

CEO Report – Terry Wensley

2024 was a year of growth and improvement and yet additional challenges appeared on the horizon. With returns on livestock at record levels, drought largely abated throughout the province although still some areas requiring moisture and reduced returns due to the prolonged summer heat and lack of moisture, feed was available at reduced pricing and interest rates reduced, the livestock market was buoyant and continues to be so; however, with the current American administration's potential tariffs and their impact, the future remains unclear.

We are pleased to report a strong year but not without some significant challenges.

The following are some of the highlights from last year:

- 926 new schedules
- Processed 3,627 transactions
- Portfolio reached an all-time high at over \$60 million
- Over \$54 million of new disbursements; almost \$10 million increase from 2023
- Average schedule amount \$58,706 (\$40,228 Breeder & \$72,091 Feeder),
- Over 48,500 animals under contract

Feeder readvance program and sheep pilot program continue. Joint memberships are available and continue to gain traction, simplifying and streamlining transaction processing. The Young Producers program continues to be available. Increased member limits have assisted members with the increased cost of livestock, grow their herds and take further advantage of the current market conditions.

We continue to focus on improving our operations and service and our service standards. This includes a process to track each invoice and payment received. Our goal is to have transactions processed within 3 business days; over 94% of our transactions processed were within this timeframe. Standard transactions are emailed out within days of their conclusion in normal operating conditions. For those who prefer to receive a physical copy, we mail out their transactions on a quarterly basis. This helps reduce the cost.

While there was a strong sales market, there were some continuing challenges and we were also dealing with challenged account situations. We worked tirelessly and with the member wherever possible, to overcome these challenges! When these situations occur, the inventory numbers and branded animals are often an issue. Thorough and accurate inventory on our branded animals was a requirement under the previous program and continues to be essential. We emphasize good quality brands and accurate information. This is imperative for the continued success of our co-operative and protects all the co-op members over the province.

We continue to look towards the future and the following is underway:

- New member growth and existing member limit increases
- Banking system identification is underway
- Sheep Program Pilot proceeding
- Creditor Insurance – available to all qualifying members with no health questionnaire (except where Critical Illness purchased) still being pursued

I would like to take this opportunity to acknowledge some key individuals and our partners.

- You, our membership, for your support
- Your SKLF staff for their dedication
- Deb Petersen, our Southeast Regional Co-ordinator who after many years of service decided to retire this new year
- Our Livestock Supervisors for their dedication and ensuring compliance to our programs
- Our financing partner, the Bank of Montreal, Charles Wilson and his team
- Virtus Group LLP, our auditors particularly Sheila Filion, Neal Fense and their team

I would also like to express my deep appreciation to all the Board members and our Chairperson, Kris Webb and for their dedication, and support.

To you our members, thank you for your support, and guidance!

A handwritten signature in blue ink, appearing to read "T.J. Wensley". The signature is fluid and cursive, with a large loop at the end.

T.J. (Terry) Wensley, BAC, FCUIC