



Farm Products Council
of Canada

Conseil des produits agricoles
du Canada

Central Experimental Farm
Building 59
960 Carling Avenue
Ottawa, Ontario K1A 0C6

Ferme expérimentale centrale
Édifice 59
960, avenue Carling
Ottawa, Ontario K1A 0C6

Le 19 février 2025

Monsieur Darren Ference
Président
Les Éleveurs de dindon du Canada
7145, avenue West Credit
Édifice 1, bureau 202
Mississauga (Ontario)
L5N 6J7

Objet : Modifications proposées à l'*Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)*

Cher Monsieur Ference,

Lors de sa réunion du 18 février 2025, le Conseil des produits agricoles du Canada (le Conseil) a examiné les modifications proposées à l'*Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)* tel que demandé par les Éleveurs de dindon du Canada (ÉDC) dans la requête datée du 27 janvier 2025.

Après un examen approfondi de la justification fournie par les ÉDC et suite à une analyse interne, les membres du Conseil ont conclu que les modifications étaient nécessaires à la mise en œuvre du plan de commercialisation des ÉDC tel qu'énoncé dans la *Proclamation visant l'Office canadien de commercialisation des dindons*. L'ordonnance entrera en vigueur le jour de son enregistrement et sera en vigueur jusqu'au 31 mars 2026.

Si vous avez des questions, n'hésitez pas à communiquer avec moi ou avec Lisa Melanson-Daigle, secrétaire du Conseil, par courriel à l'adresse fpcc.secretariat.cpac@fpcc-cpac.gc.ca.

Sincères salutations,

Signature sur la version originale

Brian Douglas
Président

Canada



**TURKEY FARMERS
OF CANADA™**

**LES ÉLEVEURS DE DINDON
DU CANADA^{MC}**

TURKEY FARMERS OF CANADA

LEVY ORDER SUBMISSION

2025

Prepared for Submission to the

FARM PRODUCTS COUNCIL OF CANADA

January 2025

TURKEY FARMERS OF CANADA

LEVY ORDER SUBMISSION

2025

I N D E X

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SECTION I

LETTER OF TRANSMITTAL



TURKEY FARMERS
OF CANADA™
LES ÉLEVEURS DE DINDON
DU CANADA^{MC}

January 27, 2025

Mr. Brian Douglas
Chairman
Farm Products Council of Canada Central
Experimental Farm
960 Carling Avenue
Building 59
Ottawa, ON K1A 0C6

Dear Mr. Douglas,

Enclosed is the Turkey Farmers of Canada Levy Order submission for consideration by the Farm Products Council of Canada at their next meeting. By this submission, the members of the TFC are requesting the Council's approval of the Levy Order amendment at that time.

The amendment to the Levy Order pertains only to the Production Levy, as per Sections 2(a) and 8(1). This amendment revises the expiry date to March 31, 2026, from March 31, 2025.

Included in the enclosed submission are the following:

- S. I: Draft Levy Order amending the expiry date of Schedule 1 from March 31, 2025, and extending the term to March 31, 2026, which has been submitted to the Department of Justice for blue stamping. The draft includes the amendment of the expiry date for Producer Levies to March 31, 2026, as per the motion of the TFC Board.
- S. II: The financial position (forecasted) of the Agency for the fiscal year ending December 31, 2024, against the final 2024 budget.

CANADIAN TURKEY MARKETING AGENCY c.o.b.
TURKEY FARMERS OF CANADA

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- S. III The preliminary budget for the fiscal year 2025, including detailed explanatory notes by budget line. The preliminary budget includes a levy rate increase from 1.8¢ to 2.1¢, effective April 27, 2025. The previous levy rate increase was approved in 2015. The basis for the rate increase includes: 1) relief of consecutive operating deficits in the preceding years and a deficit forecasted for the current year-end and 2) inflationary factors contributing to the increase of ongoing operating costs. The Production Levy Amount amendment will be sent in a separate submission.
- S. IV: the statement of revenue and expenses for the Think Turkey national marketing campaign.

Please note that the Unaudited Balance Sheet and Comparative Preliminary Balance Sheet for the year ended December 31, 2024, includes, in the first instance, the monies received at year-end from Agriculture and Agri-food Canada from the Market Development for Turkey and Chicken under the Federal Government's Comprehensive and Progressive Trans-Pacific Partnership (CPTPP).

We trust you will find everything in order; however, please contact the undersigned if you have any questions after reviewing.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Phil Boyd', with a large, stylized loop at the end.

Phil Boyd
Executive Director

Encls.

cc: Mark Kotipelto

SECTION II

DRAFT LEVY ORDER

Whereas the Governor in Council has, by the *Canadian Turkey Marketing Agency Proclamation*^a, established the Canadian Turkey Marketing Agency pursuant to subsection 16(1)^b of the *Farm Products Agencies Act*^c;

Whereas that Agency has been empowered to implement a marketing plan pursuant to that Proclamation;

Whereas the proposed *Order Amending the Canada Turkey Marketing Levies Order (2019)* is an order of a class to which paragraph 7(1)(d)^d of that Act applies, by reason of section 2 of the *Agencies' Orders and Regulations Approval Order*^e, and has been submitted to the National Farm Products Council pursuant to paragraph 22(1)(f) of that Act;

And whereas, pursuant to paragraph 7(1)(d)^d of that Act, the National Farm Products Council has approved the proposed Order after being satisfied that it is necessary for the implementation of the marketing plan that that Agency is authorized to implement;

Therefore, the Canadian Turkey Marketing Agency, pursuant to paragraphs 22(1)(f) and (g)^f of the *Farm Products Agencies Act*^c and section 10 of Part II of the schedule to the *Canadian Turkey Marketing Agency Proclamation*^a, makes the annexed *Order Amending the Canada Turkey Marketing Levies Order (2019)*.

Mississauga, January 24, 2025

^aC.R.C., c. 647

^bS.C. 2015, c. 3, s. 85

^cR.S., c. F-4; S.C. 1993, c. 3, s. 2

^dS.C. 1993, c. 3, s. 7(2)

^eC.R.C., c. 648

^fS.C. 2015, c. 3, s. 88

Order Amending the Canada Turkey Marketing Levies Order (2019)

Amendment

- 1** Subsection 8(1) of the *Canada Turkey Marketing Levies Order (2019)*¹ is replaced by the following:

Production

- 8(1)** Paragraph 2(a) ceases to have effect on March 31, 2026.

Coming into Force

- 2** This Order comes into force on the day on which it is registered.

¹ SOR/2019-54

Attendu que, en vertu du paragraphe 16(1)^a de la *Loi sur les offices des produits agricoles*^b, le gouverneur en conseil a, par la *Proclamation visant l'Office canadien de commercialisation des dindons*^c, créé l'Office canadien de commercialisation des dindons;

Attendu que cet office est habilité à mettre en œuvre un plan de commercialisation conformément à cette proclamation;

Attendu que le projet d'ordonnance intitulé *Ordonnance modifiant l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)* relève d'une catégorie à laquelle s'applique l'alinéa 7(1)d)^d de cette loi, aux termes de l'article 2 de l'*Ordonnance sur l'approbation des ordonnances et règlements des offices*^e, et a été soumis au Conseil national des produits agricoles, conformément à l'alinéa 22(1)f) de cette loi;

Attendu que, en application de l'alinéa 7(1)d)^d de cette loi, le Conseil national des produits agricoles, étant convaincu que le projet d'ordonnance est nécessaire à l'exécution du plan de commercialisation que cet office est habilité à mettre en œuvre, a approuvé ce projet,

À ces causes, en vertu des alinéas 22(1)f) et g)^f de la *Loi sur les offices des produits agricoles*^b et de l'article 10 de la partie II de l'annexe de la *Proclamation visant l'Office canadien de commercialisation des dindons*^c, l'Office canadien de commercialisation des dindons prend l'*Ordonnance modifiant l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)*, ci-après.

