

**ALBERTA BEEF PRODUCERS
MINUTES OF THE BOARD OF DIRECTORS MEETING
MONDAY JUNE 11, 2007**

AT THE FANTASYLAND HOTEL, ROOM 5, EDMONTON, ALBERTA

PRESENT: Erik Butters - *Chair*
Rick Burton - *Vice-Chair*
Kelly Olson - *Finance Chair*
Gerald Maser - *Zone 1*
Brent Carey - *Zone 2*
Judy Fenton - *Zone 4*
Millie Boake - *Zone 5*
Doug Sawyer - *Zone 5*
Diane Panrucker - *Zone 6*
Rick McKnight - *Zone 7*
Darcy Eddleston - *Zone 8*
Shelley Morrison - *Zone 9*
Donna Noullett - *Zone 9*
Stuart Thiessen - *CFC Chair*
Chuck MacLean - *CFC*
Dave Solverson - *CFC*
Steve Primrose - *CIC Chair*

STAFF: Rich Smith - *General Manager*
Laura Proconier - *Controller*
Mike Spear - *C&M Manager*
Tim Highmoor - *Policy Analyst*
Barb Sweetland - *Promo Coord*
Rosanne Allen - *Exec Assistant*

GUESTS: Mike Cook - *BIC*

ABSENT: Darcy Davis - *Past Chair*
Ernie Israelson - *Zone 3*
Tony Saretsky - *CIC*

Chairman Butters called the meeting to order at 1:05 p.m.

Rich Smith, General Manager, introduced Tim Highmoor as the new Policy Analyst to the Board of Directors.

1. Approval of the Agenda

Additions: Discussion Items: 6(g) Committee Name
Changes: 6(h) Kelly Olson's trips to Montana.

Motion by Panrucker/Fenton

“That the Agenda be adopted with additions marked above, plus any other additions or deletions that are deemed necessary throughout the course of the meeting.”

Carried.

2. Minutes of Previous Meetings

Changes: 4(c): Change ‘Barley Grain Commission’ to ‘Alberta Barley Commission’; 4(g): Change ‘celebrities’ to ‘dignitaries’;

(a) Minutes of May 17, 2007 Meeting:

Motion by McKnight/Boake

“That the Minutes of the May 17, 2007 Board of Directors meeting be adopted.”

Carried.

3. Finance Report

Olson presented the Statement of Financial Position as at May 31, 2007. He will be presenting the revised budget at the General Session tomorrow.

(a) Financial Statement:

Motion by Olson/Sawyer

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

Carried

4. Items for Decision

(a) ABP Plan Review Committee:

Smith distributed a document that Waller had provided explaining the regulations governing the structure and operations of ABP, a history of ABP plan reviews, and the proposed process for the current review. The review is scheduled to be completed by June 30, 2008. Smith explained that the plan review process must include extensive consultation with our producers to ensure that our plan proposal effectively represent their interests. The Board has appointed a Plan Review Steering Committee and Waller is putting together a Plan Review Working Group with broad representation from beef industry organizations. She will be looking for industry and stakeholder representatives to sit on this working group and the Board will receive updates on the progress of the group.

(i) Resolution 12

“Be it resolved that ABP zone voting policy be to vote for the number of positions open in the zone, any ballot representing more or less than the number of positions will be considered invalid.”

Zone 2

This resolution was declared Out of Order by Chairman Butters at the January 18, 2007 Board of Directors meeting based on the understanding that it would not be allowed under our current plan. At that time it was decided to table the motion and to bring it to the Semi-Annual meeting to be forwarded to the Plan Review Committee. Smith explained to the Board that this was the reasoning behind having Resolution 12 on the agenda.

(b) Feed Grain Research Task Force:

Diane Panrucker, Stuart Thiessen, Rich Smith, Reynold Bergen and Kelly Olson are the members of this task force. The Task Force has not yet met and a chair will be appointed at their first meeting.

(c) Feed Ban Action Request

Smith spoke on behalf of Masswohl who is requesting a letter from ABP to our MP's regarding funding for a transition fund. A note and a draft letter from Masswohl was included in the Board package. ABP was asked if we would send in a letter of support for the concept. Primrose and Carey agreed that the letter was a good idea. Sawyer would like to see a letter come not just from ABP but also take the letter to the zones and send it to their MP's.

DIRECTION to Rich Smith to create a letter from ABP to Chuck Strahl as well as a letter that the zones can send to their MP's regarding a transition fund once the Feed Ban come into effect.

