

**ALBERTA BEEF PRODUCERS
MINUTES FOR THE BOARD OF DIRECTORS MEETING
JANUARY 19, 2017, 8:00 a.m.
AT THE ABP BOARD ROOM, CALGARY, AB**

Present:	Bob Lowe	- Chair	
	Roland Cailliau	- Vice Chair	Carried
	Kelly Fraser	- Finance, Zone 5	
	Howard Bekkering	- Zone 1	(b) <u>Minutes of the December 6, 2016 meeting:</u>
	Fred Lozeman	- Zone 2	Motion by Israelson/Bekkering:
	Chris Israelson	- Zone 3	“That the minutes of the December 6, 2016 Board of Director minutes be approved.”
	Tim Smith	- Zone 4	
	Tim Sekura	- Zone 6	Carried
	Colin Campbell	- Zone 7	
	George L’Heureux	- Zone 8	(c) <u>Minutes of the December 7, 2016 meeting:</u>
	John MacArthur	- Zone 9	Motion by Osadczuk/Stanley:
	Brad Osadczuk	- Director at Large	“That the minutes of the December 7, 2016 Board of Director minutes be approved.”
	Garth Porteous	- Director at Large	
	Ken Stanley	- Director at Large	Carried
	Penny Patton	- CCC Chair	
	Bryan Thiessen	- CFC Chair	

Staff:	Rich Smith	- Executive Director
	Rosanne Allen	- Office Administrator
	Fred Hays	- Policy Analyst
	Karin Schmid	- Beef Production
	Laura Procnier	- Controller
	Tom Lynch-Staunton	- Govt Relations (via phone)

Guests:	Greg Bowie	- Past Chair
	Rick Friesen	- Past Director
	Charlie Christie	- Past Director
	John Buckley	- Past Director
	Lyndon Mansell	- Past Director

3. Financial Report

(a) Financial Statement ending December 31, 2016:

The directors reviewed the financial statement. Marketings are current and very close to the level from one year ago. Expenses are in line with the budget projections and the Marketing and Education line includes \$185,000 that has been allocated for use as leverage to acquire funding for future marketing programs.

Motion by Fraser/Thiessen:

“That the financial statement be accepted for information purposes only.”

Carried

The Chair called the meeting to order at 7:55 a.m.

1. Adoption of Agenda

(a) Adoption of Agenda:

Additions: 6(g) New delegate appointments:

Motion by Thiessen/Porteous:

“That the agenda be approved with changes.”

Carried

2. Minutes of the Previous Meetings

(a) Minutes of the December 5, 2016 meeting:

Motion by Campbell/Sekura:

**“That the minutes of the December 5, 2016,
Board of Director minutes be approved.”**

4. Policy and Governance Issues

(a) Board of Directors Evaluation:

Buckley explained to the Directors the purpose and importance of the Board evaluation. He spoke briefly about the questions that were included in the Board evaluation form and how they pertain to Board governance. The Board then went in camera and Buckley led a discussion of the results of the evaluation. The session concluded with the compilation of the most pertinent results and comments into a summary evaluation document.

(b) Finish Director Orientation:

The Board reviewed the orientation information that had been presented at the Board dinner on January 18, 2017.

5. Council and Committee Reports

(a) Cattle Feeder Council:

There has not been a meeting of the council yet this year. The CFIA is proposing amendments to *Health of Animals Regulations* regarding humane transportation of animals. ABP will be providing a response to these proposed amendments, but directors also can review the amendments and provide input to the ABP response.

(b) Cow Calf Council:

A meeting is scheduled for February 9, 2017. There was an Ecosystem Services (ES) meeting on January 11, 2017 with representatives from the CCC, the Environment Committee, and the Wildlife Committee. The CCC will be reviewing the ES policy and action recommendations arising from this meeting.

(c) Environment Committee:

Israelson has not had a chance to speak with Laverdure about the 25th Anniversary ESA video yet. He was a part of the ES meeting and found it productive.

(d) Research Committee:

Once the new committee has been finalized, there will be a conference call in February to discuss a budget for next year.

(e) Wildlife Committee:

Was a part of the ES meeting and there was some good input from that sector.

