

Alberta Chicken Producers
3 Year Budget 2018/19 - 2020/21

	2018/19	2019/20	2020/21	Notes	Strategic Priority	Goal	KPI
	<i>Levy at \$0.0175</i>	<i>Levy at \$0.0175</i>	<i>Levy at \$0.0175</i>	<i>No change to levy</i>	<i>Based on Current 2019-2021 Priorities</i>		
REVENUE							
production (live kilograms)	171,573,500	175,862,900	179,380,200				
Levy Charged	\$ 3,002,500	\$ 3,077,000	\$ 3,139,000	3.5% in 2019; 2.5% in 2020; 2% in 2021	2	1	1
CFC Portion	\$ (909,300)	\$ (932,000)	\$ (950,700)				
ACP Portion	\$ 2,093,300	\$ 2,145,000	\$ 2,188,300				
Administrative Fees	\$ 13,000	\$ 13,300	\$ 13,600	*	3	5	5
Overmarket Penalty	\$ 135,000	\$ 135,000	\$ 135,000	Projecting no change for purposes of 3 year budget	2	1	5
6000 Exemption	\$ 11,300	\$ 11,300	\$ 11,300	**	2	1	5
Direct Marketing Lease	\$ 32,400	\$ 32,400	\$ 32,400	**	2	1	1
Specialty Lease	\$ -	\$ -	\$ -	**	2	1	1
Grower Program Maintenance	\$ 134,600	\$ 138,600	\$ 142,800	Assumes ACP recovers 60% of CRM (Customer Relationship Management) costs	3	5	5
Grower Program Upgrade	\$ 42,000	\$ -	\$ -	****	3		5
Operating Interest	\$ 600	\$ 600	\$ 600	*	3		5
Investment Income	\$ 42,500	\$ 43,400	\$ 44,300	*	3	5	8
Grant Income	\$ -	\$ -	\$ -		1,2,3	1,2,3,4,5,6,7	1,2,3,4
Other Income	\$ 4,000	\$ 4,000	\$ 4,000	*	3	5,7	7
Office Lease Income	\$ 16,600	\$ 17,000	\$ 17,400	Assumes tenant in place for 2018-2020	3	3	4,8
	\$ -	\$ -	\$ -				
Total Income	\$ 2,525,300	\$ 2,540,600	\$ 2,589,700				
Audit Revenue	\$ 82,300	\$ 84,000	\$ 85,700				
Audit Expense	\$ (95,000)	\$ (96,900)	\$ (98,900)	*			
Net Audit	\$ (12,700)	\$ (12,900)	\$ (13,200)		2	2,4	2,3,5
Total Revenue	\$ 2,512,600	\$ 2,527,700	\$ 2,576,500				
EXPENSES							
Per Diems - Board Members	\$ 164,000	\$ 165,600	\$ 167,200	*	1,2,3	5	6,7
Benefits - Board Members	\$ 7,000	\$ 7,200	\$ 7,400	*	1,2,3	5	6,7
Salaries - Mgr & Staff	\$ 611,000	\$ 694,000	\$ 707,900	2019-2020 Includes additional position to support producer programs- focused strategic priorities	1,2,3	5	6,7
Benefits - Mgr & Staff	\$ 82,200	\$ 95,900	\$ 97,900	*	1,2,3	5	6,7
Benefits - Medical	\$ 42,900	\$ 50,100	\$ 51,200	*	1,2,3	5	6,7
Contract labour	\$ 66,000	\$ 67,400	\$ 69,000	*	1,2,3	5	6,7
Professional Fees	\$ 100,000	\$ 102,000	\$ 180,000	Includes Consumer Study in 2021	1,2,3	1,2,3,4,5,7	1,2,3,5,6,7
Learning & Development	\$ 25,000	\$ 30,000	\$ 35,000	Includes Producer Leadership Development Workshops	1,2,3	5,7	7
Mileage	\$ 43,500	\$ 44,400	\$ 45,300	*	1,2,3	1,2,3,4,5,6,7	1,2,3,4,5,6,7
Hotel	\$ 45,200	\$ 46,200	\$ 47,200	*	1,2,3	1,2,3,4,5,6,7	1,2,3,4,5,6,7
Travel	\$ 51,000	\$ 52,100	\$ 53,200	*	1,2,3	1,2,3,4,5,6,7	1,2,3,4,5,6,7
Meals	\$ 64,000	\$ 65,300	\$ 66,700	*	1,2,3	1,2,3,4,5,6,7	1,2,3,4,5,6,7
Advertising & Promotion	\$ 208,500	\$ 212,700	\$ 217,000	*	1	1,4,5,6,7	3
