

ANNUAL REPORT



GROWING HEALTHY POTATOES TOGETHER

2018-19
Year ending July 31st, 2019

OUR ORGANIZATION

CORE VALUES

ENGAGEMENT

SUSTAINABILITY

LEADERSHIP

COLLABORATION

COMMUNICATION

The PGA is a progressive organization, based on the **unity** of our members. We continually strive to enhance unity through member involvement and engagement.

Our members operate in an industry founded on tradition and impacted by change. We support our members by focusing on environmental, economic, industry and grower **sustainability**.

In order to be responsive to our members and proactive in addressing the challenges of the future, we strive to excel at servant **leadership** and **collaboration**.

Communication is vital to all we do. Through the use of skills, technology and understanding, we ensure that we communicate in a truly effective manner.

BOARD CHAIRMAN



RUSS VAN BOOM - CHAIRMAN
Northbank Potato Farms Ltd.
Elected 2015



MICHEL CAMPS - VICE-CHAIRMAN
CP Farms Ltd.
Elected 2014

Hello fellow growers and friends of the potato industry. On behalf of the Board of Directors, I'd like to extend a warm welcome to the 2019 PGA Annual General Meeting. It has been yet another remarkable year for our province as we strive to produce food for people, and provide a living for our families. A popular topic this year has been weather, and we have not been short on events to talk about. A hail storm of epic proportions and September blizzards in the south, as well as one of the rainiest summers on record in the north, have made for challenging conditions and frequent conversation pieces. 2019 has also brought a change to the political landscape here in Alberta. The United Conservative Party won the April 2019 provincial election, with an overwhelming majority, capturing 63 of 87 seats. The interaction had with this new government has been very positive to this point and we look forward to this continuing.

The Potato Industry in Alberta remains an exciting place to be. Expansions and growth have continued both inside and out of our province. This has brought a sense of optimism, even in light of sometimes trying weather circumstances. I hope you've brought some of that excitement and optimism to this conference. We live in an incredibly prosperous and blessed part of the world and when we can come together and recognize that, it's an opportunity I believe we should savour and relish.

As you take in and enjoy the conference, please also take time to thank our wonderful staff serving the PGA. Terence, Cindy, Thomas, Deb H, Patti, Deb B, and Roberta work very hard, not only on arranging this AGM, but in operating our association day in and day out. Thanks to them for the excellent job they do. Take time to enjoy and invest in those around you at this year's conference, we truly have a special group of people collected. Thanks for your commitment to this organization, and on behalf of the Board, thank you for being a part of growing potatoes in Alberta.

Respectfully Submitted.

Russ Van Boom, PGA Chairman

Sustainability: "I believe sustainability means we share and steward resources given to us for our generation, and the ones to come." - Russ Van Boom, Chairman



LYNDON NAKAMURA - DIRECTOR-AT-LARGE
Nakamura Farms
Elected 2016



TONY BOS - SOUTH AREA DIRECTOR
Boston Farms Ltd.
Elected 2017



JEFF EKKEL - NORTH AREA DIRECTOR
Sunnycrest Seed Potatoes Inc.
Elected 2017



JAMES BAREMAN - DIRECTOR-AT-LARGE
Bareman Farms
Elected 2017



JP CLAASSEN - DIRECTOR-AT-LARGE
Prairie Spud Farms
Elected 2018

EXECUTIVE DIRECTOR

The competence and motivation of the Alberta growers to continually improve, on all levels, was very evident this past year. Now I realize that Mother Nature is, and always has been, a deciding factor in the production of the Alberta potato crop, but our Growers “hit it out of the ball park” with their harvested yield. As an industry, the 2018 crop produced 408 cwt/acre on 53,586 harvested acres. For those that enjoy math that is 21,762,140 cwt / 1,088,107 short ton or 2,176,214,000 lbs. of potatoes. The attention to detail, strict crop rotations, continual improvement of agronomic practices, and an excellent growing season lead to **the largest crop ever harvested in Alberta**. Even as our growers continue to improve in their ability to grow world class potatoes, harvesting and storing a crop of this magnitude can create its own set of challenges. Every grower in Alberta knows that a late-September weather event can force harvest into October, which leads to a gamble that we usually lose. Last year’s crop was no exception, as multiple growers had to deal with several issues including chilled, off-colored potatoes. Our seed growers, despite battling a cold, miserable, snowy September were able to harvest a good crop. They've found a renewed optimism with the upcoming expansion of Cavendish Farms in Alberta and the new Simplot plant in Manitoba. The 2018 crop showed some promise in a new market with some chip stock being exported to Thailand. This has created another opportunity to promote and sell our outstanding Alberta product, with a larger shipment expected in the upcoming year.

Last year, severe weather forced PEI and Manitoba growers to leave thousands of acres frozen in the ground, giving Alberta growers an opportunity to ship their abundant 2018 crop. There were many truck loads and rail containers shipped east to both provinces to supplement their respective processing plants. A large amount of potatoes from Idaho were also shipped to Alberta and transloaded east.

Spring 2019, which was somewhat late in the south, arrived with a renewed sense of optimism as additional acres were planted for the new Cavendish Farms plant in Lethbridge. Our seed industry continues to expand with growing sales to other provinces, and an ever-increasing US market. With a relatively cool, dry summer in the south, and an extremely cool, wet summer in the seed growing areas, the 2019 crop outcome remains to be seen.

Every year brings its own set of challenges and wins, not only for the growers and their families, but their organization as well. Some of the wins or rewards that I feel will have a long-lasting effect on the PGA and its members, was the repeal of Section 26.1 (Bill 43) of the Marketing of Agricultural Products Act. This repeal allowed the grower members of the PGA to vote and decide if their organization would operate under a refundable or non-refundable levy system. The vote was held at last year’s AGM and was decided by a large majority to return to a non-refundable levy system. Although positive in nature, it has now put an added onus on the Board and PGA Team to be increasingly diligent and conscious of the value of our grower’s money. Every day the PGA Team strives hard to show value to all of our growers for their investment in their organization.

The second win will directly affect our Seed Industry going forward. It is no longer a requirement to have PCN testing done in order to ship seed to Hawaii for the PHT grow-out. Almost all seed producing areas in North America have gone to a winter PHT grow-out, and Alberta has been a part of the Hawaii program for many years, along with the rest of the western provinces. Twin Bridges Farms in Waialua, Hawaii is also home to a number of US state winter grow-out programs.