(d) Semi-Annual Meeting Presentation

Smith spoke to the topic of a Board presentation for the beginning of the General Session on Tuesday. It was decided to start with age verification and move on to traceability if there is any time left. Primrose believed that the humane transportation issue and the ongoing industry transportation study would be other good topics to bring up. Smith asked who would lead the issue and Butters thought that it would probably be appropriate for a Board member to start the discussion. Primrose and Burton agreed to start the discussion.

(e) Harvest Gala

The Harvest Gala will be held in Edmonton this year on Friday October 26th. In the past ABP has paid for 3 tables, did we need to buy that many again? Last year ABP had reserved 4 tables with the idea of inviting government officials to sit with us, but that did not work well. Sawyer wanted to know why it was a Board decision and Morrison explained that it was a multi-committee function and for that reason it was a Board decision. There was consensus that it is a good idea, but we do not need to book four tables

Motion Primrose/Solverson:

“That Alberta Beef Producers reserve three tables for the fall Harvest Gala on October 26, 2007.

Carried

(f) National Agency Agreement Renewal

Smith explained that Waller is looking for a motion to approve the renewal of the agreement. The four western provinces, Nova Scotia and New Brunswick have all signed the agreement and Ontario will be signing soon.

Motion by Thiessen/Carey:

“That Alberta Beef Producers renew their Agency agreement and Services agreement with the National Agency for one year.”

Carried

5. In Camera Session

6. Items for Discussion

(a) Staff Appreciation Barbecue:

Butters explained that the Board of Directors will be hosting an appreciation barbecue for the staff of Alberta Beef Producers on July 13th beginning at 5:00 p.m. The Barbecue will be held at Chairman Butters' house and the costs would be covered by Butters and other board members. Staff members are welcome to bring their spouses and children.

(b)/(c) Traceability and Age Verification Discussion:

The Board engaged in a lengthy and spirited discussion of age verification and traceability. Primrose passed some information around regarding a CCIA technical meeting that he had attended. He explained that there were some problems with the age verification system and that the process needs to be made more user friendly for the producers. Are purchasers capturing the age information they need to go out and bid on your cattle? Thiessen is suggesting that when a query is made for age verification the person who makes the query will then be billed for the information. A portion of the payment will go to CCIA for administrative purposes and the rest would go to the producer who age verified the cattle. McKnight likes the concept of something coming back to the producers who age verify their cattle. He also said that when a producer brings cattle to auction the producer can verify whether his cattle are age verified or not.

Maser says that the producer today is not seeing any of the benefits of age verification. Primrose says this is going to change but is Maser prepared as a producer to let the packer have free run with his information. Primrose also noted that age verification will be a requirement for exports off the North American continent and suggested that age verification will significantly increase the value of younger cull animals.

Butters reminded the Board that the government had been discussing an age verification incentive program providing \$5.00/head in the first year, \$3.00/head in the second year, and then mandatory age verification. The Executive has not heard anything else from the government since they told the government that they would absolutely oppose mandatory age verification. Burton likes both Primrose's and Thiessen's ideas and suggested that we should just forget about anything the government might be prepared to pay. Cook was wondering if this would put our packers at a disadvantage to their American counterparts.

Motion Olson/Fenton:

“That Alberta Beef Producers encourage Canadian Cattle Identification Agency to facilitate a one time fee to access (with criteria) age verification information from which a fee will be forwarded to the original tag purchaser and a set fee will be retained by Canadian Cattle Identification Agency for administration.

Carried

In the next few months CCIA will be initiating a Premises ID program in which each producer would have a distinctive premise ID number which will help facilitate any program on age verification and traceability. Primrose stressed that if we as an industry do not initiate a Premises ID program, the government will.

DIRECTION to forward the Premise ID proposal to the Traceability Working Group for their input.

Primrose spoke about Premise ID and CCIA's plan to support implementation of location data within each CCIA account. To ensure this plan the CCIA Board of Directors is proposing the following:

1. Every producer and industry participant with an active Account within the CLTS system will receive a CCIA Producer Card upon registration of an approved unique Premises ID#.
2. CCIA will coordinate efforts with provincial land registries and industry agencies to pre-populate and validate Premises information.
3. CCIA led workshops with producers and producer groups will be held to facilitate direct population and third party data entry of Premises and additional information.
4. Upon creation of a new Account # within the CLTS system, we must ensure that a unique premises ID is registered prior to the issuance of a CCIA Producer Card.
5. Prior to purchase of CCIA approved tags at any approved tag dealer or distributor across Canada a valid Producer Card must be shown.
6. Prior to submission of Age Verification information or any value-added information to the CLTS system a Premises ID # must be recorded within the producer's Account.