MacArthur questioned the lack of action taken on any of the predator resolutions that have been made in the past. Hays had had some discussion with a producer in NW Alberta about this. The Wildlife Committee forum in January of 2016 with Fish and Wildlife, Alberta Assoc. of MDs and Counties (AAMD&C), Alberta Conservation Association (ACA) and the Fish and Game Association provided recommendations for wildlife management including predator management. Campbell is requesting that a letter go from the Board to Environment and Parks Minister Phillips requesting a change to the approach to predation issues.

Campbell will draft a letter for the Board's approval.

6. Decision Items

(a) Council and Committee Structure and Roles:

There was a long discussion about making the Cow Calf Council (CCC) more effective and meaningful. There seems to be an issue with a lack of clear direction to councils and committees. Many of the issues that could be seen as natural areas of interest for the CCC have been delegated to other committees or sub-committees. The Board discussed a proposal to disband the Environment Committee, the Wildlife Committee, and the Safety Net Sub-Committee with the responsibilities of these committees passed back to the CCC or on to the Cattle Feeder Council (CFC). The idea is that the councils would

create working groups with mandates to address specific issues and provide direction and recommendations to the councils. The councils would review the work of these groups and take recommendations to the Board for approval. The working groups would include ABP delegates and other people with knowledge and expertise in the subject area.

Motion by Bekkering/Porteous:

“That the ABP Board of Directors eliminate the Wildlife Committee and the Environment Committee and shift focus to having the councils develop ad hoc committees or working groups with clearly defined guidelines, timelines and deliverables.”

Carried

(b) Canadian Beef Industry Conference (CBIC) Plans:

The second CBIC will be held in Calgary on August 15th to 17th, 2017. Last year, ABP participated in the conference by hosting a pre-conference tour and the Board allocated up to \$10,000 for the tour. The revenue from the tour fees was held by the CBIC organizers and allowed ABP to become a Bronze Level sponsor. The tour was a great success last year and the Board was supportive of hosting another tour this year with invitations again going to representatives of key U.S. state cattle organizations.

Motion by Osadczuk/Porteous:

“That ABP allocate up to \$10,000 for the Canadian Beef Industry Conference.”

Carried

Fraser suggested that this would be a good opportunity to create an ad hoc committee to develop a program for the CBIC tour. Fraser offered to help and will contact delegates in the zones.

(c) Canadian Beef Cattle Check-Off (CBCCO formerly NCO) Increase:

ABP has clear direction from producers to support an increase in the national check-off (CBCCO), but to pursue this increase only in conjunction with action on a non-refundable provincial service charge. Some progress has been made on changing legislation in Alberta to allow for a non-refundable service charge. If the legislation is changed, the next step will be convincing the government that producers want a change to a non-refundable service charge. While this progress is encouraging, there is concern that the non-refundable service charge issue will not be resolved soon enough to meet the needs of the national marketing and research organizations for the CBCCO increase.

The Beef Cattle Research Council (BCRC) needs to know by the end of June what funds will be available for the next Beef Cattle Science Cluster that we expect to be part of the next Agriculture Policy Framework that will take effect on

April 1, 2018. ABP could move forward with the CBCCO increase and have the increase confirmed by July 1, 2017, but not coming into effect until a later time, possibly April 1, 2018. This would meet the requirements of the BCRC, but allow us more time to work on the non-refundable service charge issue as directed by producers.

Motion by Thiessen/Campbell:

“That ABP move forward with the Canadian Beef Cattle Check-Off increase.”

Carried

(d) ABP Budget Process:

In the past years, R. Smith has prepared a first draft of the budget for the February board meeting based on retained revenue after the January service charge refunds. After decisions and adjustments made at the February Board meeting, a revised budget is approved at the March meeting and final adjustments are made at the April Board meeting when we know the final amount of money available for the operating budget. The Board approved this process.

(e) LIS Fee Increase:

The Livestock Identification Services (LIS) regulations are due for renewal and LIS sent a letter to ABP requesting our comments on their proposal to amend their Delegation Regulations and increase their fees. LIS is requesting a fee increase for inspections under the *Livestock Identification and Commerce Act*, the authority to set these fees, and consideration of their authority and compensation under the *Stray Animals Act*. LIS Charter is up. Lyndon Mansell is the ABP representative to the LIS board and provided further information on several points in the letter.

