

## Annual Report 2021-2022



### Saskatchewan Forage Seed Development Commission

The SFSDC, established in June 2005 under the *Agri-Food Act*, is a producer check-off funded and producer-led organization with the mandate to improve the forage seed industry in Saskatchewan. We have a research focus, and we strive to help our producers become more profitable, and enhance the competitiveness of the agriculture industry.

More about SFSDC: [www.saskforageseed.com](http://www.saskforageseed.com)  
Contact Us: phone/text 306-341-1347 or email [office@saskforageseed.com](mailto:office@saskforageseed.com)

## Table of Contents, SFSDC Annual Report 2021-2022

- [About the Saskatchewan Forage Seed Development Commission](#)
- [Forage Seed Crops and Levy: 2005-2006 to 2021-2022](#)
- [State of the Industry 2021-2022](#)
- [Board of Directors 2021-2022](#)
- [Reports to Growers: Review 16th Annual General Meeting, January 12, 2022](#)
- [Reports to Growers: 17th AGM December 12, 2022](#)
- [Audited Financial Statements: SFSDC Fiscal Year July 01 2021 to June 30 2022](#)

## About the Saskatchewan Forage Seed Development Commission

The Saskatchewan Forage Seed Development Commission (SFSDC) exists following a 2003-2004 survey of forage seed growers in north-east Saskatchewan and forage seed buyers. The industry supported the concept of a refundable, value-based check-off to improve the industry.

The Saskatchewan *Agri-Food Act* provided the policy framework to empower forage seed producers to form the organization (an agri-food agency). The Agri-Food Council supervises and monitors all agri-food agencies in Saskatchewan. Federal *Orders* allow the SFSDC to collect an inter provincial levy, therefore, by law, a forage seed buyer in a province/territory in Canada is required to collect the levy and provide remittance to the SFSDC.

The Development Plan, *A-15.21 Regulation 3* (amended 2021) prescribe the powers, scope, and scale of our activities. SFSDC *Policies* define the roles and responsibilities of the Board of Directors and Management.

The check-off deduction (levy) applies to all grades of seed Saskatchewan-grown forage seed legumes (except alfalfa) and grass crops including: forage and turf grasses; amenity, restoration, and reclamation species; and native grasses and legumes.

The levy deduction is mandatory; three-quarters of one percent (0.0075%) of the gross value of forage seed is collected at the first point of sale by a producer to a forage seed buyer (or another grower in the case of grower to grower sales). The buyers submit the levy to SFSDC two times each crop year (Term 1 deliveries July 1 to December 31, Term 2 deliveries January 1 to June 30). SFSDC has a refundable levy system so that growers may ask for a refund of their deduction. For Term 1, refund requests must be submitted not later than February 2 and Term 2 refund requests submitted not later than August 31.

The levy is used to fund SFSDC activities described in the Development Plan. External funds (grants) are sourced primarily from the government of Saskatchewan and bilateral agreements within the Federal-Provincial-Territorial Framework Agreement on Agriculture, Agri-Food and Agri-Based Products Policy.

The 2021-2022 Board of Directors consists of seven forage seed producers, plus one appointed member, the forages plant breeder from the University of Saskatchewan. Three advisory positions are supported by Ministry of Agriculture staff, forage seed industry, and the Saskatchewan Forage Council.



## Forage Seed Crops and Levy: 2005-2006 to 2021-2022

The forage seed levy represents a diversity of forage seed crops grown in Saskatchewan. The main crops are highlighted in the list below.

<b>red clover</b>	<b>alsike clover</b>	<b>sweet clover</b>	prairie clovers
<b>cicer milkvetch</b>	American vetch	sainfoin	black medic
<b>timothy</b>	red top	birdsfoot trefoil	festolium
<b>annual ryegrass</b>	<b>perennial ryegrass</b>	Italian ryegrass	hybrid ryegrass
<b>hybrid bromegrass</b>	<b>meadow bromegrass</b>	<b>smooth bromegrass</b>	mountain bromegrass
<b>crested wheatgrass</b>	<b>slender wheatgrass</b>	<b>intermediate wheatgrass</b>	western wheatgrass
streambank wheatgrass	northern wheatgrass	tall wheatgrass	pubescent wheatgrass
hybrid wheatgrass	awned wheatgrass	green needle grass	orchardgrass
<b>tall fescue</b>	<b>meadow fescue</b>	<b>sheep fescue</b>	creeping red fescue
hard fescue	Chewing's fescue	reed canarygrass	needle-and-thread
<b>Dahurian wildrye</b>	altai wildrye	Canada wildrye	Russian wildrye
Canada bluegrass	Kentucky bluegrass	Sanberg bluegrass	fowl bluegrass

Table 1 lists the annual value of deliveries, levy funds collected, the number of producers and amount of levy refunds. For the 2021-22 deliveries, organic forage seed comprised 3.3% total value of deliveries. Ten producers sold \$416,000 of organic forage seed with a levy contribution of \$3,158. Within the organic deliveries, 64% of the value from the fall 2021 harvest is organic alsike clover, exceeding single and double-cut red clover (25%) with organic sweet clover deliveries at 5%; organic cicer milkvetch accounted for 1% deliveries and organic timothy deliveries (2%) were up from the previous year.

**Table 1: Contributions to the economy made by Saskatchewan forage seed producers based on the annual levy flows and refunds since the beginning of the check-off.**

Year	Total Value Deliveries	Levy Collected	Producers Contributing Levy	Less Levy Refund	Levy Refunds (%)	Total Levy Revenue
2021-2022	\$ 16,778,239	\$ 126,067	175	-\$293	0.2	\$ 125,774
2020-2021	\$ 11,005,628	\$ 82,967	172	-\$1,078	1.3	\$ 81,889
2019-2020	\$ 11,977,362	\$ 87,682	184	-\$2,216	2.6	\$ 85,466
2018-2019	\$ 9,146,184	\$ 68,728	175	-\$1,491	2.2	\$ 67,237
2017-2018	\$ 9,840,148	\$ 73,807	204	-\$4,096	5.9	\$ 69,711
2016-2017	\$ 8,067,578	\$ 60,340	176	-\$1,624	2.8	\$ 58,716
2015-2016	\$ 13,859,419	\$ 103,946	203	-\$6,472	6.6	\$ 97,474
2014-2015	\$ 6,576,072	\$ 49,340	162	-\$348	0.7	\$ 48,922
2013-2014	\$ 7,973,452	\$ 59,801	177	-\$2,870	5.0	\$ 56,931
2012-2013	\$ 5,127,733	\$ 38,458	154	-\$2,521	7.0	\$ 35,937
2011-2012*	\$ 6,175,733	\$ 46,318	175	-\$64	0.1	\$ 46,254
2010-2011*	\$ 4,647,200	\$ 34,854	138	-\$365	1.1	\$ 34,489
2009-2010	\$ 5,672,400	\$ 42,543	149	-\$768	1.8	\$ 41,775
2008-2009	\$ 5,212,400	\$ 39,093	229	-\$850	2.2	\$ 38,243
2007-2008	\$ 7,762,000	\$ 58,215	313	-\$1,308	2.3	\$ 56,907
2006-2007	\$ 7,604,667	\$ 57,035	322	-\$6,121	12.0	\$ 50,914
2005-2006	\$ 5,460,000	\$ 40,950	380	-\$1,999	5.1	\$ 38,951
<b>17-Year average</b>	<b>\$ 8,405,071</b>	<b>\$ 62,950</b>	<b>205</b>	<b>-\$2,028</b>	<b>3.5</b>	<b>\$ 60,917</b>

\*levy refunds of (230.81) less \$294.81 adjustment from 2010-2011

Sask Forage Seed Development Commission Record of Value of Deliveries and Levy Collection based on audited financial statements

## State of the Industry 2021-2022

The majority of forage seed production is done in north-east Saskatchewan. The region typically has high amounts of precipitation, moderate summer temperatures and substantive amounts of snowfall. However, 2021, was not a 'normal' year. Two advisors to the SFSDC Board of Directors prepared the following summary of how the year unfolded. Thank you, Clayton Myhre and Terry Kowalchuk for your contribution.