Mississauga, le 24 Janvier, 2025

^a L.C. 2015, ch. 3, art. 85

^b L.R., ch. F-4; L.C. 1993, ch. 3, art. 2

^c C.R.C., ch. 647

^d L.C. 1993, ch. 3, par. 7(2)

^e C.R.C., ch. 648

^f L.C. 2015, ch. 3, art. 88

Ordonnance modifiant l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)

Modification

- 1** Le paragraphe 8(1) de *l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)*¹ est remplacé par ce qui suit:

Production

- 8(1)** L'alinéa 2a) cesse d'avoir effet le 31 mars 2026.

Entrée en vigueur

- 2** La présente ordonnance entre en vigueur à la date de son enregistrement.

¹ DORS/2019-54

EXPLANATORY NOTE
(This note is not part of the Order.)

The amendment sets out March 31, 2026, as the date on which the levies cease to have effect.

NOTE EXPLICATIVE

(La présente note ne fait pas partie de l'Ordonnance.)

La modification reporte au 31 mars 2026 la date de cessation d'application des redevances.

SECTION III

FINANCIAL FORECAST

FOR THE YEAR ENDED DECEMBER 31, 2024

**TURKEY FARMERS OF CANADA
FINANCIAL FORECAST
BALANCE SHEET
AS AT DECEMBER 31, 2024 and 2025**

ASSETS		
	2024 Forecast	2025 (Prelim Budget)
CURRENT		
Cash and Short Term Investments	\$ 10,992,909	\$ 12,468,371
Accounts Receivable	1,980,720	2,202,711
Prepaid Expense	<u>86,500</u>	<u>80,000</u>
	\$ 13,060,129	\$ 14,751,082
CAPITAL ASSETS		
	\$ 187,500	\$ 150,000
	<u>\$ 13,247,629</u>	<u>\$ 14,901,082</u>
LIABILITIES		
CURRENT		
Accounts Payable and Accrued Liabilities	<u>\$ 552,400</u>	<u>\$ 500,000</u>
EQUITY		
Restricted surplus	\$ 10,356,556	\$ 11,969,938
Unrestricted surplus	992,494	575,291
Funds Invested in property & Equip.	<u>22,095</u>	<u>150,000</u>
Balance beginning of year	\$ 11,371,145	\$ 12,695,229
Revenue over Expenditure	(427,103)	\$ (147,558)
Add Market Development Funding	\$ 1,751,187	\$ 1,853,411
Balance end of year	<u>\$ 12,695,229</u>	<u>\$ 14,401,082</u>
	<u>\$ 13,247,629</u>	<u>\$ 14,901,082</u>

**TURKEY FARMERS OF CANADA
FINANCIAL FORECAST
STATEMENT OF OPERATIONS
FOR THE YEAR ENDING DECEMBER 31, 2025**

REVENUE

Producer Levies	\$	3,493,000
Interest Income		39,500
Transferred from MD Fund		527,150
Project Funding		

TOTAL REVENUE	\$	4,059,650
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EXPENSES

Administration (Schedule I)	\$	3,289,418
Marketing (Schedule II)		895,790
Special Projects (Schedule II)		22,000
Promotion (from Liquidated Damages) (Schedule II)		-

TOTAL EXPENSES	\$	4,207,208
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EXTRAORDINARY EXPENSES

REVENUE OVER EXPENDITURE	\$	(147,558)
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**TURKEY FARMERS OF CANADA
FINANCIAL FORECAST
ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDING DECEMBER 31, 2025**

SCHEDULE I

REMUNERATION TO OFFICERS AND STAFF

Staff salaries	\$ 1,294,588
Directors' fees	240,000
Director & employee benefits	320,237
	\$ 1,854,825

OTHER ADMINISTRATIVE

Contract services and projects	\$ 255,500
Trade	0
Audit	23,250
Telephone	14,953
Office Supplies	4,900
Office Leases	6,320
IT, Software & Websites	38,538
Postage & courier	2,500
Office contents insurance	7,250
Directors' liability insurance	9,400
Translations/Interpreters	161,200
Amortization	33,970
Legal fees	46,500
Rent, Utilities & taxes	175,000
Bank charges	2,292
On Farm Programs	46,420
	\$ 827,993

DIRECTORS AND STAFF EXPENSES

Directors, Alternates & Managers' expenses	\$ 255,000
Staff expenses	239,000
Meeting expenses	111,500
Travel insurance	1,100
	\$ 606,600

TOTAL ADMINISTRATIVE EXPENSES

\$ 3,289,418

**TURKEY FARMERS OF CANADA
FINANCIAL FORECAST
MARKETING EXPENSES AND SPECIAL PROJECTS
FOR THE YEAR ENDING DECEMBER 31, 2025**

SCHEDULE II

PROVINCIAL MARKETING PROGRAMS

Provincial Marketing Supplement	\$ 400,000
	\$ 400,000

RESEARCH

Market research	\$ 75,300
Turkey research	176,032
Consumer Research	27,150
	\$ 278,482

PUBLIC RELATIONS AND COMMUNICATIONS

National sponsorships and promotions	\$ 17,400
Marketing and communications	104,400
Memberships	89,579
Subscriptions	5,929
	\$ 217,308

TOTAL MARKETING EXPENSES

\$ 895,790

SPECIAL PROJECTS

\$ 22,000

PROMOTION (FROM LIQUIDATED DAMAGES)

\$ -

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDING DECEMBER 31, 2025**

SUMMARY OF SIGNIFICANT ASSUMPTIONS

This financial forecast presents to the best of management's knowledge and belief, the Agency's planned financial position and statement of operations prepared in accordance with the accounting principles expected to be used during the forecast period which are the same as those used in the most recent annual financial statements. Accordingly, the forecast reflects management's plan, based on present circumstances, of expected conditions. The assumptions disclosed herein are those that management believes are significant to the forecast and are summarized as follows:

GENERAL

Production in the 12-month fiscal year, January 1, 2025, to December 31, 2025, is expected to be 142,602,489 kilograms eviscerated weight or 173,218,281 kilograms live weight.

Factors influencing this forecast which are beyond the control of the organization are:

- An undetermined inflation rate.
- Prime interest rate of 5.45%.
- Return on investment funds.

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDING DECEMBER 31, 2025**

BALANCE SHEET

CURRENT ASSETS

Cash

Cash includes current accounts and investments.

Accounts Receivable

It is assumed that the historic pattern for receipt of provincial levies will apply and that at the fiscal year-end, the December levies will be an outstanding receivable. The percentage of the total year's income normally received during the month of December is applied to the total for the year to arrive at the amount included in the accounts receivable. This is generally in the order of 10% of total levies.

Any AAFC funding from the Market Development Program for Turkey and Chicken not received in the year is also included as a misc. receivable.

Prepaid Expenses

Prepaid Expenses include amounts paid in advance for insurance, deposits and contracts.

Capital Assets

This includes capital assets net of depreciation for the year.

CURRENT LIABILITIES

Accounts payable are estimated based on normal activity at the month and year-end.

EQUITY

The financial forecast of expenditures for the coming fiscal period allows equity to achieve a responsible level and meet the restricted targets as set out by the TFC Board.

A portion of TFC's accumulated surplus has been set aside as restricted for specified purposes. This amount will be: 202 - \$2,475,000; and 2025 - \$2,702,000. Target equity levels are based on criteria as specified by auditors and approved by the TFC Board upon recommendations from the Audit and Finance Committee. The restricted equity includes contingency funds in case of Agency wind down and funds for future research projects. In 2016, the TFC Board also approved the restriction of funds from liquidated damages for incremental marketing and promotional expenditures. In 2023, the TFC board approved the restriction of funds received from AAFC from the Market Development Program for Turkey and Chicken.

