

**ALBERTA BEEF PRODUCERS**  
**MINUTES OF THE BOARD OF DIRECTORS CONFERENCE CALL**  
**FRIDAY OCTOBER 6, 2017, 8:00 a.m.**

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**Present:** Bob Lowe - *Chair*  
Roland Cailliau - *Vice Chair*  
Kelly Fraser - *Finance Chair/Zone 5*  
Fred Lozeman - *Zone 2*  
Chris Israelson - *Zone 3*  
Tim Sekura - *Zone 6*  
Colin Campbell - *Zone 7*  
George L'Heureux - *Zone 8*  
John MacArthur - *Zone 9*  
Brad Osadczuk - *Director at Large*  
Garth Porteous - *Director at Large*  
Ken Stanley - *Director at Large*  
Bryan Thiessen - *CFC Chair*

**Staff:** Rich Smith - *Executive Director*

**Absent:** Howard Bekkering - *Zone 1*  
Tim Smith - *Zone 4*  
Penny Patton - *CCC Chair*

The Chair called the meeting to order at 8:10 a.m.

### **1. Industry Funding and ACFA Discussions**

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The purpose of the conference call was for the ABP Board of Directors to consider a proposal for allocation of a non-refundable provincial service charge that was developed at a meeting between the executives of ABP and ACFA on September 29, 2017 at the ACFA office. The directors had been provided with a summary of this meeting before the conference call.

At the meeting, the ACFA representatives provided their response to the proposal that ABP had made in June based on direction from the ABP Board of Directors. The ACFA Board saw potential in the ABP proposal, but did not accept the funding levels in the proposal. The ABP and ACFA representatives identified a number of areas of agreement between the organizations and then proceeded to consider a framework for allocation of a non-refundable service charge that would be acceptable to both organizations.

The proposal from the meeting that was presented to the ABP Board of Directors had the majority of the service charge revenue going to ABP with \$0.40 per marketing going to the Alberta Beef Industry Development Fund (ABIDF) and \$0.25 per marketing going to ACFA. Producers would be given the ability to direct this \$0.25 per marketing to the ABIDF if they do not want this money to go to ACFA.

This proposal would provide ACFA with a substantial amount of funding to offset potential losses in membership revenue that could be a result of a non-refundable service charge. It also would put approximately \$1.36 million per year into the ABIDF for investment in research, market development, and industry collaboration activities.

The Board of Directors held a long and complete discussion of the proposal with nearly all directors providing comments. The discussion included support for the proposal, opposition to the proposal, concerns about elements of the proposal, and questions about whether producers would support this proposal. One question that requires clarification is whether producers who allow the \$0.25 per marketing to go to ACFA would automatically become members. There also were questions about the process by which producers would shift the \$0.25 from ACFA to the ABIDF and the composition of the council that would oversee allocation of funds from the ABIDF.

After the directors had the opportunity to provide their views and comments, the Chair asked for direction from the Board.

Motion by Porteous/Osadczuk:

**“That ABP supports the proposal for allocation of a non-refundable service charge that was developed at the meeting between the ABP and ACFA Executives on September 29, 2017.”**

Carried

The Chair asked if there were further topics of discussion and the Board was told of a situation where a community pasture range rider in Northern Alberta shot a grizzly bear. This issue will be raised at the upcoming Board meeting.

The conference call was ended just after 9:00 a.m.