Both of these wins have been many years in the making, and as an organization, we are grateful that all of the hard work behind the scenes of lobbying and perseverance has paid off.

Another success was the launch of the new PGA website and report engine, which was also another ongoing project. It is our hope that both the growers and the general public will see benefit from both. The countless hours of behind-the-scenes work are too many to count. This project would not have been successful without the hard work and leadership of Deb Brewin and Cindy Fletcher, along with a helping hand or two from Roberta, Deb Hart and Patti. Thank you all!

On the challenge side, the loss of our biggest research project partner, ACIDF (Alberta Crop Industry Development Fund), has left the PGA with a massive void to fill when it comes to securing funding. In the short term, Thomas has worked diligently to secure two - 5-year CAP Program Grants to continue the Spore Trapping and Insect Monitoring projects with the rest of our Industry Partners.

As the Potato Industry continues to grow and succeed in Alberta, so does the work involved by the people that run your organization.

PGA TEAM



L-R: Patti Lamb (Executive Assistant/Events/Accounts Clerk), Thomas McDade (Agricultural Director)
Deb Brewin (Communication & Promotions Director), Cindy Fletcher (Financial / Office Manager)
Deb Hart (Seed Coordinator), Terence Hochstein (Executive Director)
Roberta Sebok (Administrative Assistant)

I would like to personally acknowledge and thank all of my Team for all of their hard work and dedication to the Potato Growers of Alberta. This organization would not be as successful as it is without the work of Deb H, Cindy, Patti, Deb B, Roberta and Thomas. Your everyday efforts behind the scenes make this world-class organization that it is.

Speaking of success, I would like to thank you, the members, for your support and trust, in not only the PGA Team, but your Board Members as well. Thank you for volunteering your time to the many committees that make up the fabric of the Potato Growers of Alberta. Your efforts are greatly appreciated by all.

Being on the Board is not always a glorious job, but it can be very rewarding, if you have the backing of your membership. Thank you to Russell Van Boom (Chairman), Michel Camps (Vice Chairman), Lyndon Nakamura, Jeff Ekkel, Tony Bos, James Bareman and JP Claassen for all of the hard work and dedication in representing the membership of your organization. Your leadership and insight has made my job very enjoyable this past year, and you all have presented a clear path as to what you want your organization to look like in the years to come.

THANK YOU FOR YOUR DIRECTION AND SUPPORT, I APPRECIATE THE OPPORTUNITY TO BE A PART OF THIS GREAT ORGANIZATION.

Until next year,

Terence Hochstein, Executive Director



LEADERSHIP INFLUENCING OUR SUCCESS



NEGOTIATION COMMITTEE

GREG NAKAMURA (CHAIRMAN)

Well, being a potato farmer is never dull, as each year it seems we are dealing with a different challenge. This year has been an extremely challenging year for the process growers as they have had to deal with dry and cold conditions in the spring, hail in the summer, and snow and frost in the fall. The weather has left the industry in a shortfall and the processors scrambling to fill that shortfall. It seems that Mother Nature is telling us that we need to be done potato harvest by the end of September. This weather has brought forth several problems that has the growers and processors working together to find the right fit for each of the issues.

This August saw the new Cavendish plant begin operations, right on schedule, which is amazing, because it is rare that anything is ever completed on schedule. The new plant will allow Cavendish to process six million cwt of product when running at capacity. That is more than double what the old plant was capable of, and it is their hope to be operating at full volume within the next few years. Lamb Weston and McCains are already running their plants at capacity, which is a very good indication that fry sales are healthy.

Negotiation talks in 2019 were quiet, as Alberta was in the 3rd and final year of the 3-year contract with Cavendish and the 2nd year of the two-year settlement with Lamb Weston and McCains. These settlements have left Alberta behind other areas in terms of returns to the growers. We are hoping to bring back to the growers an offer that is deserving and fair to all the parties. The committee will be working hard to try and have a settlement down before we are back in the fields.

In closing, I once again encourage you to come and talk to me or anyone on the committee if you have any concerns or issues. It is always a pleasure working with such a tight knit group of growers, and I think that we will continue to be successful if we remain this way.

Nakamura Farms Ltd. harvest



NEGOTIATING COMMITTEE:

GREG NAKAMURA (CHAIRMAN) - NAKAMURA FARMS LTD., GBIJ FARMS LTD.

BRIAN TAJIRI - TRI-T FARMS (2005) LTD

MARK MIYANAGA - TRIPLE M FARMS LTD.

MIKE WIND - WINDIANA FARMS LTD.

TONY BOS - BOSTON FARMS LTD.

LAUS STIEKEMA - STIEKEMA-KOLHORN JV

STAN KANEGAWA - S-SCAN FARMS LTD.

LLOYD YPMA - YIPPEE SPUDS LTD.

TERENCE HOCHSTEIN - PGA EXECUTIVE DIRECTOR

Sustainability: "A reputable approach for long term success in agriculture, as we feed the world without starving the land that feeds us" - Lyndon Nakamura, Board Member

SEED COMMITTEE

JEFF EKKELEL (CHAIRMAN)



The seed committee continues to work on behalf of Alberta Seed Growers on business matters, both locally and internationally. We strive to encourage growers to embrace the best management practices to maintain the high quality, low virus seed that Alberta is known for. The committee continues to support and encourage participation in the post-harvest grow out in Hawaii.

We continue to look at developing new markets and improving existing ones. The expansion in processing facilities in Alberta, Manitoba and the USA should help to maintain a strong demand for Alberta seed potatoes. With the increase in demand, we, as a committee, continue to encourage growers to grow only what they have sales for. As the largest seed exporter to the USA, the committee continues to work with CFIA to reduce the PCN testing requirements.

I would like to thank seed growers for their continued support. It takes all of us working together to continue producing high quality seed our customers have come to expect. I would like to thank Deb Hart and all the staff at the PGA for their hard work this year.

SEED COMMITTEE:

JEFF EKKELEL (CHAIRMAN) - SUNNYCREST SEED POTATOES INC.

JAKE HOOGLAND (VICE CHAIRMAN) - HOOGLAND FARMS

JAN VERMUE - WEST EDMONTON SEED POTATOES (2002) LTD.