The opening balance for 2025 equity is based on the 2024 Forecast.

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDING DECEMBER 31, 2024**

REVENUE

Producer Levies

The global eviscerated quota for the 12-month fiscal period will be achieved on a live weight production of 173,218,281 kilograms of turkey. The levy rate will be \$0.018 per kilogram from January 1, 2025 to April 26, 2025 and \$0.021 per kilogram from April 27 to Dec. 31, 2025.

Interest Income

It is estimated that interest on short-term investments will average 1.07%.
Interest on long-term investments will range from 1.07% - 4.45%.

Project Funding

These are funds received under project contribution agreements through agencies such as AAFC.

Market Development Program

These are also funds received under project contribution agreements through AAFC.

EXPENSES

REMUNERATION TO OFFICERS AND STAFF **SCHEDULE I**

•Staff Salaries

TFC staff complement consists of ten full-time employees and three part-time.

•Directors' Fees

The budget includes fees paid to elected Directors for four TFC meetings plus an allowance for additional meetings. The executive and all directors receive stipends, teleconference fees and fees for travel days. TFC also covers fees for related committee meetings and representation at other meetings external to the Agency.

•Director & Employee Benefits

Included in this expense are the employer paid portions of Canada Pension Plan, Employment Insurance, Ontario Health Tax as well as supplementary Health and Dental Insurance and employee benefits.

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDED DECEMBER 31, 2024**

OTHER ADMINISTRATIVE SCHEDULE I

•Contract Services and Projects

This expense is for independent research, review and refinement of the Agency's operational policies and programs on an "as needed" basis. Also included in this expense is specialized consulting services for long-term ongoing projects such as crisis and issues management and training, HR development and recruitment, strategic planning facilitation, US production data and production verification audits. This account also includes consumer surveys as needed from time-to-time.

•Trade

This budgeted item is for ongoing monitoring of trade negotiations and related initiatives.

•Audit

This expense is for auditing the TFC yearly financial statements and other consulting services as required.

•Telephone, Postage & Courier, Office Expenses, Office Leases & IT, Software & Websites

These accounts pertain to the day- to-day operation of the TFC office and are based on the current years' experience.

•Office Insurance and Directors' Liability Insurance

Office insurance covers the office premises for fire, theft, and public liability. Directors' liability insurance was initiated in 1998.

•Translations / Interpreters

This account pertains to simultaneous interpretation for meetings and translation of policy, legal and information documents to the French language.

•Amortization

Amortization is charged to operations on the declining balance method at 20% per annum for office equipment, 30% for computer equipment and on the straight-line basis for leasehold improvements over the five-year term of the premises lease.

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDED DECEMBER 31, 2024**

OTHER ADMINISTRATIVE SCHEDULE I cont'd

•Legal Fees

This account pertains to the estimated legal services required for TFC operations.

•Rent, Utilities, Taxes

This expense is based on the premises lease for the TFC Office.

•Bank Charges

All service charges and interest charged by the bank on the Agency's operating account.

•On Farm Programs

This account pertains to the costs to deliver and maintain the Agency's On-Farm Food Safety Program and Flock Care Program.

•OFP Projects

This account pertains to the costs related to On-Farm programs that are to be delivered under specific funding agreements. This expense account is offset by revenue received through the funding agreements.

DIRECTORS AND STAFF EXPENSES SCHEDULE I

•Directors, Alternates & Managers Expenses / Staff Expenses

This includes airfare, hotel and other out of pocket expenses for Directors, Alternates, Managers, and staff attendance at Agency meetings and for conduct of Agency business.

•Meeting Rooms

Incorporates meeting room and equipment rentals as well as catering costs.

•Travel Insurance

Based on the number of days travelled over a 12-month period by the Agency representatives and staff members.

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDED DECEMBER 31, 2024**

MARKETING EXPENSES SCHEDULE II

PROVINCIAL MARKETING PROGRAMS

•TFC Provincial Marketing Supplement

The Agency supplements provincial marketing programs to promote the extension of local marketing initiatives. Of the fixed expenditure of \$400,000, \$344,000 is allocated to each province according to their percentage share of national quota allocations. These funds may be used for any marketing project. The balance of \$56,000 is allocated according to the original Consumer Seed Money Policy, which is now a matter of historical record and has been included in the Marketing Supplement. Each Provincial Board is required to provide a reporting annually of their marketing program activities, which have been supported through this supplement.

RESEARCH

•Market Research

Incorporates the expense related to obtaining at-home consumption data as supplied through AC Nielsen Company of Canada in the form of retailed scanned data. The budget reflects the agreed subscription contract.

•Turkey Research

Budget is established yearly by TFC for research pertaining to bird health, nutrition, food safety and quality, new product development and environmental concerns which are undertaken by accredited research institutions. Unused funds at year end are accumulated in a research investment fund.

•CPRC

Annual contribution to the Canadian Poultry Research Council.

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDED DECEMBER 31, 2024**

MARKETING EXPENSES SCHEDULE II cont'd

PUBLIC RELATIONS AND COMMUNICATIONS

•National Sponsorships and Promotions

Incorporates funds committed to sponsorship of trade associations and conferences as well as promotional products.

•Marketing and Communications

Funds are used to position turkey in the marketplace and to advance the consuming public's awareness of the industry and of the Canadian Turkey brand, its production sector, and its products.

This also incorporates the cost of advertising in the Canadian Poultry Magazine and yearly "Who's Who" in the Canadian Poultry Industry and other opportunities that arise.

This account also includes media monitoring.

•Memberships

Includes the cost for memberships in the Canadian Federation of Agriculture, national and provincial animal care council organizations and associate industry memberships.

•Subscriptions

Ongoing subscriptions to electronic bulletins, newspapers, magazines, and other information resources.

SPECIAL PROJECTS SCHEDULE II

This account identifies and segregates one-time special projects.

PROMOTION (FROM LIQUIDATED DAMAGES) SCHEDULE II

This account identifies promotion and marketing expenditures incremental to normal operating promotion and marketing activities, utilizing segregated funds from liquidated damages.

SECTION IV

2024 Budget - 2024 YEAR-END FORECAST

2025 PRELIMINARY

TURKEY FARMERS OF CANADA
FINANCIAL FORECAST
STATEMENT OF OPERATIONS
2024 BUDGET, 2024 YEAR END FORECAST & 2025 PRELIMINARY BUDGET

	2024 Preliminary Budget Oct 2023	2024 Final Budget June 2024	2024 Year End Forecast Aug 2024	2025 Preliminary Budget Nov 2024
Revenue				
Producer Levies	\$ 3,490,000	\$ 3,405,000	\$ 3,405,000	\$ 3,493,000
Interest Income	18,045	18,045	18,045	39,500
Interest on MDPTC	160,000			
Over Marketing Penalties				
Transfer from MD Fund		\$ 580,000	\$ 580,000	\$ 527,150
Market Development Program				
Project Funding				
Total Revenue	\$ 3,668,045	\$ 4,003,045	\$ 4,003,045	\$ 4,059,650
Expenses				
Administration (Schedule I)	3,232,938	3,357,583	3,393,664	3,289,418
Marketing (Schedule II)	924,384	1,009,984	1,014,484	895,790
Special Projects (Schedule II)	22,000	22,000	22,000	22,000
Promotion (Liquidated Damages) (Schedule II)	-	-	-	-
Total Expenses	\$ 4,179,322	\$ 4,389,567	\$ 4,430,148	\$ 4,207,208
Net Income Less Expenses	\$ (511,277)	\$ (386,522)	\$ (427,103)	\$ (147,558)
Project Funding				
Net Surplus / (Deficit)	\$ (511,277)	\$ (386,522)	\$ (427,103)	\$ (147,558)
Extraordinary Items				
Market Development Funding			1,751,187	1,853,411
Surplus / (Deficit)	\$ (511,277)	\$ (386,522)	\$ 1,324,084	\$ 1,705,853
Opening Equity	\$ 11,371,145	\$ 11,371,145	\$ 11,371,145	\$ 12,695,229
Closing Equity	\$ 10,859,868	\$ 10,984,623	\$ 12,695,229	\$ 14,401,082

* NOTE: 2025 Preliminary Budget opening equity is based on 2024 Forecast).