**2021 Forage Seed Year in Review** Another year is in the books and for some, it is one that we would like to forget. Although much of the northeast Saskatchewan region had good 2020 soil moisture, below average snow accumulated through the winter. As a result, as spring advanced, soil moisture conditions were average to below average in much of the area. As the season progressed, temperatures soared and lack of rain combined with many windy days stressed both established and newly seeded forage crops. Smoke from forest fires helped moderate extreme temperatures and may have helped some fields survive through July and August. Rain finally came towards the end of August and beginning of September, but conditions since then have remained hot and dry

**Crop Growth** The hot weather advanced growth so that most forage seed crops were ahead in maturity by about 7 to 10 days. Establishment of seeded grass varied but was generally poor while clover establishment was good. Late summer rainfall and a warm September has helped improve establishment, but most fields suffered some plant mortality during the prolonged dry spell. Perhaps the only good effect of the drought was that disease and weed pressures were generally lower than in a typical year.

**Pests** Grasshoppers were more abundant than previous years, given the numbers, did not significantly affect most fields. European skipper numbers were high in timothy, while lesser clover leaf weevil was a problem in red clover, and Lygus was a problem in some alsike and red clover fields later in the season. The images below are retrieved from Philip, H. B.A. and K.D Floate, 2019. Field Crop and Forage Pests and their Natural Enemies in Western Canada AAFC catalogue A59-23/2018E; Alberta Forage Manual 2nd edition. Aasen, A and M. Bjorge. Alberta Forage Manual 2009.

### European Skipper

The European skipper is a colourful butterfly, the larva of which is a pest of timothy grown for hay and seed in eastern Canada. Other host plants include perennial ryegrass, meadow fescue, orchardgrass and quackgrass. To date, the skipper has spread west to Saskatchewan.



EUROPEAN SKIPPER ADULT (19-26 MM) ON TIMOTHY SEED HEAD



### Lygus bugs

pale legume bug  
*Lygus elisus* Van Duzee

tarnished plant bug  
*Lygus lineolaris* (Palisot de Beauvois)

western tarnished plant bug  
*Lygus hesperus* Knight

**Seed Yields** With all the above factors coming to play, grass and clover seed yields in northeast Saskatchewan varied a lot this year, both within and between fields. Clover and grass seed yields in the area generally ranged from below average to average depending mainly on localized rainfall.

**Post Harvest** By mid October, forage seed harvest was pretty much all wrapped up and despite the lower yields on some fields, there is no indication of seed quality issues. The other positive was that harvest for most forage seed crops was not delayed by high humidity or rain. As fall continues, and weather permitting, producers are busy with post-harvest operations. Early fall rainfall caused a flush of weeds on some fields and some producers have been spraying winter annuals and perennial weeds on their grass fields. Volunteer canola, Canada thistle, dandelion, night-flowering catchfly, white cockle, and narrow-leafed hawk-beard are some of the main weed infestations. As crop year 2021 comes to a close, soil moisture in most of the region is once again below normal and precipitation in any form (rain or snow) will be very welcome. Producers will likely wait until this moisture arrives before applying fertilizer on their grass seed stands.

## State of the Industry 2021-2022

### 2021 Harvest - Volume & Prices

The volume and value of forage seed deliveries and levy contributions for 2021-2022 is presented in Table 2. Tall fescue, perennial ryegrass, Dahurian wildrye, intermediate and awned wheatgrass showed strong deliveries despite the drought and were the major influencers in total volume of deliveries. Deliveries of tall fescue were the highest recorded by SFSDC and perennial ryegrass deliveries were 66% higher than the previous crop year, although timothy seed production held onto a top ranking based on value despite 10% lower deliveries compared to last year. Holding steady for volume deliveries were the bromegrasses with the exception of smooth bromegrass with no deliveries reported. Annual ryegrass deliveries were markedly lower (about 20%) in comparison to prior year of near record-high deliveries and similarly slender wheatgrass were far from 2020-2021. Harvest of the clover crops was done in late September and October and yields were quite variable but generally speaking, growers reported average to below average yields. The volume of deliveries of the legumes was about 55% of the 2020-2021 crop, the legumes comparatively lower than the grasses. Considering all 20 crops, the total volume of deliveries were about 30% down from prior crop year with little change in the number of growers.

**Table 2: Forage seed deliveries, volume, value and levy contribution by crop kind, 2021-2022 compared to 2020-2021**

Crop Kind	Volume Deliveries		Value Deliveries		Levy Collected	
	Net Weight (kg 2021-2022)	(relative to 2020-2021)	(\$)	(relative to 2020- 2021)	(\$ 2021-2022)	(\$ 2020-2021)
Red Clover	638,057	73%	\$ 2,922,464	127%	\$ 21,971	\$ 17,316
Alsike Clover	219,231	50%	\$ 681,711	64%	\$ 5,117	\$ 8,375
Sweet Clover	75,170	21%	\$ 172,924	36%	\$ 1,434	\$ 3,567
Birdsfoot Trefoil	5,052	44%	\$ 25,083	47%	\$ 188	\$ 405
Cicer Milkvetch	2,456	52%	\$ 23,331	58%	\$ 175	\$ 305
American Vetch	14		\$ 610		\$ 5	-
<b>SUB TOTAL FORAGE LEGUMES</b>	<b>939,980</b>	<b>55%</b>	<b>\$ 3,826,123</b>	<b>97%</b>	<b>\$ 28,890</b>	<b>\$ 29,968</b>
Timothy	877,954	90%	\$ 3,285,498	188%	\$ 24,668	\$ 13,192
Perennial Ryegrass	1,073,214	166%	\$ 2,852,029	435%	\$ 21,395	\$ 4,919
Tall Fescue	837,045	335%	\$ 2,106,661	581%	\$ 15,798	\$ 2,720
Slender Wheatgrass	213,274	24%	\$ 1,318,891	132%	\$ 9,892	\$ 7,425
Hybrid Bromegrass	138,297	98%	\$ 1,033,831	175%	\$ 7,759	\$ 4,381
Crested Wheatgrass	93,642	101%	\$ 578,422	138%	\$ 4,338	\$ 3,149
Meadow Bromegrass	56,384	106%	\$ 417,794	199%	\$ 3,133	\$ 1,577
Annual Ryegrass	491,938	22%	\$ 365,182	24%	\$ 2,739	\$ 11,602
Dahurian Wildrye	90,263	580%	\$ 340,273	453%	\$ 2,552	\$ 567
Intermediate Wheatgrass	49,643	186%	\$ 263,627	232%	\$ 1,977	\$ 857
Meadow Fescue	69,626	84%	\$ 253,008	129%	\$ 1,898	\$ 1,475
Awned Wheatgrass	13,119	229%	\$ 119,155	730%	\$ 894	\$ 123
Red Top	-		-		-	\$ 451
Smooth Bromegrass	2,666		\$ 14,583	-	\$ 110	-
Sheep's Fescue	870	3%	\$ 3,163	4%	\$ 24	\$ 561
<b>SUB TOTAL FORAGE GRASSES</b>	<b>4,007,935</b>	<b>74%</b>	<b>\$ 12,952,116</b>	<b>183%</b>	<b>\$ 97,176</b>	<b>\$ 52,999</b>
<b>SUB TOTAL ORGANIC FORAGE LEGUMES + GRASSES</b>	<b>99,429</b>	<b>45%</b>	<b>\$ 415,827</b>	<b>64%</b>	<b>\$ 3,157</b>	<b>\$ 4,910</b>
<b>GRAND TOTAL</b>	<b>4,947,916</b>	<b>69%</b>	<b>\$ 16,778,239</b>	<b>152%</b>	<b>\$ 126,067</b>	<b>\$ 82,967</b>

*Sask Forage Seed Development Commission Record of Value of Deliveries and Levy Collection based on audited financial statements*

As news spread of the drought impacting other major forage-seed producing areas, prices began to increase. In the case of red clover, for example, 40-year high prices were being offered to growers before the crop was combined and unloaded into the truck. Thank-you to the growers for leaving your hard-earned levy dollars with SFSDC. Each and every grower and every dollar is important and how the levy is invested is taken very seriously.