The Board recognizes the value of the services provided to our industry by LIS and supports the renewal of the Delegation Regulations and the Delegation Agreement. The Board believes that LIS should continue as the delegated authority under the *Stray Animals Act* for cattle, horses, and other species defined as livestock, but should receive government funding to cover the costs incurred in carrying out this authority that are not currently recovered. The Board would support consideration of an increase in inspection fees for cattle, but does not support a regulation change that would authorize LIS to set fees and charges for inspections.

Motion by Israelson/Patton:

“That ABP support the renewal of the Livestock Identification Services (LIS) Charter with the potential for a fixed fee increase.”

Carried

Motion by Stanley/Sekura:

“That ABP request that the Alberta government cover the currently unrecoverable

costs to Livestock Identification Services for their work under the *Stray Animals Act*.”

Carried

(f) Audit Committee Chair Appointment:

The committee consists of Chris Israelson, Dick Wymenga and Jimmy Nelson. The committee has appointed Cecilie Fleming as its independent, non-delegate member. The Audit Committee is proposing Fleming as the Chair.

Motion by Campbell/Bekkering:

“That ABP Board of Directors approve the appointment of Cecilie Fleming as the Audit Committee Chair.”

Carried

(g) Zone delegate appointment:

T. Smith informed the directors that Doug Standing had agreed to sit on CFC and was asking for board approval of the appointment.

Motion by T. Smith/Stanley:

“That the ABP Board of Directors approve the appointment of Doug Standing as the Zone 4 Cattle Feeder Council delegate.”

Carried

7. In Camera

8. Discussion Items

(a) MLA Reception/Government Relations:

Tom Lynch-Staunton joined the meeting by phone to discuss the reception and our government relations work. The reception will be held at the Canadian Beef Centre of Excellence on January 23rd from 4:00 p.m. to 9:00 p.m. The Minister will speak briefly and Lynch-Staunton has asked Lowe to introduce him. Dinner will be served at 6:00 p.m. and guests will be given a tour of the facility.

There are no rules in Alberta about lobbying at such an event as opposed to Ottawa where it is not allowed. Only government MLA's have been invited to this reception and we are expecting a reasonable number to attend. The directors noted that we should follow this event with similar invitations to MLA's from the other parties.

Labour Minister Gray has expressed interest in meeting with ABP and the Board supported this meeting.

(b) Sangita Sharma Project Funding:

The directors were given copies of documents related to the funding request and Lynch-Staunton provided further background information. Sharma presented at the Semi-Annual meeting in June 2016.

Sharma is looking for bridge funding while she applies for larger government funding. She is asking for \$75,000 this year and next year from ABP. She has also approached Canada Beef with the same request and they are interested in providing the funds.

The Board was not asked to make a decision on this funding, but were provided with the information for further consideration as we move into preparation of the next budget.

(c) Bovine Tuberculosis (bTB) Case Update:

Schmid provided an update on the bTB case. There are roughly 50 premises under quarantine. There are still only 6 confirmed cases including the one found in the US. The depopulation of infected herds is almost completed. Calves from these herds should be done by the end of January. Most cats, dogs and horses have been released from quarantine as they are considered low risk. Trace out herds are still being tested and the trace in herds are the next step.

If our TB status is changed, how would that affect Canada? If this happened it would probably be a zoning issue so there would be annual testing and more surveillance of the affected areas.

There is a one year tax exemption when compensation is paid, but the government is still working on a tax deferral. In some cases, quarantines will not have been lifted by the beginning of the new tax year.

Once a site has been depopulated a producer must complete appropriate cleaning and disinfection (c&d) before approval is given to restock. They will also need 45 days of +12° temperature and at least 4 hours of sunshine a day.

Our website is updated continuously with TB information.

(d) CCA Assessment:

Thiessen spoke to the directors about the CCA assessment and discussed a proposal for changing how the CCA process for provincial member assessments. He is suggesting that the CCA assessment process should be more like provincial revenue collection and be connected to marketing numbers. Currently, the CCA develops a budget and then establishes the provincial assessment to collect the required amount from the members. Thiessen is suggesting that the CCA assessment be set at a fixed rate per marketing. This would make the CCA assessment process more consistent with provincial revenue and provide us with greater certainty in our budgets.

Motion by Thiessen/Campbell:

“That ABP request that the Canadian Cattlemen’s Association change the provincial member assessment to be based on a fixed rate per marketing basis.”

