

**ALBERTA BEEF PRODUCERS
MINUTES OF THE BOARD OF DIRECTORS MEETING
MONDAY JUNE 8, 2009, 1:00 p.m.
AT THE DELTA SOUTH, EDMONTON, ALBERTA**

Present: Rick Burton - *Chair*
 Erik Butters - *Past Chair*
 Kevin Boon - *Vice Chair*
 Doug Sawyer - *Finance Chair*
 Gerald Maser - *Zone 1*
 Brent Carey - *Zone 2*
 Brian Edge - *Zone 3*
 Frank Murphy - *Zone 4*
 Rob Somerville - *Zone 5*
 Greg Bowie - *Zone 6*
 Roy Eckert - *Zone 6 (at large)*
 Ben Schrader - *Zone 7*
 Brian Chomlak - *Zone 8*
 Darcy Eddleston - *Zone 8 (at large)*
 Janys Boyte - *Zone 9*
 Chuck MacLean - *CFC Chair*
 Dave Solverson - *CFC*
 Stuart Thiessen - *CFC*
 Darryl Carlson - *CIC Chair*
 Larry Delver - *CIC*

Staff: Rich Smith - *General Manager*
 Adrienne Waller - *Legal Counsel*
 Rosanne Allen - *Executive Assistant*
 Fred Hays - *Policy Analyst*
 Barb Sweetland - *Promotion Manager*
 Lori Creech - *Comm. Manager*
 Laura Proconier - *Controller*

Guests: Ryder Lee - *CCA*
 Diane Panrucker - *Zone 6*
 Richard McKnight - *Zone 7*
 Arnold Hanson - *Patron's Assurance*

The Chairman called the meeting to order at 1:00 p.m.

1. Adoption of Agenda

(a) Approval of Agenda:

Addition: 6(e) Research Report, 4(f) CCA Director Position:

Motion by Carey/Edge:

“That the Agenda be approved with the changes discussed.”

Carried

2. Approval of Minutes

(a) Minutes of the April 6, 2009 conference call:

Motion by Bowie/Solverson:

“That the Minutes of the April 6, 2009 Board of Directors conference call be approved.”

Carried

(b) Minutes of the April 30, 2009 meeting:

Motion by Carey/Delver:

“That the Minutes of the April 30, 2009 Board of Directors meeting be approved.”

Carried

3. Financial Statement

(a) Financial Statement ending May 31, 2009:

Motion by Somerville/MacLean:

“That the Financial Report be accepted as presented for information purposes.”

Carried

4. Decision Items

(a) Bill 43 Review and Strategy:

With the passing of Bill 43 we now have to refund check-off to producers who ask for it. There are a number of aspects of this that ABP will need to look at. One option will be to speak with other commissions that have a refundable check-off to see how they handle this situation.

There was some indication that the government might listen to arguments for keeping a non-refundable National Check-off but to do that they would have to amend the Act itself and it likely will be difficult to get agreement on this action. Going forward with a refundable check-off, ABP will need to demonstrate value for producers to encourage them to leave their check-off with the organization. We need to inform producers about the strategies we have developed for improving the profitability and competitiveness of the cattle industry, as well as the results we have achieved with our actions. Communication with delegates and producers about our plans and successes will be critical.

There are issues on which we need to work with the government, but we have to continue representing the producers in this province and taking their views forward to the government. ABP took a carefully considered and clear position on the check-off challenge and we need to show producers that we are still prepared to take strong positions on key issues.

We need to consider where ABP will fit with the ALMS and the role of the ALMA. We must continue to challenge

the government on those aspects of the ALMS and the ALMA that will not be a benefit for cattle producers and the industry. There is a need for ABP to talk with the BIA even if it will be difficult to create positive results from this communication. There are other issues such as the national check-off and the concept of a partially refundable check-off that must be discussed with delegates.

(b) ABP Budget and Committee Spending:

With the passing of Bill 43, the Board began addressing the impact of this legislation on ABP funding and budgets. The Executive proposed that ABP begin budgeting on the basis of putting revenue from the current year in an operating fund that would cover the expenses in the following year, beginning with the 2010/2011 year when the check-off will become refundable. This way, ABP will always be spending money that it has already and will not be at risk of spending money that could be lost to refunds. The Board approved this concept and reviewed ways to bring the operating fund for the 2010/2011 year up to the target level of \$5 million. The Board had previously put \$3 million into an operating fund for the 2010/2011 year.

After careful consideration, the directors proposed reducing the current budget by \$1 million and reducing the allocation of 2008/2009 funds to the Trade Advocacy Reserve Fund by \$1 million. When this money is added to the operating fund, it would give ABP an operating budget of \$5 million for the 2010/2011 fiscal year. The changes were conditionally approved and a motion was carried to send the budgeting concept and the budget amendments to the general assembly for final approval.

Motion by Thiessen/Eddleston:

“That the budget as amended be presented to the delegate body at the Semi-Annual.”

Carried

(c) ABP Plan Regulation Revisions:

Waller took the directors through the proposed changes to the Plan Regulations. Our current plan was written in 1996 and it cannot be changed easily. The new Legislative Counsel has taken the position that many of the elements in the plan regulation can be removed and put into by-laws which the delegates can adjust at general meetings. This will give ABP more flexibility in changing our structure and operations. The first step is to make sure that the plan and the by-laws reflect what was decided at the 2008 AGM. The next step is to see if the delegates want to make some changes to the plan regulation or keep the decisions as they were made last year.