# State of the Industry 2021-2022

## A Story of Crop Diversity & Impact of Leadership

The 2021 crop year is an illustrative example of the benefits in having a range of forage seed crops for seed production in Saskatchewan. While forage seed crops can be challenging to integrate into broad acre agriculture farm operations, the diversity of forage seed cropping options helps growers manage risk and we see this even under extreme weather conditions. With the mid summer shift in seasonal temperatures, the grasses fared better for yield than the legumes whose seed set was impacted by the extreme heat and lack of rainfall. Fortunately, for the growers, the seed production was down throughout the major seed producing regions in North America. The shortage of supply in combination with strong consumer demand for turfgrass seed, put upward pressure on prices. The price for red clover in particular offset the below average yields.

The 2021 crop year also offers a good lesson of the visionary leadership of the producers who created the SFSDC. They chose a value-based refundable check-off and when the environmental conditions set the brakes on crop yield potential, the value-based levy circumvented substantial losses to SFSDC. Combined with production supply chain shortages in the system, SFSDC received record-high levy revenue.

Knowledge transfer is a high priority activity for SFSDC and the extra levy funds were allocated towards increasing field visits to the northeast area to better understanding production problems (On Farm Demonstrations and ADOPT projects), trying new forms of grower communication tools (a group texting system of short and timely messages about events and program) and building the forage seed community of growers (an annual meeting and winter seed production workshops in Nipawin and Carrot River). We started our knowledge transfer by meeting growers in their red clover fields in early spring, sampling roots and assessing for symptoms of crown root rot. This activity was partially funded by the extra forage seed levy and the Ministry of Agriculture ADOPT program, a 2021 application, *Best Management Practices To Extend Red Clover Seed Production During Shortfall In Commercial Seed Supply And High Commodity Prices*. We found some disease and the pathogen group was identified as *Fusarium* but we met many growers and it snowballed from there with even more field visits planned for the next trip. Thank you to all the growers who granted access to their fields, Krista Anderson and Drs. Bruce Gossen and Coulman, who helped identify the disease and share their knowledge of forage plant pathology and plant breeding. . But the ADOPT project also created the opportunity to walk grower's fields with them, meet other growers who were having fields that weren't quite right, and get acquainted with local ag input suppliers, custom spray applicators and customer combiners. By July 2022, clover-red and grass-green SFSDC flags were seen in many forage seed fields in the Carrot River, Nipawin, and Whitefox areas.



# Saskatchewan Forage Seed Commission Board of Directors 2021-2022

## **Spencer Staffen**

Forage seed grower, Chair  
Nipawin, SK

## **Ryan Bautz**

Forage seed grower, Vice Chair  
Middle Lake, SK

## **Denton Peifer**

Forage seed grower, Treasurer  
Nipawin, SK

## **David Cox**

Forage seed grower, Audit Chair  
Nipawin, SK

## **Morris Nycholat**

Forage seed grower  
Whitefox, SK

## **Morley Doerksen**

Forage seed grower  
Garrick, SK

## **Kim Tomlin**

Organic Forage seed grower  
Gronlid, SK

## **Aaron Donkers**

Forage seed grower  
Whitefox, SK

## **Bill Biligetu**

Appointed Director, Forages breeder &  
Ministry of Agriculture Strategic Research  
Program Chair in Forage Crop Breeding  
University of Saskatchewan, Saskatoon, SK

## **Advisors to the Board of Directors**

ex-officio positions:

### **Terry Kowalchuk\***

Crops and Policy Advisor  
Forage Crops Provincial Specialist  
Ministry of Agriculture  
Regina, SK  
\*retired end May, 2022

### **Dale Risula\*\***

Crops and Policy Advisor  
Special Crops Provincial Specialist  
Ministry of Agriculture  
Regina, SK  
\*\*joined us for June 2022 Board meeting

### **Clayton Myhre**

Industry Advisor, Agonomist  
DLF Pickseed  
Nipawin, SK

### **Shannon McArton**

Industry Advisor, Forage Crops  
Saskatchewan Forage Council  
Dilke, SK

## **Management & Operations**

### **Jo-Anne Relf-Eckstein (non-voting)**

Executive Director  
5 Eagle Ridge Road  
Eagle Ridge, SK S7K 2L6

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# **Reports to Growers: Review 16th Annual General Meeting, January 12, 2022**

The 16th AGM was attended by 67 participants, including 25 registered growers. The virtual meeting was organized by the AV Team at Prairieland Park using Zoom Webinar videoconferencing system and the on-line polling platform (Slido) was used for voting. Sixteen registered producers voted on all motions, meeting regulatory requirements for a quorum of fifteen. In addition to reporting on finances, the proposed budget and SFSDC activities, two market presentations informed growers of production prospects for the upcoming year and opportunities for market development through SFSDC's membership in STEP (Saskatchewan Trade and Export Partnership).

## **Saskatchewan Forage Seed Development Commission 16<sup>th</sup> Annual General Meeting DRAFT Minutes January 12, 2022 Saskatoon, SK**

Chair: Spencer Staffen

Recording: Jo-Anne Relf-Eckstein

22 registered producers were in attendance at the virtual session, meeting the quorum requirement of 15 registered growers who contributed a levy in the last two years and did not request a refund,

1. Meeting called to order at 3:10 PM
2. Agenda
  - Moved by Morley Doerksen, seconded by David Cox to approve the Agenda. Carried
3. Minutes of the 2019-2020 Annual General Meeting were reviewed.
  - Moved by Morris Nycholat, seconded by Kim Tomilin that the Minutes of the 2019-2020 Annual General Meeting be accepted. Carried
  - Business arising from the Minutes. None
4. Directors
  - Returning directors are Spencer Staffen, Morris Nycholat, David Cox, Morley Doerksen, Denton Peifer, Ryan Bautz and Bill Biliget (on sabbatical leave). Kim Tomlin joined the Board filling the vacancy of James Silcox who retired from serving SFSDC.
5. Reports
  - Chair Report – Spencer Staffen
  - Audit Chair Report – David Cox
  - Vice Chair Report (Budget) – Ryan Bautz
  - Executive Director Report – Jo-Anne Relf-Eckstein
  - Moved by Ryan Bautz, seconded by Denton Peifer that all reports be accepted. Carried.
6. New Business
  - Moved by David Cox, seconded by Denton Peifer to appoint NeuPath Group, Nipawin SK as Auditor for 2021-2021. Carried.
7. Other Business. None.
8. Moved by Kim Tomilin to adjourn the Annual General Meeting at 4:05 PM.

Note: Attendees to the Zoom AGM was 77 people. The meeting was delivered using an online video conference platform, Zoom Webinar. Voting was done using an on-line voting platform, slido with an access code to vote sent to each producer eligible to vote and registered to attend the AGM.



**Reports to Growers:  
Agenda 17th Annual General Meeting, December 12, 2022**



**Saskatchewan Forage Seed Development Commission (SFSDC)**

**17<sup>th</sup> Annual General Meeting Monday, 12<sup>th</sup> December 2022**

The AGM will be held in Nipawin, Evergreen Centre auditorium - 300 Evergreen Drive

For those not able to attend in person, you can participate via Zoom accessed by an internet link or phone number provided to you when you register.

Registered forage seed producers who have paid a levy to the Sask Forage Seed Development Commission in the past 2 years will be able to vote. Registered producers connecting remotely will vote using the polling tool, Slido.

**Agenda:**

- 11:00     *Opening Remarks, sound system and video checks*  
            *Call to Order (Spencer Staffen, Chair)*  
            Approval of Agenda (motion, discussion, vote by slido)  
            Minutes of 2020-2021 AGM, 12<sup>th</sup> January 2022  
            Approval of the Minutes (motion, discussion, vote)  
            Business Arising from the Minutes  
            Directors: New, Returning  
            Reports:  
                Chair Report State of the Industry  
                Audit Chair Report 2021-2022 Audited Financial Statement  
                Executive Director Report on Activities  
                Presentation of Budget 2022-2023  
  
            Approval of Reports (motion, discussion, vote)  
            New Business  
            Appointment of Auditor for 2022-2023 (motion, discussion, vote)  
            Other motions put forward by registered producers (motion, discussion, vote by polling)  
            Other Business
- 11:45     *Adjournment (motion)*

## Reports to Growers: Chair's Report 17th AGM December 12, 2022

*by Spencer Staffen, Chair of SFSDC*

Thanks for joining us today. I am Spencer Staffen, Chair of SFSDC. We have 85 Registered attendees, including one on-line registered vote joining us using the Zoom connection run by the AV team at Prairieland Park, Saskatoon. This is another record for our organization and we truly appreciate your interest and taking the time to attend in person here in Nipawin and on-line. Graffiti TV - Nivan and Ramesh - is providing on-site tech support services.