(d) SRM Disposal Update:

Butters had just received a letter from John Donner in reply to a letter that was sent to him from Chairman Butters. Smith said that during a federal/provincial industry conference call, West Coast Reduction stated that they were ready to continue picking up SRMs from their ruminant customers at an extra cost of no more than \$0.025/lb above the current rate. There does seem to be some disagreement about the validity of this statement. LaFarge is looking into burning SRM's in cement kilns and the provincial government is still interested in thermal hydrolysis. The Alberta processors and renderer have stated that they will be ready for implementation of the enhanced feed ban on July 12th and the governments are supporting this position. The producer will have to pay if a renderer is going to haul away deadstock, although they can still dispose of mortality on farm through burial, natural scavenging or composting.

(e) Animal Health Act:

On Thursday ABP finally received the regulations discussion paper for the new Animal Health Act that is making its way through the legislature. Bergen and Waller will be attending a stakeholder meeting on June 12th to provide the first feedback on the proposed regulations. There is still great concern about the broad powers that the act gives to the provincial government and the high degree of duplication and potential contradiction of federal jurisdictional and regulatory authority.

(f) CBC Stampede Breakfast:

Spear said that he would be sending an invitation to all of the Board members in the next few days. Minister Groeneveld will be on a grill with his wife. CBC would like to do a special segment on beef recipes that would happen every Thursday and if there is enough recipes a cookbook would be developed.

(g) Committee Name Changes:

Boake was wondering what the point is of changing Committee names. Sawyer stated that this probably came out of his Committee which had proposed a name change to better reflect its role. Butters suggested that since there are possible changes to committee structures coming with the Plan Review, it would be better to wait until this is completed before pursuing name changes.

(h) Kelly Olson's trip to Montana:

Olson attended the Montana's Stock Growers Semi-Annual meeting. A brucellosis outbreak became the topic of discussion for the meeting. They have been brucellosis free but this was the first case discovered. They have seen seven positive tests and they are at risk of losing their brucellosis free status. They believe that the cases are coming from the elk and bison herds in Yellowstone National Park. The USDA vet said that they were

receiving a great deal of cooperation from the cow/calf producer. There was also some discussion on a trace back bill which would make USDA investigate where e-coli infected meat originally comes from. There was also some discussion on the Farm Bill and the belief that it was detrimental to cow/calf producers. A Past President, Bill Donald, of the Montana Stock Growers has been elected as vice-president of policy at NCBA. He is responsible for the position that Rule 2 should not be implemented during the fall calf run.

(i) Committee Reports:

(i) Cattle Industry Council:

Nothing new to report today

(ii) Promotion Committee:

The Tune In program is just about ready to begin filming. Fenton handed out a committee report for the Board to read at their convenience.

(iii) Public Affairs:

Sawyer asked for any ESA nominations that delegates to be sent in to the ABP office. Morrison met with Gord Doonan about CFIA, the humane transportation regulations, and the producers' distrust of the organization.

(iv) Producer Liaison:

Everything is in our Semi-Annual report. Maser also briefly explained the handout that Proconier had given to the Zone Directors in the hopes of tracing our producers better.

(v) Technical Committee:

Will be meeting on Wednesday with five speakers coming in to address the committee about their research proposals. The committee expects to make funding decisions at that meeting. Panrucker and Butters attended the ALIDF annual general meeting last week.

(vi) Government Affairs Committee:

Eddleston gave an update on the Surface Rights Act. Western Stock Growers invited ABP as well as a number of other organizations to participate in a forum addressing an AAMD&C paper proposing changes to this act. There are twenty-one recommendations in the paper. Eddleston said that the Government Affairs Committee would consider these recommendations at the meeting this week and they would try to work with the regulations without actually touching the act itself.

(vii) Cattle Feeder Council:

Nothing to report at this time.

7. General Information

- (a) Board Resolution Table;
- (b) Beef Supply at a Glance;
- (c) Delegate Information handouts

8. Next Meeting Dates

- (a) Board Meeting – Thursday, July 12, 2007 – Calgary
- (b) Board Meeting – Thursday, September 20, 2007 – Calgary
- (c) Board Meeting – Thursday, October 18, 2007 – Calgary
- (d) Board Meeting – Thursday, Possible November 22nd or 29th depending on fall meetings schedule – Calgary (to be selected)
- (e) Annual General Meeting – December 9 – 12, 2007 – Calgary, Sheraton Cavalier Hotel

9. Adjournment

The meeting was adjourned on a motion by Morrison at 4:35

CHAIRMAN

GENERAL MANAGER