BRUCE CHEDZOY - CHEDZOY FARMS

PIETER KAMPER - BELLY RIVER SEED POTATOES LTD.

TONY KIRKLAND - SANDHILLS SEED POTATOES LTD.

BEN MEYER - MEYER FARMS LTD.

GORD VISSER - NORBEST FARMS

DEB HART - PGA SEED COORDINATOR

Sustainability: "Ability to maintain current social/economic needs while ensuring future ability to meet those needs." - Jeff Ekkel, Board Member, Seed Chair

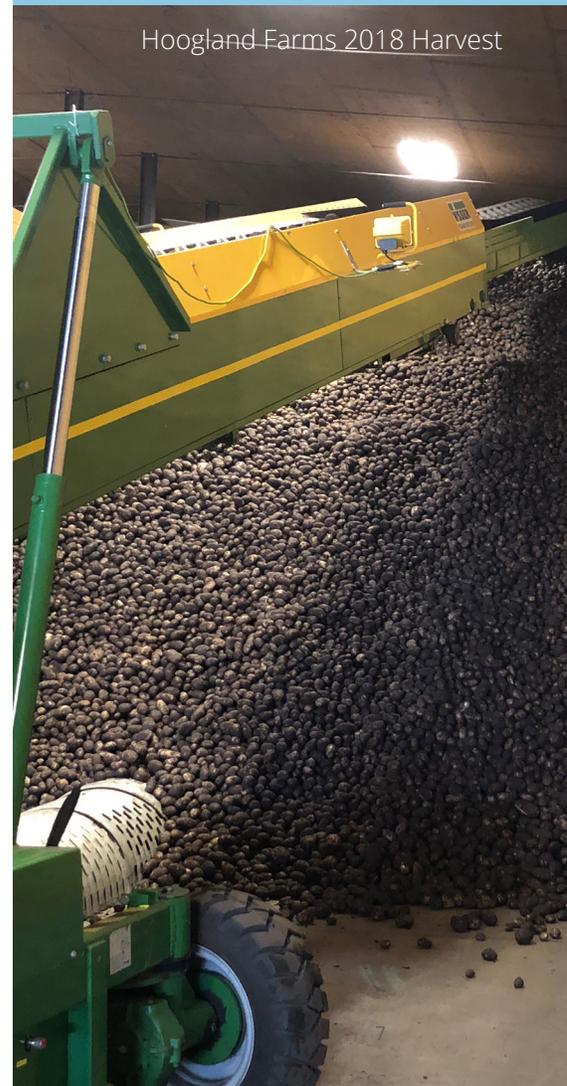


Norbest Farms harvest in September 2018



Great North Seed Potatoes greenhouse

Hoogland Farms 2018 Harvest



COLLABORATION TOGETHER WE ARE BETTER

RESEARCH COMMITTEE - SUCCESS THROUGH COLLABORATIVE PARTNERSHIPS HAROLD PERRY (CHAIRMAN)



It has been a busy year for the Potato Growers' research portfolio. In addition to the projects that the PGA funded as part of the national CAP (Canadian Agricultural Partnership) cluster, listed below, the Research Committee was involved in working on a number of provincial funding grants. The new cluster of national research projects the committee had chosen to support are the following:

- Colorado Potato Beetle, Chemical Resistance
- Wireworm Control & Management
- Potato Early Die Complex
- Late Blight Strain Tracking
- National & Alberta Variety Trials

First year reports are posted on our website.

This past year, the PGA Research Committee has also been involved in a number of new provincial CAP grant programs. We were successful in obtaining funding for the Insect Monitoring program, the Late Blight Spore Tracking Program, an Ag Literacy Program, Irrigation Efficiency and Variable Rate Irrigation Program. Overall, the PGA is participating in projects that were made possible by securing more than two million dollars of funding from the CAP program.

The partnership with the PGA, potato industry processors and the University of Lethbridge continued to grow this last year. The construction of the new science building on the U of L campus was completed on time, and the Potato Chair program has moved into their new home. Dr. Dmytro Yevtushenko, head of the Potato Chair program, incorporated the late blight spore testing and the insect trap card processing into the new state of the art Science and Academic Building. His lab and team, along with Promax Agronomy, industry partners and participants did an excellent job on both of these programs, which ran seamlessly as in past years.

RESEARCH COMMITTEE:

HAROLD PERRY - (CHAIRMAN), PERRY PRODUCE LTD.

BRUCE CHEDZOY - CHEDZOY FARMS

JAN BENNEN - BENNEN FARMS LTD.

ALISON DAVIE - NORTH PADDOCK FARMS LTD.

MICHEL CAMPS - CP FARMS LTD.

YORIAN DROST - DROST SEED POTATOES

WAYNE UNRAU - ROCK BOTTOM POTATOES LTD.

THOMAS MCDADE - PGA AGRICULTURAL DIRECTOR

DEB HART - PGA SEED COORDINATOR

The Research Committee has been exploring a number of topics believed to be most relevant for the PGA members. Such topics include, succession planning, soil health, fusarium, storage and seed health. "I believe soil health is key to the future of farming, as well as, sequestering carbon from the atmosphere back into the soil, which will build organic matter and soil resilience through cover cropping and plant diversity".

The Research Committee is committed to continually reviewing research topic areas and projects that bring value to the PGA members, and to the potato industry. They are always looking for new ideas and input from the membership and the potato industry, so if you have any questions or input, please do not hesitate to present your thoughts and ideas to the Committee.

Sustainability: "Practices that are profitable and environmentally sound, by using crop rotation, efficient watering and maintaining soil health. - Tony Bos, Board Member



Dmytro Yevtushenko & Alison Davie



CANADIAN HORTICULTURAL COUNCIL CANADIAN POTATO COUNCIL **BILL ZYLMANS (CHAIRMAN)**



The Canadian Potato Council (CPC) was established to represent Canadian potato growers on issues of national significance through the collaboration and cooperation of eleven provincial member potato grower organizations. The CPC has two elected representatives per province from grower organizations in the eight major potato producing provinces. The overall objective of the CPC is to improve the economic well-being of potato growers in Canada. The CPC applies resources to various areas of importance to Canadian potato growers including:

Potato Research

The CPC Research Working Group with representation from all provincial potato grower organizations and the processing industry identified research priorities for funding under the Agriculture and Agri-Food Canada's (AAFC) Canadian Agricultural Partnership, AgriScience – Clusters Program. These national priorities were selected after regional consultation to identify those areas of most concern to be addressed during the 2018-2023 time period.