**Notice of the AGM** was published in the fall-October 2022 issue of the Forage Seed News and mailed to all eligible voters. On-line registration was open November 7 at [saskcrops.com](http://saskcrops.com). Agendas were mailed to all eligible registered voters and the audited financial statement was posted on our website Friday, December 9, 2022.

I would now like to introduce the **Board of Directors**: David Cox (Audit Chair, Treasurer), Jeremy Doerksen (Vice Chair), Kim Tomilin, Morris Nycholat and Aaron Donkers. Morley Doerksen and Denton Peifer both completed their final 3-year term serving SFSDC for nine consecutive years. We celebrated Denton and Morley's

contributions at our June Board Meeting. Ryan Bautz and Bill Biligetu have stepped off the Board, effective at the end of this meeting, leaving a vacancy of two board positions. Ryan's livestock operation is expanding and his time availability for Board commitments was limited. Dr. Biligetu has decided that it is best he serves the Board in an ex-officio capacity as an advisor to the Board, effective after this AGM. Ryan's livestock operation is expanding and his time availability for Board commitments was limited. Thank you Dr. Biligetu and Ryan for your input into Board activities.

The SFSDC Board currently has three **Advisory-ex-officio positions**. Dale Risula, Specialty Crops Specialist with the Ministry of Agriculture joined our Board this year, replacing Terry Kowalchuk who was the Provincial Forage Crop Specialist. Shannon McArton, Executive Director of the Saskatchewan Forage Council, advises the Board on forages research and issues important to forage production and ranchers. Shannon also serves as our Nominations Chair. Clayton Myhre, agronomist with DLF-Pickseed helps the Board identify what needs to be looked at for production issues and advises on minor use crops-pests-solutions to consider.

**The 2022 crop year** got off to a slow start because of all the snow in the northeast. The forage seed crops in the area fared better than in other places, including where we had our forage seed research trials. When the snow had cleared the plot areas and plants started growing, we could see that many of the trials did not have enough uniform establishment to follow through on the research trials we had planned and budgeted for. The red clover planting at Prince Albert did not survive the winter, although the slender wheatgrass stand was still looking okay. By the beginning May it was clear we had lost all of the tall fescue, slender wheatgrass and hybrid bromegrass planted at Melfort for minor use product evaluation as well as a series of strip trials testing seedling tolerance of 11 products on 4 different species planted at Melfort and at our third trial site at St Brieux. The cancellation of the field research trials impacted our financial situation as we had allocated levy funds for a busy year at the three research farm locations. We replanted the trials at Melfort using the reserve seed donated by Imperial Seed, Nutrien, Brett Young and DLF Pickseed and the crops were looking good going into winter 2022.

Fortunately, we were able to do a few **small plot, replicated field trials in 2022 at St. Brieux**. The 2021 pl Thanks to Calvin Yoder for identifying data gaps we can fill by working together with the Peace Region and for (quickly) designing the trials with ARM software. Thanks also to James Silcox, Doug Senko, Clayton Myhre and Creed Cann who gave the Board additional input on the choice of treatments. We did spring plantings of annual ryegrass to test broadleaf and wild oat control products. Liberty Link canola was intercropped with perennial ryegrass and we tested timings and rates of glufosinate and desiccants. All St. Brieux trials looked excellent and the yield data will be analyzed and published in the Forage Seed News or Prairie Seeds Newsletter. plantings of intermediate wheatgrass managed to survive despite the wild boar damage and deer grazing and we were able to evaluate growth regulators and broadleaf and wild oat herbicides. The dual-use (seed and livestock grazing) intermediate wheatgrass plots were featured during the Summer 2022 Pasture Tour at SM Research Farm. With reduced expenditures on research farm trials, we allocated funds for demonstrating products of interest on grower fields of red clover and slender wheatgrass.

## Reports to Growers: Chair's Report 17th AGM December 12, 2022

Our **On Farm Experience 2022 Summer Tour** was held On July 26 & 27. We began with a plant tour of DLF Pickseed at Nipawin, then drove east of Nipawin to check out alternate row seeding of wheat with hybrid bromegass (photo below, left, Nipawin July 26 2022) and slender wheatgrass.



Next we moved to Garrick Town hall for a presentation on silver top and root diseases in clovers by AAFC pathologist Dr. Bruce Gossen. Clinton Jurke, from the Canola Council Canada pre-recorded a video presentation on the role of forage seed grasses as a tool to manage clubroot diseases. After a lunch served by the Garrick Hall, we began our field tour with intermediate wheatgrass (photo, below).



The crested wheatgrass was looking very good (photo, top right) as was a timothy field (photo below, right).

We wrapped up the day with a series of Whitefox-area very impressive grass fields and talked about strategies for seed placement and fertility management including canola co-planted with perennial ryegrass or a fescue, and timothy as a crop to plant 'where not much else grows' and still get seed production seven years later. We ended Day 1 with a barbecue sponsored by Nutrien hosted at a Director's farm. Thanks to the growers who allowed access to their fields and Nutrien-Cody Yelland for providing and cooking the burgers and Kristen Lasby for the salad and arranging the snacks and dessert.

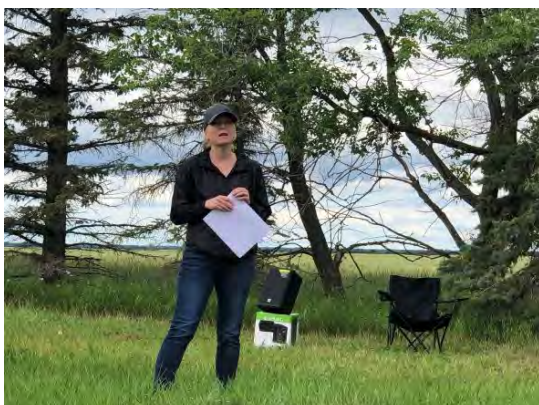
## Reports to Growers: Chair's Report 17th AGM December 12, 2022

Day 2 of our **On Farm Experience 2022 Summer Tour** started with a plant tour at Nutrien in Carrot River. We then headed to the fields to check out the first of our On Farm Demonstrations. We compared plant growth regulators to untreated control (no growth regulator) in slender wheatgrass.. The demo was not replicated, but it did give us a chance to see how one product impacted the stand compared to a mixture of two plant growth regulators with different active ingredients. The two images below were taken in August, just prior to swathing. The drone image shows the two growth regulator treatments strips 1 and 3, with the untreated control in the middle and the remaining field areas. Yield and seed quality results will be published in the newsletter.



The next series of field stops was coordinated by Doug Senko, agronomist, Brett Young Seeds. We saw grower fields of alsike clover and perennial ryegrass and tall fescue intercropped with canola. The fields were all very impressive, especially considering the challenges of 2021. Lunch was at a grower's yard site with drinks sponsored by DLF Pickseed and sandwiches by Doreen's Catering provided by Brett Young.

After lunch we listened to presentations by: forage crop pathologist, Dr. Bruce Gossen, Agriculture and Agri-Food Canada; pollinator specialist, Graham Parsons, SK Ministry of Agriculture and entomologist, Dr. Sean Prager, University of Saskatchewan. We talked about crown root rot disease, the pollinators we caught in the Blue Vane traps in last year's red clover ADOPT trials, control of the lesser clover leaf weevil and potential for increasing seed yield with foliar fertilizer. Lynne Roszell, Saskatchewan Association of Watersheds, drove up from Tisdale to give us hot-off-the-press news of the Ag Climate Solutions program and grower rebates to encourage BMPs for managing nitrogen.



## Reports to Growers: Chair's Report 17th AGM December 12, 2022

We continued our **On Farm Experience Tour 2022** with a visit to our ADOPT project supported by the Ministry of Agriculture and levy-funded demonstration fields of red clover. Photos of Field 1 are shown below.