** NOTE: The year end deficit/surplus figures shown represents the organization's overall results, which includes utilization of funds from restricted equity, such as restricted research and liquidated damages fund for specific research and promotional activities.

TURKEY FARMERS OF CANADA
2024 BUDGET, 2024 YEAR END FORECAST & 2025 PRELIMINARY BUDGET

SCHEDULE I

	2024 Preliminary Budget	Final Budget June 2024	2024 Year End Forecast Aug 2024	2025 Preliminary Budget Nov 2024
Administrative Expenses				
Remuneration to Officers & Staff				
Staff salaries	\$ 1,226,189	\$ 1,278,983	\$ 1,291,649	\$ 1,294,588
Directors' fees	250,000	250,000	250,000	240,000
Director & employee benefits	259,516	307,670	308,285	320,237
	\$ 1,735,705	\$ 1,836,653	\$ 1,849,934	\$ 1,854,825
Other Administrative				
Contract services and projects	\$ 278,900	\$ 255,900	\$ 261,700	\$ 255,500
Trade	1,000	1,000	1,000	
Audit & Accounting	22,250	22,250	22,250	23,250
Telephone & Internet	16,114	16,114	16,114	14,953
Office expenses	4,800	4,800	15,100	4,900
Office leases	6,365	6,365	6,365	6,320
IT, Software & Websites	34,091	38,830	38,030	38,538
Postage & courier	2,740	2,740	2,740	2,500
Office contents insurance	7,000	7,000	7,000	7,250
Directors' liability insurance	9,000	9,000	9,000	9,400
Translations/Interpreters	165,200	165,200	171,500	161,200
Amortization	11,654	18,534	18,534	33,970
Loss on capital assets			-	
Legal fees	52,500	61,000	61,000	46,500
Rent, Utilities & taxes	143,811	178,389	178,389	175,000
Bank charges	2,208	2,208	2,208	2,292
On Farm Programs	80,500	80,500	91,700	46,420
	\$ 838,133	\$ 869,830	\$ 902,630	\$ 827,993
Directors & Staff Expenses				
Directors, Alternates & Managers' expenses	\$ 323,000	\$ 318,000	\$ 308,000	\$ 255,000
Staff expenses	206,000	218,000	218,000	239,000
Meeting expenses	129,000	114,000	114,000	111,500
Travel insurance	1,100	1,100	1,100	1,100
	\$ 659,100	\$ 651,100	\$ 641,100	\$ 606,600
Total Administrative Expenses	\$ 3,232,938	\$ 3,357,583	\$ 3,393,664	\$ 3,289,418

TURKEY FARMERS OF CANADA
2024 BUDGET, 2024 YEAR END FORECAST & 2025 PRELIMINARY BUDGET

SCHEDULE II

	2024 Preliminary Budget Oct 2023	2024 Final Budget June 2024	2024 Year End Forecast Aug 2024	2025 Preliminary Budget Nov 2024
Marketing Expenses				
Provincial Marketing Programs				
Provincial Marketing Supplement	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
Research				
Market research	\$ 68,800	\$ 68,800	\$ 68,800	\$ 75,300
Turkey research	168,465	168,465	178,465	176,032
Consumer Research		180,000	180,000	27,150
	\$ 237,265	\$ 417,265	\$ 427,265	\$ 278,482
Public Relations & Communications				
National sponsorships and promotions	\$ 12,300	\$ 23,400	\$ 23,400	\$ 17,400
Marketing and communications	179,800	74,300	68,800	104,400
Memberships	88,974	89,574	89,574	89,579
Subscriptions	6,045	5,445	5,445	5,929
	\$ 287,119	\$ 192,719	\$ 187,219	\$ 217,308
Total Marketing	\$ 924,384	\$ 1,009,984	\$ 1,014,484	\$ 895,790
Special Projects	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000
Promotion (from Liquidated Damages)	\$ -			\$ -

SECTION V

THINK TURKEY™ MARKETING CAMPAIGN

**TURKEY FARMERS OF CANADA
NATIONAL MARKETING CAMPAIGN
CAMPAIGN REVENUE & EXPENSES
2024 BUDGET, 2024 YEAR END FORECAST & 2025 PRELIMINARY BUDGET**

	2024 Preliminary Budget Oct 2022		2024 Final Budget June 2023		2024 Year End Forecast		2025 Preliminary Budget Nov 2024	
Levy Revenue	\$	4,780,000	\$	4,655,000	\$	4,880,000	\$	4,259,000
Expenses	\$	4,625,000	\$	4,625,000	\$	4,631,000	\$	4,634,000
Difference Between Revenue & Expenses	\$	155,000	\$	30,000	\$	249,000	\$	(375,000)

Note: The 2025 National Market Campaign anticipated expenditures are preliminary and may be subject to changes in revenue due to changes in allocation for the 2024/25 control period.



**TURKEY FARMERS
OF CANADA™**

**LES ÉLEVEURS DE DINDON
DU CANADA^{MC}**

TURKEY FARMERS OF CANADA

LEVY ORDER SUBMISSION

2025

Prepared for Submission to the

FARM PRODUCTS COUNCIL OF CANADA

January 2025

TURKEY FARMERS OF CANADA

LEVY ORDER SUBMISSION

2025

I N D E X

<u>SECTION</u>	<u>ITEM</u>
I	LETTER OF TRANSMITTAL
II	DRAFT LEVY ORDER
III	FINANCIAL FORECAST
IV	2024 BUDGET, 2024 YEAR-END RESULTS & 2025 PRELIMINARY BUDGET
V	THINK TURKEY™ MARKETING CAMPAIGN

SECTION I

LETTER OF TRANSMITTAL



TURKEY FARMERS
OF CANADA™
LES ÉLEVÉURS DE DINDON
DU CANADA™

January 27, 2025

Mr. Brian Douglas
Chairman
Farm Products Council of Canada Central
Experimental Farm
960 Carling Avenue
Building 59
Ottawa, ON K1A 0C6

Dear Mr. Douglas,

Enclosed is the Turkey Farmers of Canada Levy Order submission for consideration by the Farm Products Council of Canada at their next meeting. By this submission, the members of the TFC are requesting the Council's approval of the Levy Order amendment at that time.

The amendment to the Levy Order pertains only to the Production Levy, as per Sections 2(a) and 8(1). This amendment revises the expiry date to March 31, 2026, from March 31, 2025. We are also amending the Production Levy amount from 1.8 cents to 2.1 cents per the motion passed by the Turkey Farmers of Canada Directors on December 5, 2024. The new Production Levy amount is set to take effect on April 27, 2025.

Included in the enclosed submission are the following:

- S. I: Draft Levy Order amending the expiry date of Schedule 1 from March 31, 2025, and extending the term to March 31, 2026, which has been submitted to the Department of Justice for blue stamping. The draft includes the amendment of the expiry date for Producer Levies to March 31, 2026, and the amendment to the Producer Levy Amount effective on April 27, 2025, as per the motion of the TFC Board.
- S. II: The financial position (forecasted) of the Agency for the fiscal year ending December 31, 2024, against the final 2024 budget.

- S. III The preliminary budget for the fiscal year 2025, including detailed explanatory notes by budget line. The preliminary budget includes a levy rate increase from 1.8¢ to 2.1¢, effective April 27, 2025. The previous levy rate increase was approved in 2015. The basis for the rate increase includes: 1) relief of consecutive operating deficits in the preceding years and a deficit forecasted for the current year-end and 2) inflationary factors contributing to the increase of ongoing operating costs. Please note that for Quebec, there is a decrease reflected in the Levy amount from previous years; this relates to an administrative error in reporting that included the National Marketing Levy amount of \$1.25 in the Production Levy amount.
- S. IV: the statement of revenue and expenses for the Think Turkey national marketing campaign.