PMRA Re-evaluations and Special Reviews

The CPC has applied significant efforts in responding to Pest Management Regulatory Agency (PMRA) consultations on Proposed Re-evaluation Decisions and Proposed Special Review Decisions. These responses have resulted in a positive impact by the PMRA agreeing to retain some product uses in potatoes or by increasing the number of applications on potatoes that were proposed in the original decisions.

Of critical importance to supporting CPC responses to proposed PMRA decisions, is grower input on how products are actually used in current potato production. The submission of product use data developed through the completion of CPC surveys by potato growers (such as application rates, number of applications, post-application activities) is essential to resolving incorrect assumptions that PMRA may have used in their risk assessments. The response from potato growers to such surveys has been excellent, and growers are encouraged to continue to respond to such surveys in the future.

Ongoing Activities

The CPC works cooperatively and proactively with the Canadian Food Inspection Agency to resolve plant health related issues. Some of the ongoing activities include amending policies to accommodate the entry of true potato seed into the seed certification program and from external sources, and review of the potato grade standards in cooperation with the Dispute Resolution Corporation. The CPC and CFIA will soon begin a full review of the Seeds Regulations that apply to potatoes (Part II) in an effort to modernize and streamline these regulations.



APRE REPORT

JOHN BAREMAN, APRE REP FORMER CHAIRMAN CHC/CPC



The Board of APRE met three times in 2019, once in person at Potato Expo and twice by teleconference. Our final board meeting for this year will be on November 5th in person in Denver.

The structure and finances of APRE are stable. FoodMinds, the organization that does the legwork for APRE has been busy keeping the focus and direction on the right track. They gave an update on the research program pipeline, and the program that is APRE funded, is beginning to mature. There are two projects now published in peer review journals, two projects submitted for publication and five final reports have been received.

More clarity regarding the funded projects and the research pipeline can be found on the APRE website (apre.org). The need to develop messaging has now emerged as research results become available, which will receive attention at our next board meeting. Wishing the Alberta Potato Growers a fruitful and enjoyable annual membership conference.

John has sat as the CHC Board Chair for 8 years. He recently retired from the position this spring and we would like to thank him immensely for representing Alberta at the national level, and for his time and commitment to this very important organization.

Sustainability: "On our farm it means leaving healthier soil and farms for the next generation. Finding ways to do more with less. Being innovative." - James Bareman, Board Member

SUSTAINABILITY STAYING RESPONSIVE



POTATO SUSTAINABILITY INITIATIVE REPORT

MIKE WIND (INDUSTRY REP)



PSI is a collaboration of potato product buyers, processors, packers, growers, grower organizations, non-profit organizations, advisors and others, all working together to improve the sustainability of potato production in the United States and Canada. PSI members make up an innovative community with a history of producing quality potatoes and potato products through the implementation of good agricultural practices that balance environmental, social and economic goals. We connect stakeholders, catalyze improvements and build solutions through pre-competitive collaboration to accelerate widespread adoption of sustainable agricultural practices in the United States and Canada.

Our vision is to be the "go-to" organization supporting a sustainable, thriving and resilient potato sector that produces safe and nutritious food, preserves the earth's resources, and safeguards farm viability while leaving a positive legacy in our communities. We cultivate partnerships from our fields to the world.

Going forward, PSI will be transitioning to a roundtable format. We believe this will offer members an unparalleled opportunity to

SUSTAINABLE POTATO DEFINITION: NUTRITIOUS FOOD GROWN IN HEALTHY SOILS BY PROGRESSIVE FARMERS. CONTINUALLY IMPROVING PROTECTION OF VITAL RESOURCES WHILE SUPPORTING VIBRANT ECOSYSTEMS AND COMMUNITIES

help the potato sector benchmark sustainability performance, expedite continuous improvement, and enable processors, packers and retailers to source sustainability produced potatoes, as well as measure and report on progress against environmental, social and economic goals. Membership offers the opportunity to participate in the premier platform for advancing potato sustainability.

Performance Highlights:

- For the past nine years, PSI growers have reported annually on important practices they perform on their farms including those that improve soil health, protect pollinators and reduce pesticide use and risk.
- In 2018, more than 95% of PSI growers reported using non-chemical practices to manage pests such as planting pest-resistant varieties, mowing, and cultivating beneficial organisms. This is up from 87% in 2016.
- The use of irrigation technology continues to improve. The results show that scheduling irrigation based on predictive models to estimate crop need increased 18% from 2016 to 2018. Also, using pressurized irrigation systems that limit water loss vs. furrow/flood irrigation has increased 28% since 2016.
- Over the past several years, PSI growers have reported data used to calculate GHG emissions, fertilizer and irrigation use efficiency, pesticide risk reduction, worker safety and recycling. We're working to establish baselines for those metrics and will be developing goals and reporting progress in the future.
- Since launching in 2009, PSI membership has grown to six potato processors, one fresh packer, two major buyers and over 560 growers across the United States and Canada.

Key Questions:

Based on an analysis of the survey data and other factors, PSI has identified several questions related to potato sustainability that will continue to benefit from ongoing discussion, improvement and research. These include:

- How can we improve and refine our online survey, metrics and tools so that we are able to quantify and clarify information in a manner that promotes understanding of key economic, social and environmental issues, accelerates sustainability, and scales impact?
- How can we apply at scale, practices that maintain and positively impact the local ecosystem, while at the same time allowing for optimum crop yields and farmer livelihood?
- How do we forage collaborative solutions at the local landscape level to enable realistic and holistic behaviour to optimize land and water resources?
- How can we support research that addresses key aspects of sustainable potato production?

"Sustainability: To produce crops to meet the needs of the present without compromising the ability of future generations to meet their's! - Mike Wind, PSI Representative





AGSAFE ALBERTA HANNEKE CAMPS (INDUSTRY REP)



Vision: *Safer farms and ranches across Alberta.*

Mission: *To support a culture of safety on farms and ranches in Alberta through information, education and training.*

Another busy year for AgSafe Alberta has passed. Jody Wacowich, our Executive Director, had her agenda full with presentations, workshops and hiring of a communication manager and safety manager. A total of 60 farms and ranch visits have been completed this year, along with 49 trade show events, workshops and presentations.