The ADOPT project demonstrated night application of insecticide to control the lesser clover leaf weevil, with and without foliar fertilizer, comparing the seed yield of the treatments with an untreated control. The trial was designed as a 3-replicate trial (9, 120-ft wide plots, running the length of the 160-acre field). Bayer Crop Science donated the insecticide Decis, and Power Rich supplied the ReadyPhos foliar fertilizer (N-P-K 2-16-5; Zn 0.2%, Fe 0.2%, Mn 0.1%, Cu 0.1% B 0.04%) and covered the transportation costs of the bulk tote for three fields of 20-acre strips. Night spraying (photo, below left) was done by a local forage seed grower/custom spray applicator on June 7 and 23, PowerRich was applied June 23 just prior to bloom (photo below, ADOPT sign). By mid August, the fields were in full flower (below, sunset, August 11). The fields were ready for harvest at the end of September. We used growers' combines; another grower provided use of their truck and another donated use of their grain cart/weigh wagon to record seed yields from the harvested 90-ft wide plot area. Field 2 is pictured below, right. We observed yield gains with night application of Decis and Decis plus PowerRich in two of the three fields.



With more grass fields to see, Doug Senko guided the rest of the field tours, stopping at turf grass seed production fields where we talked about seed placement, herbicides and fertility in fields of first and second-year perennial ryegrass and tall fescue crops seeded with Liberty Link canola, first and second-year tall fescue seeded with wheat. The day ended with supper including burgers and salads catered by Gloria in Carrot River. The barbeque was held at one of the grower's farmyard and sponsored by Brett Young. It was great to end our learning day with a shared meal.



About 50 growers attended the field tours. Thanks again, to everyone in the forage seed community who came together to make the On Farm Experience 2022 Tour two terrific days of getting together and talking forage seed production. It was the highlight to 2022 field season. We could not have pulled this off without our growers allowing access to their fields, sharing their innovations and our industry partners for coordinating tour stops and sponsorship.

# Reports to Growers: Audit Chair Report, Audited Financial Statement, 2021-2022

by SFSDC Audit Chair, David Cox

At the 2020-2021 AGM, producers voted to appoint Neupath Group Chartered Professional Accountants, Nipawin, SK, to conduct an independent audit of Sask Forage Seed Commission fiscal year, July 01, 2021, ending June 30, 2022. The basis of Neupath Group's qualified opinion follows Canadian generally accepted auditing standards. The audit is done in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). The audited financial statement, including budget to actual comparison, is posted on the SFSDC website, saskforageseed.com and included after the Management Report of Activities.

**Assets** are \$294,237, an increase of \$68,531 from the previous year. Thirty-five percent of Assets are cash held in two chequing (levy funds and grant funds) accounts and a savings account of \$52,546 at year end, which earned \$76.82 interest. The Board discussed transfer to a term deposit but held off as interest rates continued to rise throughout the year. Unrestricted Net Assets total \$202,546 and are accessible for use as operating funds. Unrestricted net assets totalling \$237,070 and are accessible for use as operating funds if needed.

**The main revenue source for SFSDC is the levy.** SFSDC administers the levy, maintains the forage seed grower database and issues refunds. For the fourth consecutive year, levy revenue of \$126,067 was above the 16-year average of \$62,950 and far above the 20% roll back in levy we anticipated and presented in January 2022. An excess of revenue over expenses of \$34,524 differs from a deficiency of \$9,347 in the prior fiscal year.

**Levy receivables** of \$81,624 were substantial again this year, up considerably from \$48,419 the previous year. It should be noted that the audit considers levy revenue as of June 30th, whereas our Regulations allow 55 days from fiscal year-end for levy revenue to be received; 97% of levy refunds were received by August 30, 2022. Thank you to the controllers for getting the levy information to the Commission in a timely manner and setting up auto-deposits and e-transfers, that has eliminated delay due to postal mail deliveries.

**Liabilities** of \$57,167 were up substantially from previous fiscal, this is due primarily to deferred income from government grants. The SK Ministry of Agriculture understood the challenges of the past fiscal year, including COVID-19 restrictions. These challenges prevented completion of planned research trials and a plan to meet one on one with growers for interviews about the future of SFSDC and developing a strategic plan.

**Levy refund** requests of \$293 represented 0.2% of levy collected and less than the previous year of \$1,041.

The levy rate of 0.0075% of the gross value of forage seed marketed upon final settlement made to producers has not changed since 2005. It should be noted that \$66,401 was received from 5 grants, however, much of that revenue has been deferred as project timelines were amended. If the projects cannot be complete due to crop establishment, the grant revenue will be returned to the Ministry.

**Research** is the main expense (56.5%) for SFSDC, down significantly from prior fiscal, as explained by the Chair. Schedule 1 lists (page 11 of the financial statement) deferred income as less amount recognized, and page 13 with details regarding specific projects and expenditures.

**Management** expense \$26,213 or (20.7%) includes contract services of the Executive Director for managing on farm, contracted and stakeholder co-funded research, communications and knowledge transfer to growers, the levy database, financials and office expenses and administration. A change from last year is office occupancy costs. SFSDC is subleasing office space of 48 hours/month at Innovation Place, located on the university campus. The office, 105N in the Atrium building provides no charge utilities, reliable internet service, access to free/low cost state of the art meeting facilities, and allows for increased contact for growers visiting the city, and informal meetings with other Commissions and research organizations. Professional fee increased expenses is attributed to transferring financial operations from manual spreadsheets to Quickbooks, filing Information Returns and our first Income Tax Return.

**Communications** to growers of \$4,675 is down significantly as only 1 issue instead of 3 issues of Forage Seed News was published. In response to the challenge of grower communications, increased cost and delivery times with postal mail, the website is updated with reports as they are finalized and the Commission set up a texting service to inform growers of events. Messages were sent to 196 growers for the field tours and response has been very positive.

## **Reports to Growers: Management Report, Activities of the Commission, 2021-2022 & 2022-2023**

by *SFSDC Executive Director, Jo-Anne Relf-Eckstein* Chair, Spencer Staffen has explained some of our research and grower communications activities this year, and the reasons why the projects we had planned for 2021-2022 did not go ahead as anticipated. With the loss of the small plot trials, and not wanting to keep levy dollars in a bank account, we shifted gears and went to the commercial fields for product evaluations. This 'pivot' from small plot trials to commercial fields started the thread of an amazing field season in 2022. The theme of producer, industry, agriculture organization and government participation continued on throughout the year. From a management perspective, the success of the year is due to the inspiring support of the forage seed community. We also allocated the extra levy funds to host the Dec 12 & 13 seed production workshops, bring in guest speakers and provide free meals for all growers who contributed to the levy.

### **Budget for 2022-2023 Activities**

We were very fortunate to have our audit completed (just) in time for presenting to the growers at this meeting. Our accountant, as with many similar firms, was faced with staffing shortages related to COVID-19 and we greatly appreciate the extra effort made by Gerhardt Neumann. With the use of grant funds deferred due to project delays related to COVID-19 and the drought, plus delay in levy payments, it was challenging to set the budget. We are projecting a revenue of \$129,035 - 56% from levy based on 16-year average and 42% from new and deferred Ministry of Agriculture grants. The Board approved an aggressive budget with expenses of \$236,096 itemized below.

### **Research, 2022-2023**

- 16% tot total budget is allocated for contract field research on plant growth regulators, fungicides and herbicides (slender wheatgrass, red/alsike clover, intermediate wheatgrass, annual ryegrass, canola and perennial ryegrass, tall fescue, hybrid brome grass) and a new investment in supporting red clover breeding program and elite line selection in the northeast region (\$38,500)
- 14% for grant-funded variety demonstration trials (\$2,500; SFSDC administers the grant-funded project at Clavet-dryland and Outlook- irrigation) and ADOPT projects (intercropping and dual-use intermediate wheatgrass organic/conventional production, including one new ADOPT project application pending \$30,185)
- 8% for basic research (\$18,500 levy) used as a source of co-funding with other industry stakeholders and the Government of Saskatchewan through the Saskatchewan Ministry of Agriculture's Agriculture Development Fund (ADF) program intake. Several of the ADF projects described below, support the research work of graduate students.

### **Non Research, 2022-2023**

Non-research expenses include management, governance, grower communications and postage, liability insurance, , financials, office occupancy cost and sundries, market development, GST, other.