Carried

(e) Industry Funding Discussions:

We are anticipating that Minister Carlier will be changing the *Marketing of Agricultural Products Act* to allow non-refundable service charges. If we can approach the government with a proposal that ACFA supports, it will be less complicated to demonstrate producer support for a non-refundable service charge. We already have resolutions from all fall meetings in 2015 and our AGM demonstrating support for a non-refundable service charge.

Lowe gave the new members a brief update of on the actions the Executive has taken in the past with the ACFA Executive. The Executive will continue to keep communications open between ACFA and ABP, but we need to see more concrete proposals for ACFA.

The Board package included speaking points on industry funding for directors to use in conversations with government officials and producers.

(f) ACFA Beef Plant Closure Project:

The ACFA was working on a project with the Alberta government on the impact of a processing plant closures on our industry. ACFA now wants to get the paper finished and will be engaging MNP to complete the work. They may be seeking funding support from ABP, but we will need more information on costs and results.

(g) Wood Buffalo National Park Bison Project:

Cailliau, Campbell and Hays met with Maarten Braat about the bison in area around Wood Buffalo National Park. Braat has several concerns about current actions on this issue, one being that the TB problem in the bison in Wood Buffalo will be neglected. Schmid reassured the directors that the issue is still being addressed, but it is a file that moves slowly because there are several jurisdictions involved – federal, provincial and first nations. All parties recognize that we need some type of resolution on this issue. Schmid recommended that ABP continue to work with Alberta Environment and Parks on their strategy. As the federal and provincial groups get their act together on their plan moving forward, she also recommends participation in that as well. One potential benefit of the bTB problem in the Jenner area is that it may lead to more discussion and action about the bison at Wood Buffalo.

(h) Grazing Lease Advisory Committee Report:

John Buckley and Cailliau have been sitting on this advisory committee which met in January. The government ordered that the grazing lease payments matter need to be settled. A new formula will be established for grazing lease costs which won’t make any changes right now but has the potential to raise them in the future subject to market conditions. There is a base price that the lease rental will not go beneath and the new formula will not come into effect until 2018.

(i) Beef Value Chain Roundtable:

Lowe distributed a paper showing the discussion of the roundtable he was a part of last year.

(j) Fall Meeting Resolutions – BOD and AGM:

The Board package included the resolutions that were approved at the AGM and the resolutions that were sent to the board by the resolutions committee meeting. Discussion and decisions on these resolutions will be decided at the February meeting. The directors will need to decide how the AGM resolutions will be addressed and the Board resolutions will need to be debated.

(k) Agriculture Day Update:

Invitations have been sent to the four millennials who were suggested by ABP and they have agreed to go. Katelyn Laverdure, Karin Schmid, Chris Israelson and Assar Grinde will represent ABP at the Agriculture Day Meet in the Middle dinner on February 16, 2017. Emily Richie from CCA is also going.

(l) Zone reports:

Zone 1: Arranging a zone meeting for either February or March

Zone 2: The Tiffin Conference is happening on January 19, 2017 in Lethbridge. It is sponsored by Zone 1 and 2.

Zone 3: Nothing to report

Zone 4: Nothing to report

Zone 5: Nothing to report

Zone 6: Will be attending the Camrose Bull Congress

Zone 7: Met with local MLA's and addressed a number of issues. Because of this meeting, Campbell was invited to a meeting at Thorhild on harvest issues. The AFSC manager for the central Alberta zone is dealing with over 500,000 acres of cropland that could not be harvested because of the strange weather Alberta experienced last year.

Zone 8: the zone may be down another delegate

Zone 9: Peace County Classic is in March and the zone will probably have their zone meeting then.

9. Reading Materials

(a) BOD Resolutions and Action Items:

(b) Beef Supply at a Glance:

10. Next Meeting and Upcoming Events

(a) Board meeting – February 15, 2017, Sheraton Hotel, Red Deer, AB

(b) Alberta Beef Industry Conference – February 15-17, 2017, Sheraton Hotel, Red Deer, AB

(c) Board meeting – March 16, 2017, ABP Board Room, Calgary, AB

(d) Board meeting – April/May **TBD**

(e) Board meeting – June 12, 2017, Edmonton, AB

(f) Semi AGM – June 12-14, 2017, Edmonton, AB

(g) Board meeting – July/August **TBD**

11. Adjournment

The meeting was adjourned on a motion by Thiessen at 4:30 p.m.