Please note that the Unaudited Balance Sheet and Comparative Preliminary Balance Sheet for the year ended December 31, 2024, includes, in the first instance, the monies received at year-end from Agriculture and Agri-food Canada from the Market Development for Turkey and Chicken under the Federal Government's Comprehensive and Progressive Trans-Pacific Partnership (CPTPP).

We trust you will find everything in order; however, please contact the undersigned if you have any questions after reviewing.

Sincerely,



Phil Boyd
Executive Director

Encls.

cc: Mark Kotipelto

SECTION II

DRAFT LEVY ORDER

Whereas the Governor in Council has, by the *Canadian Turkey Marketing Agency Proclamation*^a, established the Canadian Turkey Marketing Agency pursuant to subsection 16(1)^b of the *Farm Products Agencies Act*^c;

Whereas that Agency has been empowered to implement a marketing plan pursuant to that Proclamation;

Whereas the proposed *Order Amending the Canada Turkey Marketing Levies Order (2019)* is an order of a class to which paragraph 7(1)(d)^d of that Act applies, by reason of section 2 of the *Agencies' Orders and Regulations Approval Order*^e, and has been submitted to the National Farm Products Council pursuant to paragraph 22(1)(f) of that Act;

And whereas, pursuant to paragraph 7(1)(d)^d of that Act, the National Farm Products Council has approved the proposed Order after being satisfied that it is necessary for the implementation of the marketing plan that that Agency is authorized to implement;

Therefore, the Canadian Turkey Marketing Agency, pursuant to paragraphs 22(1)(f) and (g)^f of the *Farm Products Agencies Act*^c and section 10 of Part II of the schedule to the *Canadian Turkey Marketing Agency Proclamation*^a, makes the annexed *Order Amending the Canada Turkey Marketing Levies Order (2019)*.

Mississauga, January 24, 2025

^aC.R.C., c. 647

^bS.C. 2015, c. 3, s. 85

^cR.S., c. F-4; S.C. 1993, c. 3, s. 2

^dS.C. 1993, c. 3, s. 7(2)

^eC.R.C., c. 648

^fS.C. 2015, c. 3, s. 88

Order Amending the Canada Turkey Marketing Levies Order (2019)

Amendment

- 1** Subsection 8(1) of the *Canada Turkey Marketing Levies Order (2019)*¹ is replaced by the following:

Production

- 8(1)** Paragraph 2(a) ceases to have effect on March 31, 2026.

Coming into Force

- 2** This Order comes into force on the day on which it is registered.

¹ SOR/2019-54

Attendu que, en vertu du paragraphe 16(1)^a de la *Loi sur les offices des produits agricoles*^b, le gouverneur en conseil a, par la *Proclamation visant l'Office canadien de commercialisation des dindons*^c, créé l'Office canadien de commercialisation des dindons;

Attendu que cet office est habilité à mettre en œuvre un plan de commercialisation conformément à cette proclamation;

Attendu que le projet d'ordonnance intitulé *Ordonnance modifiant l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)* relève d'une catégorie à laquelle s'applique l'alinéa 7(1)d)^d de cette loi, aux termes de l'article 2 de l'*Ordonnance sur l'approbation des ordonnances et règlements des offices*^e, et a été soumis au Conseil national des produits agricoles, conformément à l'alinéa 22(1)f) de cette loi;

Attendu que, en application de l'alinéa 7(1)d)^d de cette loi, le Conseil national des produits agricoles, étant convaincu que le projet d'ordonnance est nécessaire à l'exécution du plan de commercialisation que cet office est habilité à mettre en œuvre, a approuvé ce projet,

À ces causes, en vertu des alinéas 22(1)f) et g)^f de la *Loi sur les offices des produits agricoles*^b et de l'article 10 de la partie II de l'annexe de la *Proclamation visant l'Office canadien de commercialisation des dindons*^c, l'Office canadien de commercialisation des dindons prend l'*Ordonnance modifiant l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)*, ci-après.

Mississauga, le 2 Janvier, 2025

^a L.C. 2015, ch. 3, art. 85

^b L.R., ch. F-4; L.C. 1993, ch. 3, art. 2

^c C.R.C., ch. 647

^d L.C. 1993, ch. 3, par. 7(2)

^e C.R.C., ch. 648

^f L.C. 2015, ch. 3, art. 88

Ordonnance modifiant l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)

Modification

- 1** Le paragraphe 8(1) de *l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)*¹ est remplacé par ce qui suit:

Production

- 8(1)** L'alinéa 2a) cesse d'avoir effet le 31 mars 2026.

Entrée en vigueur

- 2** La présente ordonnance entre en vigueur à la date de son enregistrement.

¹ DORS/2019-54

EXPLANATORY NOTE
(This note is not part of the Order.)

The amendment sets out March 31, 2026, as the date on which the levies cease to have effect.

NOTE EXPLICATIVE

(La présente note ne fait pas partie de l'Ordonnance.)

La modification reporte au 31 mars 2026 la date de cessation d'application des redevances.

Order Amending the Canada Turkey Marketing Producers Levy Order

Whereas the Governor in Council has, by the *Canadian Turkey Marketing Agency Proclamation*^a, established the Canadian Turkey Marketing Agency pursuant to subsection 16(1)^b of the *Farm Products Agencies Act*^c;

Whereas that Agency has been empowered to implement a marketing plan pursuant to that Proclamation;

Whereas the proposed *Order Amending the Canada Turkey Marketing Levies Order (2019)* is an order of a class to which paragraph 7(1)(d)^d of that Act applies by reason of section 2 of the *Agencies' Orders and Regulations Approval Order*^e, and has been submitted to the National Farm Products Council pursuant to paragraph 22(1)(f) of that Act;

And whereas, pursuant to paragraph 7(1)(d)^d of that Act, the National Farm Products Council has approved the proposed Order after being satisfied that it is necessary for the implementation of the marketing plan that that Agency is authorized to implement;

Therefore, the Canadian Turkey Marketing Agency, pursuant to paragraphs 22(1)(f) and (g) of the *Farm Products Agencies Act*^c and section 10 of Part II of the schedule to the *Canadian Turkey Marketing Agency Proclamation*^a, makes the *Order Amending the Canada Turkey Marketing Levies Order (2019)*.

Mississauga, January 24, 2025

^a C.R.C., c. 647

^b S.C. 2015, c. 3, s. 85

^c R.S., c. F-4; S.C. 1993, c. 3, s. 2

^d S.C. 1993, c. 3, s. 7(2)

^e C.R.C., c. 648

ORDER AMENDING THE CANADA TURKEY MARKETING PRODUCERS LEVY ORDER

AMENDMENT

1. Subsection 2(1) of the Canada Turkey Marketing Producers Levy Order¹ is replaced by the following:

(1) Each producer shall pay, on each kilogram live weight of turkey marketed by that producer in interprovincial or export trade, a levy of

- (a) in Ontario, 3.85 cents;
- (b) in Quebec, 3.53 cents;
- (c) in Nova Scotia, 4.70 cents;
- (d) in New Brunswick, 4.05 cents;
- (e) in Manitoba, 5.55 cents;
- (f) in British Columbia, 4.80 cents;
- (g) in Saskatchewan, 5.00 cents; and
- (h) in Alberta, 5.35 cents.

2. Subsection 2(8) of the Order is replaced by the following:

8(1) Subsection paragraph 2 (a) to have effect on April 27, 2025.