- 20% is budgeted for management services \$48,000 (including field research On Farm Experiments and field tours. communications and office administration, levy database and project management)
- 15% on governance for Director Meeting expenses including rentals, travel, honorarium & mileage plus Dec 2022 AGM and seed production workshops (\$36,144)
- 13% on governance developing a new strategic plan & board governance training plus updating policy documents (\$30,173); \$10,000 supported by Ministry grant funding
- 5% on governance for insurance, audit & book keeping \$12,100)
- 6% on communications publishing grower communications, website, and two memberships, Crop Production Week & Sask Forage Council (\$14,603)
- 1% office occupancy costs, paper, postage (\$3,139)
- 1% other expenses market development membership (\$600), GST bank charges, misc (\$ 1,650)

With these expenditures and levy revenue of \$75,000, grant revenue of \$53,718, plus interest on investments, our projected Net Income is -\$107,061.

# Reports to Growers: Management Report, Activities of the Commission, 2021-2022 & 2022-2023

## Research Activities, 2022-2023

**Field research** for SFSDC is done by contract research at AgriARM sites at Melfort and Prince Albert, and SM AG Research, St. Brieux. We do not have organic field testing sites established in the northeast region, therefore most expenses will focus on small plot, replicated research trials of minor use pesticides and generating data to support user requested minor use label expansion (URMULE). Our data is combined with trials in the Peace Region and provided to SK provincial minor use coordinator, Carter Peru, who represents our interests at the National Prioritization Meetings with AAFC and PMRA and product registrants.

- 2022 annual ryegrass trials - 2 trials of broadleaf and grassy weed species products. Trials completed, analysis forthcoming. Trial potentially repeated in 2023 for a second year of data collection.
- 2022 intermediate wheatgrass -3 trials of plant growth regulators, broadleaf and grassy weed species products. Trials completed, analysis forthcoming. Trial potentially repeated in 2023.
- 2022 mixed intercropping canola with perennial ryegrass - 3 trials - rates/timing of glufosinate, desiccants, fall (dormant) application on perennial ryegrass. Trials completed, analysis forthcoming. Pending winter survival, herbicides or plant growth regulators will be tested on perennial ryegrass.
- new plantings 2022 intermediate wheatgrass, slender wheatgrass, hybrid brome grass, tall fescue, hybrid brome grass, red clover single cut, alsike clover. All stands were well established in fall.
- red and alsike clover - fall 2022 and spring applied herbicides, fall 2022 applications completed.
- hybrid brome grass - fall 2022 and spring applications, fall applications fertilizer completed at two timings (temperature based).
- slender wheatgrass - 1 trial planted in 2021 potential for 2023 growth regulator and fungicide trial.

Nine basic research projects are co-funded by SFSDC; one was completed in 2021-2022. The multi-year research project proposals were selected through the SK Agriculture Development Fund (ADF) program. Funded projects are led by scientists at the University of Saskatchewan (USask), National Research Council (NRC) and Agriculture and Agri-Food Canada (AAFC). In 2021-2022, \$14,00 levy funds were leveraged to support \$3,882,779 of the total budget required to do the research projects listed below. Interim reports and final results were provided to SFSDC and communicated in the Prairie Seeds Newsletter or Forage Seed News. The principal research scientist or their graduate students often attend field tours and/or forage seed workshops. The Board has selected four new ADF funded projects for our net fiscal year, funding announcements will be made in January and February, 2023.

- *Evaluation of forage Galega (Galega orientalis LAM.) as a new forage legume in pure and grass- legume mixed stands*, led by Dr. B. Biliget, USask (year 3 of 3-year project completed and final report received 2021-2022).
- *Developing doubled haploidy methodology in forage grasses*, led by Dr. A. Ferrie, NRC (completed in 2022).
- *Enhancing seed and biomass production and drought tolerance of plains rough fescue using novel seed treatments*, led by Dr. Y. Bai, USask (3-year project deferred completion date).
- *Investigating the role of copper fertility in ergot infestation of forage crops*, led by Dr. J. Bainard, AAFC-Swift Current (year 2 of 2-year project in 2021-2022, final reporting deferred).
- *Developing hybrid brome grass with improved neutral detergent fibre digestibility*, led by Dr. G. Penner, USask (year 3 of 4-year project in 2021-2022).
- *Development of meadow brome grass and cicer milkvetch varieties for stockpiled grazing in western Canada*, led by Dr. B. Biliget, USask (year 3 of 3-year project in 2021-2022).
- *Identification of genetic factors contributing to abiotic stress tolerance in intermediate wheatgrass*, led by Dr. S. Asselin, AAFC-Swift Current (year 2 of 3-year project in 2021-2022).
- *Identifying new diversity and developing genomic resources for brome grass (Bromus Spp.) forage crop breeding*, led by Dr. A. Sharpe, Global Institute for Food Security, USask (year 2 of 3-year project in 2021-2022).
- *Resistant Wild Oat Action Committee (RWOAC)* led by the Canadian Weed Science Society and Eric Johnson, USask (year 2 of 2-year project in 2021-2022).
- *Making cover crops work with grain cropping systems in the Canadian Prairies*, led by Dr. M. Bourgault, USask (year 1 of 3-year project in 2021-2022)
- *Including native forage forages in mixture to enhance late-season forage quality and carbon sequestration*, led by Dr. J. Bennett, USask (year 1 of 5-year project in 2021-2022).



# Reports to Growers: Management Report, Activities of the Commission, 2021-2022 & 2022-2023

## Other Research, 2022-2023

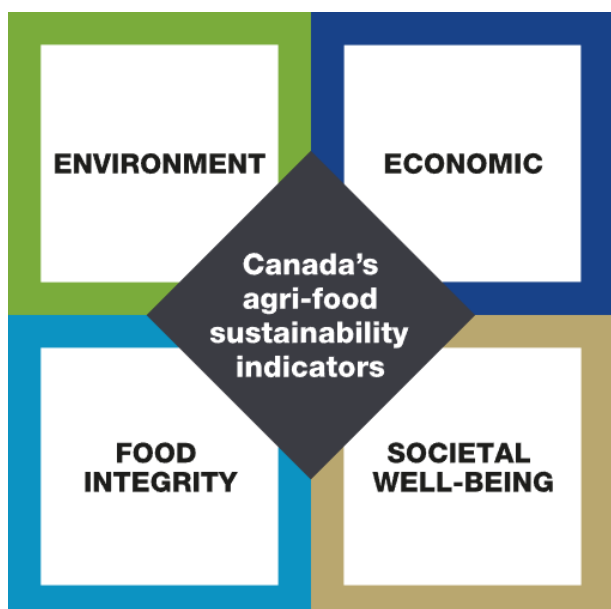
SFSDC will administer three **ADOPT technology demonstration projects**. The red clover project was described earlier in the Chair's Report. The ADOPT 2020 project, *Demonstration of intercropping perennial ryegrass with oat using different seed placements and seeding rates* will be entering year 2 at Melfort. Two of three locations are completed (Redvers and Prince Albert) and final reports will be posted on our website. We have an ADOPT 2021 project, *Demonstrating the dual-use potential, simultaneous grain and forage production, of a new seed technology of intermediate wheat grass (*Thinopyrum intermedium*) when grown in northeast Saskatchewan under organic and conventional cropping systems*. The dual-use intermediate wheatgrass developed at University of Manitoba is also known as perennial grain production and organic systems, trademarked as Kernza. We have had challenges establishing the organic site and replanted two 2-acre areas in 2022. We submitted a new ADOPT proposal in November 2022, *Demonstrating opportunities for 4R nutrient stewardship on hybrid bromegrass grown for seed production: applying the right nitrogen fertilizer source, at the right rate, at the right time, and in the right place*. This project would be done at Melfort research farm. We also plan to pursue On Farm Experiments and have budgeted for contracting replicated (strip) trials evaluating plant growth regulators in three grower's commercial fields.

## Special Projects, 2022-2023

There is lots of talk about **sustainability** and rather than wait until definitions or rules are prescribed to growers, SFSDC is participating in a project that will define the metrics for how to measure sustainability. SFSDC is one of about 126 stakeholders involved in Phase 3 of piloting the first **Canada's National Index on Agri-Food Performance**. Creating a national index on agri-food performance aims to be science-based with high quality metrics and will span four sustainability priorities illustrated below. The collaborative effort is described as a unique "coalition of private-public partners working pre-competitively to develop an integrated picture of sustainability for Canada's agri-food sector from food production to retail." (See <https://www.agrifoodindex.ca/>)

Demonstrating sustainability credentials presents an immense economic opportunity for the sector and for advancing the country's food ambition. Consumers, customers, investors and regulators, worldwide, increasingly expect food production and supply to be more sustainable and responsible. The drivers of change include: (i) trade, market access & new rules dictated by sustainability criteria, (ii) countries, companies, sectors competing on sustainability claims & being "the most sustainable", (iii) benchmarking performance is pervasive & intensifying as global scorecards assess the sector, (iv) new environmental, social, governance (ESG) factors materiality assessments & disclosures of companies & supply chains driven by investors & capital markets. With an Index in hand, Canada can credibly show its track record, leadership and mark progress on improvements going forward.