Still working with Growing Forward-2 grants and producer group funds, we are paving the road towards a strong AgSafe Alberta. While continuing to do farm visits and workshops, with the help of contracted safety advisors, we have been working hard on getting a new and updated AgSafe Alberta safety manual completed, along with developing online learning tools and modules. These are scheduled to be launched this winter.

We established a Worker Advisory Committee, (farm and ranch workers are part of this committee) , who will be an extra set of eyes while we work on building the safety manual and online learning tools.

A 1-800 Help Line was set up and is operational for questions and assistance if a serious injury or fatality occurs on a farm or ranch in Alberta, or to help deal with OH&S matters.

Our current Board of Directors:

Chair- Kent Erikson, Alberta Wheat

Vice Chair- Erna Ference, Alberta Poultry

Kelisha Archer, Alberta Pulse

Martin VanDiemen, Alberta Milk

Martin Waldner, Alberta Pork

Charlie Christie, Alberta Beef Producers

Martin Zuidhof, Alberta Cattle Feeders Association

Ian Chitwood, Alberta Canola

Hanneke Camps, Potato Growers of Alberta

Shane DeBock, Alberta Barley



The PGA hosted an AgSafe Alberta workshop in the spring to our members to help them develop their own safety program.



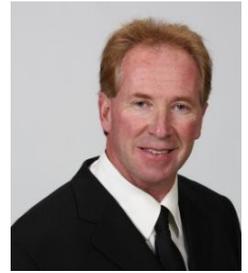
CP Farms Ltd. planting

Sustainability:
"Operating in a way that preserves the farm for the next generation, while still being profitable today." - Michel Camps, Vice Chairman



UNITED POTATO GROWERS OF CANADA

KEVIN MACISAAC (GM - UPGC)



In most years, The United Potato Growers of Canada would spend considerable time trying to determine the alignment of supply with current demand. This was unnecessary for the 2018 crop as existing supply was below current demand and created the need to import raw product into the country. In addition, it was necessary to move product within our country to meet regional needs. A hot summer, wet fall and an early start to winter created difficult situations for growers. I have been involved in agriculture for 40 years, with 27 of them as a grower, and I have never observed the losses that growers experienced all across the country last fall. They are always difficult harvests due to wet, cold, and the nature of dealing with equipment and manpower late in the season, but usually Mother Nature comes around and allows the crop to get harvested in most areas. To leave 16,000 acres of potatoes unharvested in Canada has set a new precedent for the high levels of risk embedded within our industry. Thankfully, Alberta was able to harvest most of their crop and help supply the large shortfalls in Manitoba (5,200 acres unharvested) and Prince Edward Island (6,800 acres unharvested).

Growing conditions in the major potato producing parts of Europe, have been challenging again this year. The five major producing countries in North Western Europe will be challenged to meet the increased demand for processing products in that area of the world.

In addition to the acreage estimate in July and the production estimate in January, UPGC also works hard at putting out monthly crop updates, planting and harvest updates, and potato storage holdings for each sector as we move throughout the year. Growers seem to appreciate receiving this information with the ultimate objective being to help them make planting and marketing decisions for the upcoming crop so they can better manage supply with existing demand.

This past year, our Board was pleased to present Certificates of Appreciation to Mr. Clement Lalancette, GM of the Quebec Potato Producers Association, and Mr. Ivan Noonan, a founding vice-chair of UPGC who recently retired from private industry.

Our working relationship with the United Potato Growers of America continues to be an important one. UPGC is invited to the monthly board meetings of UPGA, where information is mutually shared on production, supply, and marketing progress to date. The sharing of data provides the potato industry with increased opportunities to improve profitability on potato farms across North America. We also partner with UPGA in several large conferences such as the Potato Business Summit, held in conjunction with Potato Expo each January. This event has now become the strongest information provider at that international venue. UPGC had the opportunity to chair last year's meeting in Austin, Texas where in room attendance and online viewers totaled 800 people. We look forward to participating in this year's upcoming conference in Las Vegas, Nevada on January 14th, 2020.

Similarly, the Crop Transition Conference held each June in Minneapolis allows both Canada and the US to create an accurate timeline of supply as the crop transitions from old storage to new out-of-field. Data and information is key to not oversupplying the market at any given time and in past years this conference has been critical in maintaining the initial price as the first area (Big Lake) begins to market its crop. Canada is now an important participant and contributor in that meeting.

Grower decisions to support our organization have been critical to maintaining our existence. Realizing the many initiatives that farmers are currently asked to contribute for, your support and encouragement is very much appreciated.

In addition to grower support, it is also the partnership with private industry that keeps dues to a minimum. Thanks, are also extended to our industry partners for their valued support including: Farm Credit Canada, The Quebec Packers Association, Equipment Capitale, Coderre Packaging, Sac Drummond, Seneschal, Green Diamond Equipment, FMC, PEI Bag Company and Allan Potato Equipment. We are always looking to expand our Partner clientele, which can provide synergistic benefits for each side of the industry.

ANNUAL GENERAL BUSINESS MEETING

November 14-15, 2018

The River Cree Resort, Edmonton, Alberta

SESSION #1 WEDNESDAY, NOVEMBER 14, 2018

8:30 – 10:00 AM

Session Chair: Russ Van Boom, PGA Board Chairman

Welcome & Call to Order - Russ Van Boom, Chairman called the meeting to order at 8:35 a.m.

Introduction of Special Guests

Russ introduced Andrea Dilworth and Virginia Dickison, both from Agriculture and Agri-Food Canada and Janelle Hitchcock from Alberta Agriculture and Forestry Marketing Council.

Additions to Agenda

There were no additions to the agenda.

Approval of Agenda

Motion: To approve the agenda as presented. Bennen, Jan/Bareman, James. Carried

Approval of Minutes : 2017 AGM Nov 15-16 Red Deer AB

Motion: To approve the Minutes from the November 15-16, 2017 Annual General Meeting held in Red Deer, as presented. Visser, Gord/Groot, Don. Carried.