Waller distributed a handout to the directors showing proposed changes to the Plan Regulation that will be discussed at the General Assembly on Tuesday. It is important to understand that even the elements that are put into by-laws can be changed only with the approval of the delegate body at a general meeting.

Motion by MacLean/Carey:

“That the proposed ABP Plan Regulation amendments be adopted in principle and presented to the delegates at the General Assembly of the 2009 Semi-Annual meeting.”

Carried

(d) Semi-AGM Board Update and Delegate Discussion:

The Board heard the key points that would be made by Chair Burton and Finance Chair Sawyer during the Board update segment of the Semi-AGM. The directors were informed of the format for the delegate discussion of Bill 43, ABP Policy and the ABP Plan Regulation. Joanne Lemke has been engaged to chair this session.

The directors saw this session as an opportunity for delegates to learn more about Bill 43, if necessary, but more importantly, to discuss this Bill and express their reactions to it. The directors hoped the discussion would then lead into moving forward under Bill 43 by dealing with the impacts of the Bill and ensuring that ABP can continue to represent producers and address their priorities.

(e) Livestock Patrons’ Claims Review Tribunal:

Arnold Hanson made a presentation regarding the amount of money that has accumulated in the tribunal fund. Currently there is \$7½ million in the patron’s insurance fund and \$565 thousand in the dealer’s insurance fund. There have been concerns that the fund has become too large and Hanson asked the Board what should be done with the money and whether the contribution amount should be reduced. The Board decided that the new LICA likely means that the amount in the fund is not excessive and that the contribution amount should remain at its current level. A motion was carried that the contribution to the Livestock Patrons’ Claims fund should remain at \$0.05/head marketed.

Motion by Carey/Bowie:

“That the contribution to the Patrons’ Livestock Fund remain at \$0.05 per head.”

Carried

(f) CCA Director Position:

Rick Burton stepped down from the CCA Board in February and the Board appointed Travis Toews as a CCA Director. At the CCA AGM in March, Toews was elected as the Vice-President of CCA and now sits in his own right. This leaves a spot open for another ABP representative to sit on the CCA Board. The election to fill this position will be held during the Semi-AGM and Burton informed the Board that he will not be letting his name stand for this position.

5. In Camera

6. Discussion Items

(a) OH&S Consultations:

The Alberta government is exploring the issue of occupational health and safety on farms and ranches in Alberta. They are looking for recommendations on policy, programs and legislation for the Ministers of Agriculture & Rural Development and Employment & Immigration. Stroh Consulting has been engaged to help with the stakeholder consultation and will begin by interviewing individuals suggested by organizations such as ABP. After the interviews are completed, ABP and other organizations will be asked to answer question on this issues and comment on options for policy, programs, and legislation.

(b) ILC Invitations:

Delegates from the six states we invited will be attending ILC. There are still a few people who need to be confirmed but everyone invited will either attend themselves or send someone in their place. The Young Farmers and Ranchers Roundtable has been cancelled due to lack of funding from the Canadian government so other arrangements will be made for the day before the ILC. The Board agreed to leave the decision on these arrangements to Somerville and Bowie.

(c) NCBA Summer Meeting:

This meeting runs July 13th to 16th and conflicts with the Staff Appreciation Barbecue and the July Board meeting. There was a discussion about the need to have an ABP representative at the meeting. CCA will be sending representatives, likely including Alberta CCA Directors, to the meeting and we may not need to send anyone. The Executive will decide if there is a need for more representation at this meeting.

(d) Animal Health Act – Age Verification:

There is a question about whether the Animal Health Act allows the sharing of age verification information with people along the supply chain. The government believes that the Act allows age verification information to flow with the animal, but Waller is not convinced that this is legal. There is continued concern in the industry that the value added to the animal by age verification information will be realized by the feeder or processor, not by the cow/calf producer who bears the cost of providing the age verification information.

(e) Research Report:

The committee decided to send the resolution regarding research back to the Board. The Board decided to postpone a decision on the resolution until a better understanding of future spending can be determined.

(f) Letter of Resignation from Frank Murphy:

Frank Murphy submitted a letter of resignation as a director of ABP.

Motion by Carey/Bowie:

“That the ABP Board of Directors accept the letter of resignation from Frank Murphy.”

Carried

7. Reading Material

- (a) BOD Resolutions and Action Items
- (b) Beef Supply at a Glance
- (c) Fall 2009 Elections

8. Next Meeting and Upcoming Events

- (a) ILC – July 10, 2009 – Round-Up Centre, Stampede Grounds, Calgary, AB
- (b) Board Meeting – July 16, 2009 – ABP Board Room, Calgary, AB
- (c) Board Meeting – September 17, 2009, ABP Board Room, Calgary, AB
- (d) Board Meeting – October 15, 2009, ABP Board Room, Calgary, AB
- (e) Resolution Committee meeting – November 18, 2009, ABP Board Room, Calgary, AB TENTATIVE
- (f) Board Meeting – November 19, 2009, ABP Board Room, Calgary, AB TENTATIVE
- (g) New Delegate Orientation – November 25, 2009, ABP Board Room, Calgary, AB TENTATIVE
- (h) Annual General Meeting – December 7 – 9, 2009, Sheraton Cavalier, Calgary, AB

9. Adjournment

The meeting was recessed at 5:40 until 8:00 p.m.

The meeting was adjourned at 9:35 on a motion by Larry Delver.

Chairman

General Manager