The partners aim to secure longer-term funding in 2023 to establish the proposed Centre for Agri-Food Benchmarking to manage and evolve the Index. The National Index will be: cross-referenced to global sustainable development goals (SDGs); relevant to Canadian context; globally relevant; pre-competitive; collaboratively developed and outcomes-focused (not prescriptive). Source: <https://www.agrifoodindex.ca/>



The purpose of this initiative is to "affirm Canadian leadership, improve competitiveness and add value in the marketplace, mark progress on societal and environmental priorities, build greater trust, inform policy choices, and research and innovation priorities". There is no direct cost to date for SFSDC; we are participating in review of the Index and discussions at on-line meetings. The Index is to benchmark consolidated performance of sustainability emphasizing outcomes (using aggregated data), that some suggest will be essential to operate and compete globally in the future. Our reason for involvement is to be at the policy table during the development of the metrics, see if it makes sense for forage seed growers and then seeing if the proposed metrics align with what works in our commercial fields. Our first meeting will be on December 13th, so more to come on this project as stakeholders develop the Index, governance and operational models and help make phase 4 possible. Three papers on policy, consumer trust, and ESG factors were released in May 2022.

## Reports to Growers: Management Report, Activities of the Commission, 2021-2022 & 2022-2023

### Market Development, 2022-2023

SFSDC activities will focus primarily on identifying the market potential for increasing acreage of forage seed crops. We will do this by working with STEP and international marketing specialists, Trade and Value-Added, Ministry of Agriculture. A report, prepared by the Saskatchewan Ministry of Agriculture (SMA) was initiated through our membership in STEP and intended as preliminary research to identify demand-pull potential and growth in cover crop and turfgrass markets. As an example, we started the search process to understand policies related to red clover use as a cover crop that might drive the demand for forage seeds in the US, EU (Farm to Fork strategy), and China. Perennial ryegrass and timothy were selected for the grass seed markets. The January 2022 report, *Overview of Forage Seed Opportunities* will be presented at the AGM by Stephen Norgate, Trade and Value-Added Branch. We also work to understand production demand for forage seed crops best suited for irrigation and intercropping with major commodity crops (canola, wheat, oat, barley). Regenerative agriculture is an area of growing interest and SFSDC will continue efforts to better understand the market implications for increased domestic seed demand pull.

### Communications and Knowledge Transfer 2022-2023

**There is no substitute for face-to-face meetings of growers and the SFSDC Board and Management, industry, academic experts, and extension specialists.**

The forage seed community, while small in number, has a diverse group of producers who are innovative but they need solutions to production problems. In the next year, SFSDC will ramp up efforts to connect with growers and create places for them to meet. The Annual Meeting and Seed Production Workshops December 12 and 13th are an example of our commitment and use of the levy dollars based on grower feedback.

SFSDC will be supporting the **Saskatchewan Forage Seed Variety Demonstration** trial. The majority of the expense for the demonstration is provided by the Strategic Field Program (SFP), Ministry of Agriculture. Seed yields from Clavet have been gathered for two years and the interim report will be ready in February. The trial site planted at Outlook in 2020 was discontinued due to technical challenges related to COVID-19 and a new site was planted this spring. The entry list was reviewed by industry and the Board, changes were made to reflect market demand and good supply of high quality seed. Thank you to our growers and industry for your input and seed donations of 28 entries to be tested under both dryland and irrigated conditions (Clavet LFCE, Outlook ICDC).

With grower feedback, we can continue to improve our **website [saskforageseed.com](http://saskforageseed.com)**. We introduced a text messaging system for sharing breaking news and

events of interest. We have a Twitter account for social media and are also using WhatsApp to connect one-on-one with growers and we could do groups if this would be helpful. We will continue to publish our Prairie Seeds Newsletter, and contribute to Forage Seed News. Lastly, we strive to address grower concerns, engage with buyers, industry inquiries, and respond to government requests on policy positions by working with our collaborating forages and forage seed organizations, and we provide financial support for connecting with forage seed users through Saskatchewan Forage Council's eNews bulletins.

We will increase work with the **Manitoba and Peace Region forage seed associations** to share research findings in the Forage Seed News magazine and prioritize pesticide needs and coordinate trial design and treatment lists to support minor use product evaluations. Organic forage seed production is an important aspect of SFSDC, but we need more grower input to identify organic forage seed production issues. Despite policy challenges, we continue to investigate crop insurance for seed yield in order to be competitive with Manitoba and Alberta provincial programs, however, it looks like it is best to investigate options for private forage seed crop (yield) insurance rather than SCIC and the crop diversification option. If growers have more thoughts on this, please contact one of the Directors or this office.

In conclusion, this budget will be part of SFSDC's activities to keep Saskatchewan forage seed growers profitable and keep your soils healthy and your farming operations socially and economically sustainable. Thank you, growers for support in 2021-2022, the community effort you have shown and the ideas, interaction and engagement with the SFSDC Board and Management. We all look forward to walking the fields and meeting at workshops etc next year. Thanks also to the Ministry of Agriculture for their support - Dale Risula as advisor to our Board and arranging our remote meeting connections, the ADOPT, ADF, SFP and the IODP program grant opportunities, and industry for their support and interest in our events and field trials.

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**SASKATCHEWAN FORAGE SEED DEVELOPMENT COMMISSION**

**Financial Statements**

**Year Ended June 30, 2022**

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SASKATCHEWAN FORAGE SEED DEVELOPMENT COMMISSION

Index to Financial Statements

Year Ended June 30, 2022

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	Page
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	1
INDEPENDENT AUDITOR'S REPORT	2 - 3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Changes in Net Assets	5
Statement of Revenues and Expenditures	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 10
Research expenses ( <i>Schedule 1</i> )	11

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

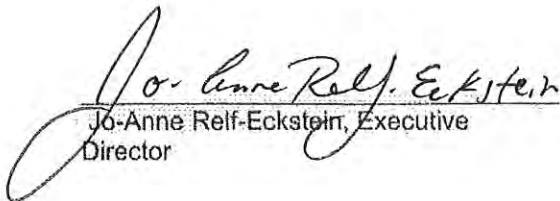
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The financial statements of Saskatchewan Forage Seed Development Commission have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Saskatchewan Forage Seed Development Commission's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by NeuPath Group Chartered Professional Accountants, in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

  
Jo-Anne Relf-Eckstein, Executive  
Director

  
David Cox, Audit Committee Chair

Eagle Ridge, SK  
December 06, 2022

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Saskatchewan Forage Seed Development Commission

### Opinion

We have audited the financial statements of Saskatchewan Forage Seed Development Commission (the Commission), which comprise the statement of financial position as at June 30, 2022, and the statements of changes in net assets, revenues and expenditures 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 Commission as at June 30, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### 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 Commission in accordance with 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.

### 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 ASNPO, 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 Commission'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 Commission or to cease operations, or has no realistic alternative but to do so.

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

### 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.

(continues)

Independent Auditor's Report to the Members of Saskatchewan Forage Seed Development Commission  
(continued)

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 Commission'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 Commission'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 Commission 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.