PGA Chairman's Report

Russ Van Boom introduced the 2017/18 Board of Directors and thanked them for their service to the industry in Alberta. Russ touched on a few current issues the industry in Alberta is addressing:

- Ag Safety – an example of a program along with the revised Grower Manual on a thumb drive for each farm.
- Industry is looking for more deliverables and better communication from the University of Lethbridge. They had an Open House in August and are currently in the 2nd year of the 3rd year funding extension.
- ACIDF Funding Program is no longer available so programs have to be prioritized to receive PGA funding.
- The plebiscite vote will take place on Thursday, to determine if growers wish to keep refundable levies, or revert back to non-refundable levies.
- It is becoming more evident the importance of our

involvement with the Canadian Horticulture Council, ranging from the current pesticide discussions to export and trade.

It was Russ' first year as Chair and there were new Board members as well. Thanks to the growers for their support.

2017-18 Financial Statements

The financials were handed out to growers and Jared Bell, AVAIL CPA, addressed the Financial Statement, which was an expressed opinion only. Jared reviewed highlights of the statement and stressed it was a strong year for the PGA and the PGA is in a good position for a not-for-profit organization. There were no questions from the growers.

Executive Director's Report

Terence Hochstein reviewed his report as presented in the Annual Report

Call For Nominations: Director-at-Large (3-year term)

Terence Hochstein called for nominations for the 3-year Director-at-Large term.

Louis Ypma nominated JP Claassen, who agreed to let his name stand.

Call For Resolutions

Russ Van Boom introduced Tony Kirkland and James Bareman as the Resolution Committee and asked that they be contacted with any resolutions.

Russ made the first call for resolutions.

Resolution 2017-001 Levy Plebiscite Final Discussion

There were no further questions for the vote tomorrow.

Russ Van Boom moved adjournment at 9:10 a.m.

SESSION #2 THURSDAY, NOVEMBER 15, 2018

8:30 – 10:00 AM

Session Chair: Russ Van Boom, PGA Board Chairman

Russ Van Boom, Chair, called the meeting to order at 8:40 a.m. and welcomed everyone.

Appointment of Auditor

Russ provided some clarity on the 1.25 Contingency Fund collected as a retainer for the Emergency Fund. The PGA has reached that goal and as a Board, they will discuss how to move forward with additional funds. If growers have any comments, please talk to the Board Members

Motion: The Potato Growers of Alberta retain Avail as the Auditor for the 2018/19 fiscal year. Bos, Tony/Wind, Mike. Carried.

Canadian Potato Council Update

John Bareman, Chair, Canadian Potato Council, stressed growers read his report in the Annual Report. He did want to point out that Canada is meeting with the US at the end of November, and revisions to the PCN Agreement will be a high priority.

APRE Update

John Bareman, the CPC representative, explained that New Brunswick has rejoined APRE, and David Jones from CHC is the Canadian Ex-Officio. There have been some changes at APRE and they are trying to find the magic bullet to dispel health comments, but it is extremely challenging. APRE applied for CAP Funding to assist with research but it was rejected as it didn't meet Canadian health concerns.

PSI Update

Mike Wind reviewed his report in the Annual Report and provided an update on the history of PSI and why we are part of it. The PSI Working Group has monthly conference calls and any and all questions raised by growers are discussed on the call. They recognize more work has to be done to make it easier for growers.

Final Call for Resolutions

Russ Van Boom made the second and third calls for resolutions, with none coming forward.

Vote on Resolutions

As there were no resolutions, a vote was not necessary. However, Terence Hochstein reported on the outcome of Resolution 2017-002 regarding a Dickeya Survey. The Seed Committee recommended a survey be conducted by collecting a maximum of two samples per seed farm to be sent to the Post-Harvest Test grow out in Hawaii. Canada was anticipating samples under 500 tubers would be exempt from PCN testing, however there were delays

in the US that prevented the change to the bi-lateral Agreement. We hope we will be able to move ahead with the 2019 crop.

Second and Third Call for Board Nominations

Terence Hochstein made the second call for nominations. James Bareman nominated Serge Langeweg. Laus Stiekema nominated Jan Bennen. Terence made the third call for nominations with no additional names being brought forward. The three nominations spoke, and Terence thanked Louis Claassen for his time served on the Board.

Elections

Brent McEwan from Marketing Council and Andrea Dilworth from AAFC, tabulated the ballots. JP Claassen received congratulations.

Other Items of Importance

Brent McEwan from Marketing Council reminded everyone that the plebiscite poll is closed at 3:00 p.m. and to please ensure a piece of ID is available for presentation.

Deb Hart invited anyone who may be on Oahu in early January to consider visiting the Post-Harvest Test plot. Anyone interested is to contact her for directions.

Additional clarification was provided on the PSI Program and CanadaGAP.

John Bareman announced he will be stepping down as Chair of the Canadian Potato Council and APRE Representative.

Adjournment

Russ Van Boom moved adjournment at 9:30 a.m.



2018 IN REVIEW



SEED INDUSTRY

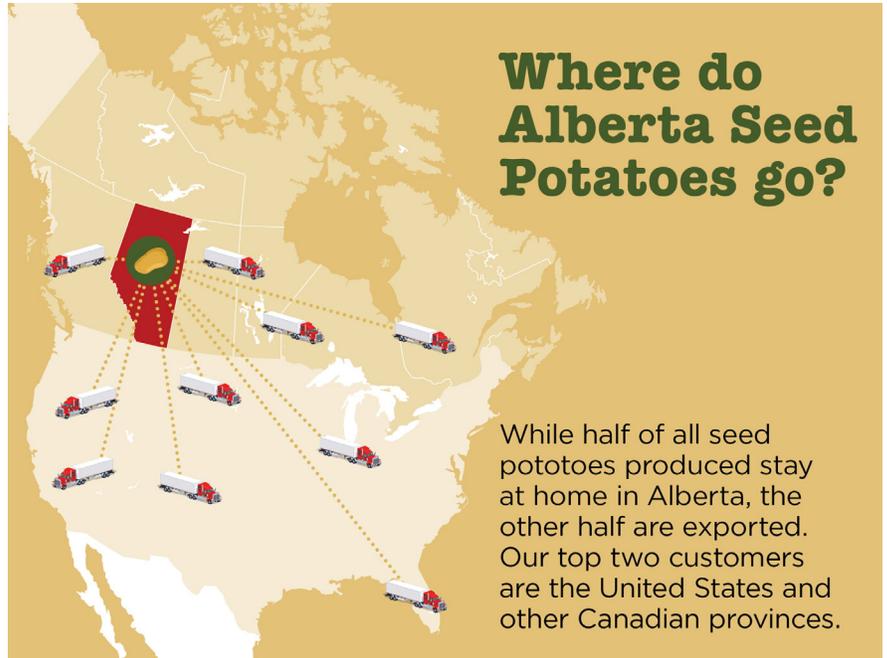
Alberta is Canada's #1 exporter of top quality, low virus potato seed. The bulk of our seed is grown in central to the northern part of province.