Donations/Sponsorship	\$ 15,000	\$ 15,300	\$ 15,700	*	1,3	4,7	3
Grants	\$ 145,000	\$ 145,000	\$ 145,000	Assume maintenance of current research budget post 2019	1,2,3	2,3,4,6	2
Dues & Registrations & Subscr.	\$ 56,000	\$ 57,200	\$ 58,400	Assumes no change to current funding of ILWG and status quo for memberships in 2018-2020; budget increased for inflation only Assumes poultry boards transition to a revised model for diagnostics funding in 2019-2020 onward (based on model forecasted at time of budgeting)	1,2,3	3,4,6	4,7
Diagnostics	\$ 276,000	\$ 232,500	\$ 237,150	*	1,3	1,2,3,5	2,4
Printing	\$ 25,000	\$ 25,500	\$ 26,000	*	1,3	4,5,6	3
Supplies & Furnishings	\$ 55,000	\$ 50,000	\$ 52,000	*	2,3	3,5	7
Courier & Postage	\$ 12,500	\$ 12,500	\$ 12,500	Forecasting no change	1,2,3	5	4
Rental	\$ 24,500	\$ 25,000	\$ 25,500	*	1,2,3	3,5,6	4,6,7
Taxes & Licenses	\$ 38,000	\$ 40,300	\$ 42,800	*	1,2,3	5	8
Condo Fees	\$ 20,000	\$ 20,500	\$ 21,100	*	1,2,3	5	8
Insurance	\$ 12,500	\$ 12,800	\$ 13,100	*	1,2,3	5	8
Repair & Maintenance	\$ 20,000	\$ 20,000	\$ 20,000	*	1,2,3	5	8
Web & Internet	\$ 37,200	\$ 29,400	\$ 30,900	3% increase as per current contract	1,3	4,5,6	3,4,5
Grower Program Maintenance	\$ 180,000	\$ 185,400	\$ 191,000	3% increase as per current contract	1,2,3	2,5	5
Grower Program Upgrade	\$ 83,000	\$ -	\$ -	****			
Telephone & Utilities	\$ 37,500	\$ 38,300	\$ 39,100	*	1,2,3	5	8
Interest & Bank Charges	\$ 6,000	\$ 6,000	\$ 6,000		1,2,3	5	8
Amortization Expense	\$ 85,000	\$ 85,000	\$ 85,000	***			
Bad Debts	\$ -	\$ -	\$ -				
Gain or Loss on Assets	\$ -	\$ -	\$ -				
Miscellaneous	\$ -	\$ -	\$ -				
Total Expenses	\$ 2,638,500	\$ 2,633,600	\$ 2,766,250				
Net Income	\$ (125,900)	\$ (105,900)	\$ (189,750)				
Net Cash (less Amort.)	\$ (40,900)	\$ (20,900)	\$ (104,750)	***			
CRM Expenses****	\$ 83,000	\$ -	\$ -		1,2,3	2,5	5
CRM Revenue****	\$ 55,333	\$ -	\$ -				
Net Income Exclusive of CRM Upgrade	\$ (98,308)	\$ (105,900)	\$ (189,750)				
Net Cash Flow Exclusive of CRM Upgrade	\$ (3,308)	\$ (20,900)	\$ (104,750)	****			

* Inflation rate: 2.0% for 2019-2010 (Bank of Canada, July 2018)

** Assume no change or growth to current program

*** Amortization is a required expense under GAAP; however not a cash expenditure. From a cash flow perspective, amortization is backed out.

**** Customer Relationship Management System (CRM) for Producer Grower Program - costs were confirmed as of Nov. 2017
Upgrade of CRM is a \$315K Project, shared equally between AB, BC and SK over the project

Strategic Priorities % Op Budget

1 41.81%

2 32.15%

3 26.04%

Definitions:

Normalized: any revenues or expenses that are not a "normal" component of ACP's operations year over year are backed out for year to year comparison.

CRM: customer relationship management system (Grower Program)