COMING INTO FORCE

3. This Order comes into force on April 27, 2025, or on the day on which it is registered.

¹ SOR/2002-142

Ordonnance modifiant l'Ordonnance sur les redevances à payer par les producteurs pour la commercialisation des dindons du Canada

Attendu que, en vertu du paragraphe 16(1)^a de la *Loi sur les offices des produits agricoles*^b, le gouverneur en conseil a, par la *Proclamation visant l'Office canadien de commercialisation des dindons*^c, créé l'Office canadien de commercialisation des dindons;

Attendu que l'Office est habilité à mettre en oeuvre un plan de commercialisation, conformément à cette proclamation;

Attendu que le projet d'ordonnance intitulé *Ordonnance modifiant l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)* relève d'une catégorie à laquelle s'applique l'alinéa 7(1)d^d de cette loi, conformément à l'article 2 de l'*Ordonnance sur l'approbation des ordonnances et règlements des offices*^e, et a été soumis au Conseil national des produits agricoles, conformément à l'alinéa 22(1)f de cette loi;

Attendu que, en vertu de l'alinéa 7(1)d^d de cette loi, le Conseil national des produits agricoles, étant convaincu que le projet d'ordonnance est nécessaire à l'exécution du plan de commercialisation que l'Office est habilité à mettre en oeuvre, a approuvé ce projet,

À ces causes, en vertu des alinéas 22(1)f) et g) de la *Loi sur les offices des produits agricoles*^b et de l'article 10 de la partie II de l'annexe de la *Proclamation visant l'Office canadien de commercialisation des dindons*^c, l'Office canadien de commercialisation des dindons prend *Ordonnance modifiant l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)*, ci-après.

Mississauga, le 24 janvier, 2025

^a L.C. 2015, ch. 3, art. 85

^b L.R., ch.F-4; L.C. 1993, ch.3, art. 2

^c C.R.C., ch. 647

^d L.C. 1993, ch. 3, par. 7(2)

^e C.R.C., ch. 648

**ORDONNANCE MODIFIANT L'ORDONNANCE SUR LES REDEVANCES À PAYER
PAR LES PRODUCTEURS POUR LA COMMERCIALISATION DES DINDONS DU
CANADA**

MODIFICATION

1. Le paragraphe 2.(1) de l'Ordonnance sur les redevances pa payer par les producteurs pour la commercialisation des dindons du Canada¹ est remplacé par ce qui suit :

(1) Le producteur paie la redevance ci-après pour chaque kilogramme de dindon, poids vif, qu'il commercialise sur le marché interprovincial ou d'exportation :

- a)* en Ontario, 3,85 cents;
- b)* au Québec, 3,53 cents;
- c)* en Nouvelle-Écosse, 4,70 cents;
- d)* au Nouveau-Brunswick, 4,05 cents;
- e)* au Manitoba, 5,55 cents;
- f)* en Colombie-Britannique, 4,80 cents;
- g)* en Saskatchewan, 5,00 cents;
- h)* en Alberta, 5,35 cents.

2. Le paragraphe 2 (8) de la même ordonnance est remplacé par ce qui suit:

8 (1) Le paragraphe 2 (a) prend date d'effet le 27 avril 2025.

ENTRÉE EN VIGUEUR

3. La présente ordonnance entre en vigueur le 27 avril 2025 ou à la date de son enregistrement.

EXPLANATORY NOTE

(This note is not part of the Order.)

These amendments set the levy rate to be paid by producers who market turkey in interprovincial and export trade, and set out April 27, 2025 as the date on which the levies are set to have effect.

NOTE EXPLICATIVE

(La présente note ne fait pas partie de l'ordonnance.)

Les modifications visent à fixer les redevances qui doivent être payées par les producteurs qui commercialisent le dindon sur le marché interprovincial ou d'exportation et entrent en vigueur le 27 avril 2025.

SECTION III

FINANCIAL FORECAST

FOR THE YEAR ENDED DECEMBER 31, 2024

**TURKEY FARMERS OF CANADA
FINANCIAL FORECAST
BALANCE SHEET
AS AT DECEMBER 31, 2024 and 2025**

ASSETS		
	2024 Forecast	2025 (Prelim Budget)
CURRENT		
Cash and Short Term Investments	\$ 10,992,909	\$ 12,468,371
Accounts Receivable	1,980,720	2,202,711
Prepaid Expense	<u>86,500</u>	<u>80,000</u>
	\$ 13,060,129	\$ 14,751,082
CAPITAL ASSETS		
	\$ 187,500	\$ 150,000
	<u>\$ 13,247,629</u>	<u>\$ 14,901,082</u>
LIABILITIES		
CURRENT		
Accounts Payable and Accrued Liabilities	<u>\$ 552,400</u>	<u>\$ 500,000</u>
EQUITY		
Restricted surplus	\$ 10,356,556	\$ 11,969,938
Unrestricted surplus	992,494	575,291
Funds Invested in property & Equip.	<u>22,095</u>	<u>150,000</u>
Balance beginning of year	\$ 11,371,145	\$ 12,695,229
Revenue over Expenditure	(427,103)	\$ (147,558)
Add Market Development Funding	\$ 1,751,187	\$ 1,853,411
Balance end of year	<u>\$ 12,695,229</u>	<u>\$ 14,401,082</u>
	<u>\$ 13,247,629</u>	<u>\$ 14,901,082</u>

**TURKEY FARMERS OF CANADA
FINANCIAL FORECAST
STATEMENT OF OPERATIONS
FOR THE YEAR ENDING DECEMBER 31, 2025**

REVENUE

Producer Levies	\$	3,493,000
Interest Income		39,500
Transferred from MD Fund		527,150
Project Funding		

TOTAL REVENUE	\$	4,059,650
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EXPENSES

Administration (Schedule I)	\$	3,289,418
Marketing (Schedule II)		895,790
Special Projects (Schedule II)		22,000
Promotion (from Liquidated Damages) (Schedule II)		-

TOTAL EXPENSES	\$	4,207,208
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EXTRAORDINARY EXPENSES

REVENUE OVER EXPENDITURE	\$	(147,558)
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**TURKEY FARMERS OF CANADA
FINANCIAL FORECAST
ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDING DECEMBER 31, 2025**

SCHEDULE I

REMUNERATION TO OFFICERS AND STAFF

Staff salaries	\$ 1,294,588
Directors' fees	240,000
Director & employee benefits	320,237
	\$ 1,854,825

OTHER ADMINISTRATIVE

Contract services and projects	\$ 255,500
Trade	0
Audit	23,250
Telephone	14,953
Office Supplies	4,900
Office Leases	6,320
IT, Software & Websites	38,538
Postage & courier	2,500
Office contents insurance	7,250
Directors' liability insurance	9,400
Translations/Interpreters	161,200
Amortization	33,970
Legal fees	46,500
Rent, Utilities & taxes	175,000
Bank charges	2,292
On Farm Programs	46,420
	\$ 827,993

DIRECTORS AND STAFF EXPENSES

Directors, Alternates & Managers' expenses	\$ 255,000
Staff expenses	239,000
Meeting expenses	111,500
Travel insurance	1,100
	\$ 606,600

TOTAL ADMINISTRATIVE EXPENSES

\$ 3,289,418

**TURKEY FARMERS OF CANADA
FINANCIAL FORECAST
MARKETING EXPENSES AND SPECIAL PROJECTS
FOR THE YEAR ENDING DECEMBER 31, 2025**

SCHEDULE II

PROVINCIAL MARKETING PROGRAMS

Provincial Marketing Supplement	\$ 400,000
	\$ 400,000

RESEARCH

Market research	\$ 75,300
Turkey research	176,032
Consumer Research	27,150
	\$ 278,482

PUBLIC RELATIONS AND COMMUNICATIONS

National sponsorships and promotions	\$ 17,400
Marketing and communications	104,400
Memberships	89,579
Subscriptions	5,929
	\$ 217,308

TOTAL MARKETING EXPENSES

\$ 895,790

SPECIAL PROJECTS

\$ 22,000

PROMOTION (FROM LIQUIDATED DAMAGES)

\$ -

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDING DECEMBER 31, 2025**

SUMMARY OF SIGNIFICANT ASSUMPTIONS

This financial forecast presents to the best of management's knowledge and belief, the Agency's planned financial position and statement of operations prepared in accordance with the accounting principles expected to be used during the forecast period which are the same as those used in the most recent annual financial statements. Accordingly, the forecast reflects management's plan, based on present circumstances, of expected conditions. The assumptions disclosed herein are those that management believes are significant to the forecast and are summarized as follows:

GENERAL

Production in the 12-month fiscal year, January 1, 2025, to December 31, 2025, is expected to be 142,602,489 kilograms eviscerated weight or 173,218,281 kilograms live weight.