46 LICENSED SEED GROWERS

- 40% of total tonnage is exported
- 218 Varieties grown
- 10,230 Acres planted



12 LICENSED GREENHOUSE GROWERS + 2 NUCLEAR OPERATIONS



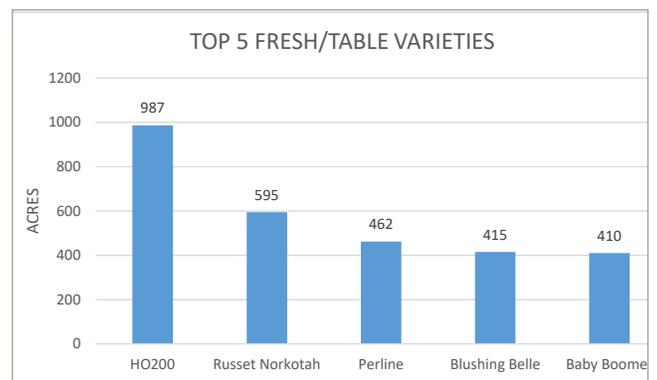
FRESH/TABLE INDUSTRY

Table or Fresh acres have made a steady increase...almost doubling in planted acres in the last ten years. This change is mainly due to more growers of fresh creamers.

58 LICENSED TABLE GROWERS

- 44% planted acreage increase in last 10 years
- 50 Fresh varieties
- 4765 Acres planted

53 LICENSED PACKER/DEALERS + SEVERAL MARKET GARDENS



Sustainability: To continue to grow and develop while meeting societal needs; without compromising the needs for future generations."- JP Claassen, Board Member



PROCESS INDUSTRY

The process industry is the largest in Alberta, (75%) mainly due to our processing plants in southern Alberta.

The advantage of irrigation and excellent farming practices contribute to high yielding potato crops

59 LICENSED PROCESS GROWERS

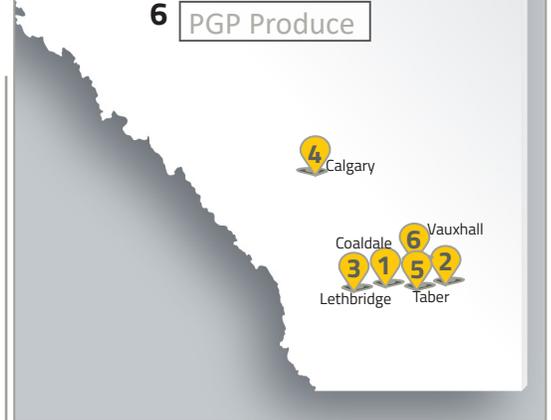
- 28% increase in harvested acres in the last 10 years
- Russets are the main varieties grown for French Fries
- 40,650 Acres planted



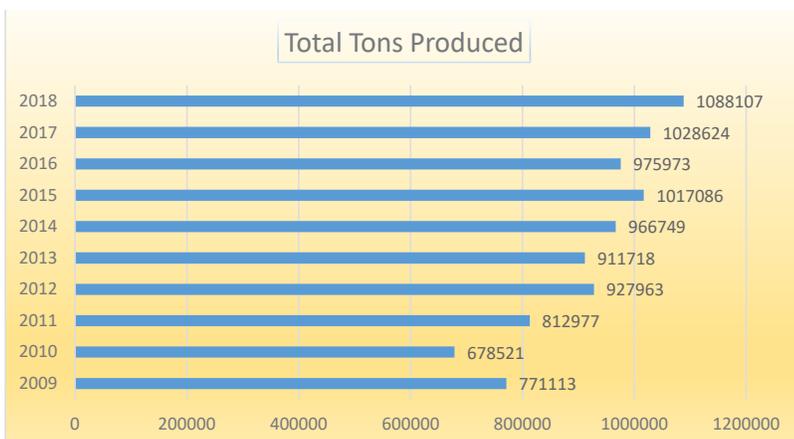
6 LICENSED PROCESSING PLANTS

- 3 Frozen French Fry Plants
- 2 Potato Chip Plants
- 1 Dehy Plant

- McCain Foods
- Lamb Weston
- Cavendish Farms
- Old Dutch Foods
- Pepsico - Frito Lay
- PGP Produce



TEN YEAR ACREAGE REVIEW



1 MILLION
1,088,107 TOTAL TONS
 OF POTATOES PRODUCED
 LAST YEAR



1 BILLION
 THE POTATO GROWERS OF ALBERTA
 CONTRIBUTE OVER ONE BILLION
 DOLLARS TO THE PROVINCIAL ECONOMY

AUDITOR REPORT



INDEPENDENT AUDITOR'S REPORT

To: The Members of
Potato Growers of Alberta

Opinion

We have audited the financial statements of Potato Growers of Alberta, which comprise the statement of financial position as at July 31, 2019, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at July 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 12 to the financial statements, which describes amendments made to the prior year's figures. Our audit opinion is not qualified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