Nipawin, Saskatchewan  
December 8, 2022



Chartered Professional Accountants

**SASKATCHEWAN FORAGE SEED DEVELOPMENT COMMISSION**

**Statement of Financial Position**

**June 30, 2022**

	2022	2021
<b>ASSETS</b>		
Cash	\$ 103,994	\$ 73,366
Term deposits (Note 3)	104,572	102,271
Levies receivable	81,624	48,419
Accounts receivable - other	2,548	-
Grant receivable	-	706
Interest receivable	842	824
Prepaid expenses	657	120
	<b>\$ 294,237</b>	<b>\$ 225,706</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 12,095	\$ 13,806
Deferred income (Note 4)	45,072	9,354
	<b>57,167</b>	<b>23,160</b>
<b>NET ASSETS</b>		
Unrestricted	<b>237,070</b>	<b>202,546</b>
	<b>\$ 294,237</b>	<b>\$ 225,706</b>

**ON BEHALF OF THE BOARD**

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director



SASKATCHEWAN FORAGE SEED DEVELOPMENT COMMISSION

Statement of Changes in Net Assets

Year Ended June 30, 2022

	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 202,546	\$ 211,893
Excess of revenues over expenses	34,524	(9,347)
NET ASSETS - END OF YEAR	\$ 237,070	\$ 202,546

**SASKATCHEWAN FORAGE SEED DEVELOPMENT COMMISSION**

**Statement of Revenues and Expenditures**

Year Ended June 30, 2022

	Budget 2022	2022	2021
<b>REVENUES</b>			
Levies	\$ 60,000	\$ 126,067	\$ 83,023
Levies refunded	(2,693)	(293)	(1,041)
Grants - Government of Saskatchewan	124,867	29,977	49,287
Grants - other	10,000	-	-
Interest	3,010	2,402	2,791
Other	-	-	2,086
	<b>195,184</b>	<b>158,153</b>	<b>136,146</b>
<b>EXPENSES</b>			
Advertising and sponsorship	800	435	676
Annual general meeting	625	817	584
Bank charges	150	260	275
Contracted administrative services	26,700	26,213	23,721
Directors' expenses	6,110	3,468	2,416
Directors' meetings	1,000	175	347
GST	1,200	466	1,188
Insurance	1,200	1,951	1,177
Memberships	400	880	600
Newsletter and Forage Seed News	11,000	4,675	8,141
Occupancy costs	2,750	1,329	-
Office	1,000	1,114	395
Professional fees	3,700	7,239	3,804
Research expenses ( <i>Schedule 1</i> )	126,677	69,910	96,494
Strategic plan	30,173	-	-
Telephone	-	168	323
Training	-	263	-
Travel	263	1,690	1,302
Website design and maintenance	400	2,576	4,050
	<b>214,148</b>	<b>123,629</b>	<b>145,493</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ (18,964)</b>	<b>\$ 34,524</b>	<b>\$ (9,347)</b>

**SASKATCHEWAN FORAGE SEED DEVELOPMENT COMMISSION**

**Statement of Cash Flows**

**Year Ended June 30, 2022**

	2022	2021
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ 34,524	\$ (9,347)
Changes in non-cash working capital:		
Levies receivable	(33,205)	(19,980)
Accounts receivable - other	(2,548)	-
Grant receivable	706	(706)
Interest receivable	(18)	390
Prepaid expenses	(537)	(120)
Accounts payable and accrued liabilities	(1,711)	(7,511)
Deferred income	35,718	(9,293)
	(1,595)	(37,220)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>32,929</b>	<b>(46,567)</b>
Cash - beginning of year	175,637	222,204
<b>CASH - END OF YEAR</b>	<b>\$ 208,566</b>	<b>\$ 175,637</b>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 103,994	\$ 73,366
Term deposits	104,572	102,271
	\$ 208,566	\$ 175,637

1. PURPOSE OF THE COMMISSION

Saskatchewan Forage Seed Development Commission (SFSDC) operates to promote and enhance the forage seed industry in Saskatchewan for a maximum return to producers through research, leadership and communication in the industry.

The SFSDC is a non-profit organization incorporated under the Agri-Food Act, 2004 of Saskatchewan and as such, is not subject to income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) using the following significant accounting policies:

Cash and cash equivalents

Cash includes cash in chequing and savings accounts. The carrying amounts approximate fair value.

Capital assets

Capital assets are expensed in the year they are acquired.

Financial instruments policy

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

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Revenue recognition

Saskatchewan Forage Seed Development Commission follows the deferral method of accounting for contributions.

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

Levies are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue when earned.

**SASKATCHEWAN FORAGE SEED DEVELOPMENT COMMISSION**

**Notes to Financial Statements**

**Year Ended June 30, 2022**

3. TERM DEPOSITS

	2022	2021
Credit Union 36 month term, 2.25%, maturing February 18, 2023	\$ 104,572	\$ 102,271

4. DEFERRED REVENUE

Deferred revenue consists of the following research grants provided by government agencies:

	Balance, Beginning of Year	Add Amount Received	Less Amount Recognized	Balance, End of Year
ADOPT 20190436	\$ 4	\$ 3,674	\$ 2,779	\$ 899
ADOPT 20200535	3,200	10,000	9,330	3,870
ADOPT 20200536	3,035	9,794	6,183	6,646
ADOPT 20200537	3,115	-	-	3,115
SFP 20190402	-	13,912	927	12,985
ADOPT 20210960	-	15,021	383	14,638
ADOPT 20211028	-	14,000	11,081	2,919
	\$ 9,354	\$ 66,401	\$ 30,683	\$ 45,072

5. FINANCIAL INSTRUMENTS

The Commission is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Commission's risk exposure and concentration as of June 30, 2021.

*(a) Credit risk*

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Commission is exposed to credit risk from forage seed marketers. Approximately 93% of levies are received from three marketers of forage seed. The Commission manages its credit risk by monitoring the activities of marketers and by educating marketers of their legislative requirement to collect and forward levies to the Commission.

The Commission manages its credit risk surrounding cash by dealing with reputable financial institutions. The Commission invests surplus funds to earn investment income with the objective of maintaining safety of the principal and providing adequate liquidity to meet the cash flow requirements.

*(b) Liquidity risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Commission manages its liability risk by monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities.

At June 30, 2021 the Commission has a cash balance of \$103,994 (2021 - \$73,366).

*(continues)*

5. FINANCIAL INSTRUMENTS *(continued)*

*(c) Market risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Commission is mainly exposed to interest rate risk on its term deposits and other price risk associated with forage seed prices.

6. BUDGETED FIGURES

The budgeted figures, approved by the Board on December 1, 2021, are presented for comparative purposes only and have not been audited or reviewed.

**SASKATCHEWAN FORAGE SEED DEVELOPMENT COMMISSION**

**Research expenses (Schedule 1)**

**Year Ended June 30, 2022**

	Budget 2022	2022	2021
ADF 20180173 Plains Rough Fescue U of S	\$ 1,000	\$ -	\$ 1,000
ADF 20180184 Galega U of S	2,500	-	2,500
ADF 20180351 Double Haploid NRC	2,000	<b>2,000</b>	2,000
ADF 20190197 Hybrid Bromegrass U of S	500	<b>500</b>	500
ADF 20190244 Meadow Brome and Cider Milkvetch U of S	500	<b>500</b>	500
ADF 20190322 Copper Fertility U of S	1,000	<b>1,000</b>	1,000
ADF 20200420 Genomic Resources for Bromegrass U of S	3,500	<b>3,500</b>	3,500
ADF intake 2021 Bourgault	3,000	-	-
ADF 20210800 Native forages mixtures U of S	1,000	-	-
AGR 18344 Abiotic Stress Tolerance in Intermediate Wheatgrass	500	<b>500</b>	500
ADOPT 20190436 Night Spraying Technology	3,678	<b>2,780</b>	14,692
ADOPT 20190451 Crimson Clover and Berseem Clover	-	-	3,937
ADOPT 20200535 Oat PRG at SERF	9,715	<b>9,330</b>	4,800
ADOPT 20200536 Oat PRG at CLC	9,715	<b>6,183</b>	4,800
ADOPT 20200537 Oat PRG at NARF	9,714	-	4,800
ADOPT 20210960 Dual Use IWG	15,021	<b>383</b>	-
ADOPT 20211028 Red Clover Seed Production BMPs	-	<b>11,081</b>	-
Forage seed trials	39,922	<b>24,896</b>	25,945
On-farm experiments	-	<b>4,829</b>	-
Other Research NARF	-	-	200
Resistant Wild Oat Action Committee	2,000	<b>1,500</b>	2,000
SFP 20190402 Varietal Assessment of Forage Seed Production ICDC	13,912	<b>928</b>	15,750
Variety demonstration & testing	2,500	-	2,500
Weed Control A Horizon Ag Research	5,000	-	2,500
Weed Control in Grasses NARF	-	-	750
Weed Control in Legumes NARF	-	-	2,320
	\$ 126,677	\$ <b>69,910</b>	\$ 96,494