Factors influencing this forecast which are beyond the control of the organization are:

- An undetermined inflation rate.
- Prime interest rate of 5.45%.
- Return on investment funds.

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDING DECEMBER 31, 2025**

BALANCE SHEET

CURRENT ASSETS

Cash

Cash includes current accounts and investments.

Accounts Receivable

It is assumed that the historic pattern for receipt of provincial levies will apply and that at the fiscal year-end, the December levies will be an outstanding receivable. The percentage of the total year's income normally received during the month of December is applied to the total for the year to arrive at the amount included in the accounts receivable. This is generally in the order of 10% of total levies.

Any AAFC funding from the Market Development Program for Turkey and Chicken not received in the year is also included as a misc. receivable.

Prepaid Expenses

Prepaid Expenses include amounts paid in advance for insurance, deposits and contracts.

Capital Assets

This includes capital assets net of depreciation for the year.

CURRENT LIABILITIES

Accounts payable are estimated based on normal activity at the month and year-end.

EQUITY

The financial forecast of expenditures for the coming fiscal period allows equity to achieve a responsible level and meet the restricted targets as set out by the TFC Board.

A portion of TFC's accumulated surplus has been set aside as restricted for specified purposes. This amount will be: 202 - \$2,475,000; and 2025 - \$2,702,000. Target equity levels are based on criteria as specified by auditors and approved by the TFC Board upon recommendations from the Audit and Finance Committee. The restricted equity includes contingency funds in case of Agency wind down and funds for future research projects. In 2016, the TFC Board also approved the restriction of funds from liquidated damages for incremental marketing and promotional expenditures. In 2023, the TFC board approved the restriction of funds received from AAFC from the Market Development Program for Turkey and Chicken.

The opening balance for 2025 equity is based on the 2024 Forecast.

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDING DECEMBER 31, 2024**

REVENUE

Producer Levies

The global eviscerated quota for the 12-month fiscal period will be achieved on a live weight production of 173,218,281 kilograms of turkey. The levy rate will be \$0.018 per kilogram from January 1, 2025 to April 26, 2025 and \$0.021 per kilogram from April 27 to Dec. 31, 2025.

Interest Income

It is estimated that interest on short-term investments will average 1.07%. Interest on long-term investments will range from 1.07% - 4.45%.

Project Funding

These are funds received under project contribution agreements through agencies such as AAFC.

Market Development Program

These are also funds received under project contribution agreements through AAFC.

EXPENSES

REMUNERATION TO OFFICERS AND STAFF **SCHEDULE I**

•Staff Salaries

TFC staff complement consists of ten full-time employees and three part-time.

•Directors' Fees

The budget includes fees paid to elected Directors for four TFC meetings plus an allowance for additional meetings. The executive and all directors receive stipends, teleconference fees and fees for travel days. TFC also covers fees for related committee meetings and representation at other meetings external to the Agency.

•Director & Employee Benefits

Included in this expense are the employer paid portions of Canada Pension Plan, Employment Insurance, Ontario Health Tax as well as supplementary Health and Dental Insurance and employee benefits.

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDED DECEMBER 31, 2024**

OTHER ADMINISTRATIVE SCHEDULE I

•Contract Services and Projects

This expense is for independent research, review and refinement of the Agency's operational policies and programs on an "as needed" basis. Also included in this expense is specialized consulting services for long-term ongoing projects such as crisis and issues management and training, HR development and recruitment, strategic planning facilitation, US production data and production verification audits. This account also includes consumer surveys as needed from time-to-time.

•Trade

This budgeted item is for ongoing monitoring of trade negotiations and related initiatives.

•Audit

This expense is for auditing the TFC yearly financial statements and other consulting services as required.

•Telephone, Postage & Courier, Office Expenses, Office Leases & IT, Software & Websites

These accounts pertain to the day- to-day operation of the TFC office and are based on the current years' experience.

•Office Insurance and Directors' Liability Insurance

Office insurance covers the office premises for fire, theft, and public liability. Directors' liability insurance was initiated in 1998.

•Translations / Interpreters

This account pertains to simultaneous interpretation for meetings and translation of policy, legal and information documents to the French language.

•Amortization

Amortization is charged to operations on the declining balance method at 20% per annum for office equipment, 30% for computer equipment and on the straight-line basis for leasehold improvements over the five-year term of the premises lease.

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDED DECEMBER 31, 2024**

OTHER ADMINISTRATIVE SCHEDULE I cont'd

•Legal Fees

This account pertains to the estimated legal services required for TFC operations.

•Rent, Utilities, Taxes

This expense is based on the premises lease for the TFC Office.

•Bank Charges

All service charges and interest charged by the bank on the Agency's operating account.

•On Farm Programs

This account pertains to the costs to deliver and maintain the Agency's On-Farm Food Safety Program and Flock Care Program.

•OFP Projects

This account pertains to the costs related to On-Farm programs that are to be delivered under specific funding agreements. This expense account is offset by revenue received through the funding agreements.

DIRECTORS AND STAFF EXPENSES SCHEDULE I

•Directors, Alternates & Managers Expenses / Staff Expenses

This includes airfare, hotel and other out of pocket expenses for Directors, Alternates, Managers, and staff attendance at Agency meetings and for conduct of Agency business.

•Meeting Rooms

Incorporates meeting room and equipment rentals as well as catering costs.

•Travel Insurance

Based on the number of days travelled over a 12-month period by the Agency representatives and staff members.

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDED DECEMBER 31, 2024**

MARKETING EXPENSES SCHEDULE II

PROVINCIAL MARKETING PROGRAMS

•TFC Provincial Marketing Supplement

The Agency supplements provincial marketing programs to promote the extension of local marketing initiatives. Of the fixed expenditure of \$400,000, \$344,000 is allocated to each province according to their percentage share of national quota allocations. These funds may be used for any marketing project. The balance of \$56,000 is allocated according to the original Consumer Seed Money Policy, which is now a matter of historical record and has been included in the Marketing Supplement. Each Provincial Board is required to provide a reporting annually of their marketing program activities, which have been supported through this supplement.

RESEARCH

•Market Research

Incorporates the expense related to obtaining at-home consumption data as supplied through AC Nielsen Company of Canada in the form of retailed scanned data. The budget reflects the agreed subscription contract.

•Turkey Research

Budget is established yearly by TFC for research pertaining to bird health, nutrition, food safety and quality, new product development and environmental concerns which are undertaken by accredited research institutions. Unused funds at year end are accumulated in a research investment fund.

•CPRC

Annual contribution to the Canadian Poultry Research Council.

**TURKEY FARMERS OF CANADA
NOTES TO THE FINANCIAL FORECAST
YEAR ENDED DECEMBER 31, 2024**

MARKETING EXPENSES SCHEDULE II cont'd

PUBLIC RELATIONS AND COMMUNICATIONS

•National Sponsorships and Promotions

Incorporates funds committed to sponsorship of trade associations and conferences as well as promotional products.

