Peace Seed Cleaning Association Ltd.
St. Paul	St. Paul Municipal Seed Cleaning Association Ltd.
Sexsmith	Sexsmith Co-op Seed Cleaning Association Ltd.
Stettler	Stettler County Seed Cleaning Plant #1 Ltd.
Stony Plain	Stony Plain Seed Cleaning Association Ltd.
Strathmore	Strathmore Seed Cleaning Plant Ltd.
Strome	Strome Co-op Seed Cleaning Plant Ltd.
Three Hills	Three Hills & District Seed Cleaning Plant Ltd.
Vegreville	Vegreville Municipal Seed Cleaning Association Ltd.
Vermilion	Vermilion Seed Cleaners' Co-op Association Ltd.
Vulcan	Vulcan Seed Cleaning Association Ltd.
Wainwright	Wainwright Seed Cleaning Plant Ltd.
Warburg	Warburg Seed Cleaning Co-op Ltd.
Wembley	Wembley Co-op Seed Cleaning Association Ltd.
Westlock	Westlock Seed Cleaning Co-op Ltd.
Wetaskiwin	Wetaskiwin Seed & Grain Cooperative Ltd.
Willingdon	Willingdon Seed Cleaning Co-op Ltd.