INDEPENDENT AUDITOR'S REPORT, continued

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Lethbridge, Alberta

October 23, 2019

Chartered Professional Accountants

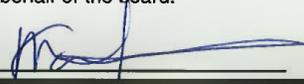
FINANCIAL

POTATO GROWERS OF ALBERTA
STATEMENT OF FINANCIAL POSITION
 As at July 31, 2019

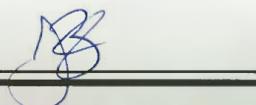
	2019	2018 (Restated)
ASSETS		
Current		
Cash	\$ -	\$ 40,821
Short-term investments (note 3)	959,590	852,340
Accounts receivable	214,775	172,659
Interest receivable	43,891	27,847
Inventory	35,192	37,175
Prepaid expenses	56,145	58,595
Funds held on behalf of others (note 9)	690,847	721,252
Current portion of crop advances receivable	1,081,728	560,769
	3,082,168	2,471,458
Crop advances receivable (note 4)	1,000,000	1,550,400
Long-term investments (note 5)	1,720,000	1,205,000
Investment in Alberta Seed Potatoes Inc. (note 6)	8,000	8,000
Capital assets (note 7)	388,374	365,956
	\$ 6,198,542	\$ 5,600,814
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	\$ 161,699	\$ 33,399
GST payable	4,989	2,290
Payroll remittances payable	3,683	41
Deferred contributions (note 8)	181,925	9,000
Funds held on behalf of others (note 9)	690,847	721,252
Current portion of loans for crop advances	1,081,728	560,769
	2,124,871	1,326,751
Loans for crop advances (note 10)	1,000,000	1,550,400
	3,124,871	2,877,151
Commitments (note 16)		
Net assets		
Unrestricted	943,243	779,069
Internally restricted (note 11)	1,742,054	1,578,638
Invested in capital assets	388,374	365,956
	3,073,671	2,723,663
	\$ 6,198,542	\$ 5,600,814

Approved on behalf of the board:

Director



Director



REPORT

POTATO GROWERS OF ALBERTA
STATEMENT OF OPERATIONS
For the year ended July 31, 2019

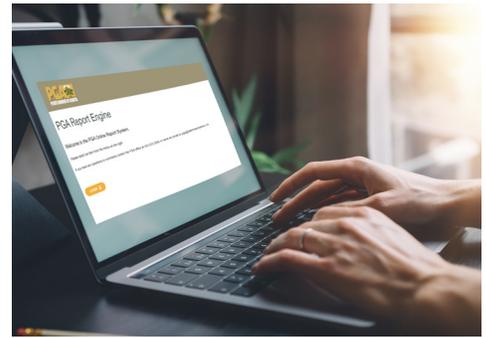
	2019	2018 (Restated)
Revenue		
Levies and licenses	\$ 1,601,724	\$ 1,431,854
Registrations and sponsorship	180,072	231,072
Grants and recoveries	56,405	29,730
Interest	47,341	37,807
	1,885,542	1,730,463
Expenses		
Wages and benefits	592,440	589,579
Research and industry development	246,754	176,280
Annual general meeting	171,484	142,275
Memberships	86,087	83,409
Advertising and promotion	82,126	83,881
Meetings and travel	75,664	76,228
Office and administration	43,507	52,049
Negotiation costs	34,664	44,638
Telephone and utilities	32,759	37,082
Property costs	27,525	22,817
Automotive	25,434	25,805
Extension and grower education	24,707	33,445
Professional fees	21,932	30,723
Insurance	14,927	13,163
Donations	14,821	14,213
Bad debts	410	559
Amortization	40,293	34,723
	1,535,534	1,460,869
Excess of revenue over expenses from operations	350,008	269,594
Other income		
Gain on disposal of capital assets	-	7,980
Excess of revenue over expenses	\$ 350,008	\$ 277,574

*The audited financial statements of the association are available on request, by contacting the administration office.



COMMUNICATION STAYING CONNECTED

New Website & Report Engine



One hot budget item last year was to redevelop our current website, which was completed and launched on February 8th, 2019. It allows staff to manage and maintain the site in half the time as our previous website. We are able to send out communications directly from the site's database and view several analytics that are important to us in gathering specific information. Our goal was to create a more informative and enjoyable experience for not only our membership, but the consumer as well. We also strive to promote each industry sector by providing information relating to their respective audience. (ei: seed directory, fresh/table directory). We hope that your navigation through our website meets your needs - Deb Brewin

We are very excited to have launched a new report engine this year! Not only did we update its look and feel, we made it much more functional, and accessible to our growers, whether they are on a desktop or mobile device. The updates allow our producers to easily provide the PGA with information needed to compile reports used to convey the progress of Alberta's potato industry both locally and internationally.

The new report engine is more user friendly, with changes allowing the growers to see it as an information source. They will have access to data they have not previously had, such as their past report history, and the ability to set up their own PAM-Casts and weather reporting. The PGA is looking forward to the growers using this report engine as an extension of their on-farm record keeping for years to come. - Cindy Fletcher

MEET OUR 2018-19 PGA SCHOLARSHIP PROGRAM RECIPIENTS

CHLOE PERRY



Perry Produce Ltd.

Chloe is enrolled at the University of Lethbridge pursuing a degree in the Social Sciences Program. She is a graduate of W.R. Myers High School in Taber Alberta. Her career path is to find a profession that involves helping other people, whether it be a psychologist or working on the family farm until she finds her true calling.

LAURA HAENNI



Haenni Farms

Laura is attending the University of Lethbridge pursuing her Bachelor of Science degree in the Agricultural Biotechnology Program. She is a graduate of the Pigeon Lake Regional School in Falun, Alberta. With her love of agriculture, she is interested in plant pathology and horticulture, which could lead to several career choices in this field.

JED JESPERSON



CK Jespersen Farms Inc.

Jed's Program of Study is a Bachelor of Commerce at the King's University in Edmonton and Athabasca University. He is a graduate of Spruce Grove Composite High School. After post secondary graduation, his career choice is in corporate finance, accounting or investment banking.

JESSICA HAENNI



Haenni Farms

Jessica is enrolled in the Bachelor of Science/Biology Major Program at the University of Alberta - Augustana Campus. She graduated from Pigeon Lake Regional School in Falun, Alberta. Her passion is learning about plants, animals, the human body and the environment. She will have many options for the future.

ENGAGEMENT BUILDING UNITY

AGM EVENTS



North Area Spring Meeting



South Area Spring Meeting



APIA Burger's & Beans



Golf Tournament 2018



Golf Tournament 2018



Young delegates at our AGM



Annual Golf Tournament



AGM Welcome Reception-Building long term relationships



- Area Meetings
- Burgers n' Beans
- Golf Tournament
- Field Days
- Annual General Meeting



photo credit by Darcy Ingram



2018-19 ANNUAL REPORT

Thank you to all of our generous sponsors and APIA partners that continue to support the many events the PGA hosts throughout the year.

A huge thank you goes out to our grower membership as well, that volunteer for tradeshow, sit on committees, help with many events. It is greatly appreciated.

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Taber, AB, T1G 2B1

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E-mail: pga@albertapotatoes.ca

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CDC North

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Annual report created by Deb Brewin, PGA Communication & Promotions Director

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