•Marketing and Communications

Funds are used to position turkey in the marketplace and to advance the consuming public's awareness of the industry and of the Canadian Turkey brand, its production sector, and its products.

This also incorporates the cost of advertising in the Canadian Poultry Magazine and yearly "Who's Who" in the Canadian Poultry Industry and other opportunities that arise.

This account also includes media monitoring.

•Memberships

Includes the cost for memberships in the Canadian Federation of Agriculture, national and provincial animal care council organizations and associate industry memberships.

•Subscriptions

Ongoing subscriptions to electronic bulletins, newspapers, magazines, and other information resources.

SPECIAL PROJECTS SCHEDULE II

This account identifies and segregates one-time special projects.

PROMOTION (FROM LIQUIDATED DAMAGES) SCHEDULE II

This account identifies promotion and marketing expenditures incremental to normal operating promotion and marketing activities, utilizing segregated funds from liquidated damages.

SECTION IV

2024 Budget - 2024 YEAR-END FORECAST

2025 PRELIMINARY

TURKEY FARMERS OF CANADA
FINANCIAL FORECAST
STATEMENT OF OPERATIONS
2024 BUDGET, 2024 YEAR END FORECAST & 2025 PRELIMINARY BUDGET

	2024 Preliminary Budget Oct 2023	2024 Final Budget June 2024	2024 Year End Forecast Aug 2024	2025 Preliminary Budget Nov 2024
Revenue				
Producer Levies	\$ 3,490,000	\$ 3,405,000	\$ 3,405,000	\$ 3,493,000
Interest Income	18,045	18,045	18,045	39,500
Interest on MDPTC	160,000			
Over Marketing Penalties				
Transfer from MD Fund		\$ 580,000	\$ 580,000	\$ 527,150
Market Development Program				
Project Funding				
Total Revenue	\$ 3,668,045	\$ 4,003,045	\$ 4,003,045	\$ 4,059,650
Expenses				
Administration (Schedule I)	3,232,938	3,357,583	3,393,664	3,289,418
Marketing (Schedule II)	924,384	1,009,984	1,014,484	895,790
Special Projects (Schedule II)	22,000	22,000	22,000	22,000
Promotion (Liquidated Damages) (Schedule II)	-	-	-	-
Total Expenses	\$ 4,179,322	\$ 4,389,567	\$ 4,430,148	\$ 4,207,208
Net Income Less Expenses	\$ (511,277)	\$ (386,522)	\$ (427,103)	\$ (147,558)
Project Funding				
Net Surplus / (Deficit)	\$ (511,277)	\$ (386,522)	\$ (427,103)	\$ (147,558)
Extraordinary Items				
Market Development Funding			1,751,187	1,853,411
Surplus / (Deficit)	\$ (511,277)	\$ (386,522)	\$ 1,324,084	\$ 1,705,853
Opening Equity	\$ 11,371,145	\$ 11,371,145	\$ 11,371,145	\$ 12,695,229
Closing Equity	\$ 10,859,868	\$ 10,984,623	\$ 12,695,229	\$ 14,401,082

* NOTE: 2025 Preliminary Budget opening equity is based on 2024 Forecast).

** NOTE: The year end deficit/surplus figures shown represents the organization's overall results, which includes utilization of funds from restricted equity, such as restricted research and liquidated damages fund for specific research and promotional activities.

TURKEY FARMERS OF CANADA
2024 BUDGET, 2024 YEAR END FORECAST & 2025 PRELIMINARY BUDGET

SCHEDULE I

	2024 Preliminary Budget	Final Budget June 2024	2024 Year End Forecast Aug 2024	2025 Preliminary Budget Nov 2024
Administrative Expenses				
Remuneration to Officers & Staff				
Staff salaries	\$ 1,226,189	\$ 1,278,983	\$ 1,291,649	\$ 1,294,588
Directors' fees	250,000	250,000	250,000	240,000
Director & employee benefits	259,516	307,670	308,285	320,237
	\$ 1,735,705	\$ 1,836,653	\$ 1,849,934	\$ 1,854,825
Other Administrative				
Contract services and projects	\$ 278,900	\$ 255,900	\$ 261,700	\$ 255,500
Trade	1,000	1,000	1,000	
Audit & Accounting	22,250	22,250	22,250	23,250
Telephone & Internet	16,114	16,114	16,114	14,953
Office expenses	4,800	4,800	15,100	4,900
Office leases	6,365	6,365	6,365	6,320
IT, Software & Websites	34,091	38,830	38,030	38,538
Postage & courier	2,740	2,740	2,740	2,500
Office contents insurance	7,000	7,000	7,000	7,250
Directors' liability insurance	9,000	9,000	9,000	9,400
Translations/Interpreters	165,200	165,200	171,500	161,200
Amortization	11,654	18,534	18,534	33,970
Loss on capital assets			-	
Legal fees	52,500	61,000	61,000	46,500
Rent, Utilities & taxes	143,811	178,389	178,389	175,000
Bank charges	2,208	2,208	2,208	2,292
On Farm Programs	80,500	80,500	91,700	46,420
	\$ 838,133	\$ 869,830	\$ 902,630	\$ 827,993
Directors & Staff Expenses				
Directors, Alternates & Managers' expenses	\$ 323,000	\$ 318,000	\$ 308,000	\$ 255,000
Staff expenses	206,000	218,000	218,000	239,000
Meeting expenses	129,000	114,000	114,000	111,500
Travel insurance	1,100	1,100	1,100	1,100
	\$ 659,100	\$ 651,100	\$ 641,100	\$ 606,600
Total Administrative Expenses	\$ 3,232,938	\$ 3,357,583	\$ 3,393,664	\$ 3,289,418

TURKEY FARMERS OF CANADA
2024 BUDGET, 2024 YEAR END FORECAST & 2025 PRELIMINARY BUDGET

SCHEDULE II

	2024 Preliminary Budget Oct 2023	2024 Final Budget June 2024	2024 Year End Forecast Aug 2024	2025 Preliminary Budget Nov 2024
Marketing Expenses				
Provincial Marketing Programs				
Provincial Marketing Supplement	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
Research				
Market research	\$ 68,800	\$ 68,800	\$ 68,800	\$ 75,300
Turkey research	168,465	168,465	178,465	176,032
Consumer Research		180,000	180,000	27,150
	\$ 237,265	\$ 417,265	\$ 427,265	\$ 278,482
Public Relations & Communications				
National sponsorships and promotions	\$ 12,300	\$ 23,400	\$ 23,400	\$ 17,400
Marketing and communications	179,800	74,300	68,800	104,400
Memberships	88,974	89,574	89,574	89,579
Subscriptions	6,045	5,445	5,445	5,929
	\$ 287,119	\$ 192,719	\$ 187,219	\$ 217,308
Total Marketing	\$ 924,384	\$ 1,009,984	\$ 1,014,484	\$ 895,790
Special Projects	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000
Promotion (from Liquidated Damages)	\$ -			\$ -

SECTION V

THINK TURKEY™ MARKETING CAMPAIGN

**TURKEY FARMERS OF CANADA
NATIONAL MARKETING CAMPAIGN
CAMPAIGN REVENUE & EXPENSES
2024 BUDGET, 2024 YEAR END FORECAST & 2025 PRELIMINARY BUDGET**

	2024 Preliminary Budget Oct 2022		2024 Final Budget June 2023		2024 Year End Forecast		2025 Preliminary Budget Nov 2024	
Levy Revenue	\$	4,780,000	\$	4,655,000	\$	4,880,000	\$	4,259,000
Expenses	\$	4,625,000	\$	4,625,000	\$	4,631,000	\$	4,634,000
Difference Between Revenue & Expenses	\$	155,000	\$	30,000	\$	249,000	\$	(375,000)

Note: The 2025 National Market Campaign anticipated expenditures are preliminary and may be subject to changes in revenue due to changes in allocation for the 2024/25 control period.