

ALBERTA BEEF PRODUCERS
MINUTES FOR THE BOARD OF DIRECTORS ZOOM MEETING
FEBRUARY 26, 2021, 8:30 a.m.

Present: Kelly Smith-Fraser - *Chair*
Melanie Wowk - *Vice Chair*
Brad Osadczuk - *Finance Chair/Zone 1*
Darren Bevans - *Zone 2*
Jim Bowhay - *Zone 3*
Cathy Sharp - *Zone 5*
Assar Grinde - *Zone 6*
Colin Campbell - *Zone 7*
Emil Dmytriw - *Zone 8*
Mike Nadeau - *Zone 9*
Brodie Haugan - *Director at Large*
Kolton Kasur - *Director at Large*
Fred Lozeman - *Director at Large*
Jason Hale - *CCC*
Chris Israelson - *CFC*

Staff: Brad Dubeau - *General Manager*
Rosanne Allen - *Office Administrator*

Guest: Lyle Adams - *ACFA*

Absent: Shawn Freimark - *Zone 4*

The Chair called the meeting to order at 8:30 a.m.

1. Adoption of Agenda

(a) Additions and Approval of Agenda:

Additions: 7(n) Discussion with Justin Trudeau:

Motion by Dmytriw/Wowk:

“That the agenda be approved with additions.”

Carried

2. Minutes of the Previous Meetings

(a) Minutes of the January 12, 2021 Board meeting:

Motion by Bowhay/Wowk:

“That the minutes of the January 12, 2021 Board of Directors meeting be approved as amended.”

Carried

3. Financial Report

(a) Financial Statement ending January 30, 2021:

At this point in our budget, we are at 72%. Very few face-to-face meetings are keeping our costs down.

The directors discussed the programs that the government was offering for companies due to Covid-19. Procnier was asked if she could give the board a rough estimate of what will remain of the budget at year-end.

Motion by Osadczuk/Campbell:

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

Carried

(b) Refund report:

Procnier provided a breakdown of refunds over the last 10 years. At marketings year-end at the \$0.48 level paid to CCA, \$216,516 was retained for CCA. The directors discussed the structure of ABP and how the refunds affect it.

4. Staff Report, Policy and Governance

(a) Policy for Environmental concerns:

There is no good way of passing a hard policy because this is such a fluid issue. The best way is for staff to determine policy for each issue that comes forward.

5. Council and Committee Reports

(a) Research Committee:

A BCRC report was prepared for the package. Lozeman updated the board on projects that ABP and BCRC are looking into funding. A Chair has been established at the U of A and will be filled right away. BCRC has also contributed to an endowed 30-year Chair at the U of S.

(b) ACFA update:

ACFA had a 2-day Board meeting. The ACFA directors spoke with MLA’s one on one to discuss issues and this is something that ABP should be looking at. Spoke about BRM’s and the lack of movement or progress; General meeting is coming up March 10th for members. AFSC spoke to the meeting on insurance and some of the things they will be working on to get higher participation in the insurance programs.

(c) ABP/ACFA update:

Smith-Fraser spoke about the meeting she had with Minister Dreeshan. They discussed the Ministers concept for a Margin-based insurance program. Created a working group with ACFA and Brady Stadnicki, with CCA, and Chris Simpson (MNP), past ABP delegate; frustrated that cow calf operations were referred to as high margin. The working group was only given 10 days to look at the program. They sent back a letter to Dreeshan with recommendations.

Asked Dreeshan about ABP recommendations for changes to AgriStability. Smith-Fraser spoke to the members on the efforts that have been taken to get Dreeshan to improve AgriStability. The provincial government is waiting for a response to a request for an FTP meeting. Provinces are waiting for Alberta to sign on,

Dubeau spoke to Dreeshan on February 25th about the budget that was announced on February 24th. The Opposition Party has reached out to ABP to discuss offering their support. The cattle industry needs to push to get the provincial government to accept the federal proposal to BRM's before it is too late. The initial deadline was the end of January and Dubeau and Smith-Fraser don't believe that the offer will be available much longer. During a meeting with Trudeau, Smith-Fraser was asked about the BRM proposal. Because we have been working with Dreeshan behind the scenes producers are under the impression that ABP is not engaged in the issue.

The directors believe that we need a very clear position on the BRM's for the federal proposal while still being respectful. We need to provide talking points for our delegates, talk to our MLA's, and get something out to the media. Give the government one last opportunity with a deadline.

DIRECTION: Dubeau to send speaking points to delegates on BRM's and the federal proposal.

6. Decision Items

(a) CCA Assessment Fiscal 2020-2021:

We need to have a motion on our books stating that we are only going to pay \$0.48 cents towards the CCA assessment for our current fiscal.

Motion by Campbell/Osadcuk:

“That ABP pay the Canadian Cattlemen's Association \$0.48 of the assessment per marketings effective July 1, 2020.”

Carried

(b) Issues Management Committee proposal:

When ABP eliminated the Councils, some other committees fell by the wayside as well. Dubeau is suggesting we develop an Issues Management Committee that is populated by a 2c delegates, 2 directors, an Executive, and a staff member who will determine how the issue will be handled.

The Issues Management Committee was to be brought forward at the AGM to be populated but it was determined that Terms of Reference needed to be developed first. This committee will make recommendations to bring forward to the board.

DIRECTION: send the TAT and Issues Management Committee to the Governance Committee to develop Terms of Reference for both.

7. Discussion Items

(a) Bouvry AB beef brand:

James Bradbury and Jack Rogers from Bouvry, joined the meeting to discuss a new project that Bouvry is introducing in Alberta. Bradbury briefly spoke about the history of the company and the new direction of Bouvry.

The Bouvry Plant is located in Fort MacLeod and is a multispecies plant and works closely with local and regional

retailers. Bouvry is in the process of expanding their plant and feedlot to accommodate the increase in beef sales across Canada and into the EU.

The completion of Phase 1 will be in August/September the plant will be able to increase its capacity to 1,000 to 1,200 head a week and each brand will have a family story behind it. Their newest brand is called MacLeod's Leap, it is non-breed specific Canadian AA, it is HAACP approved and federally inspected. Bouvry is not just selling the beef but the family story behind the brand.

They will sell their product across Canada, are EU certified and are looking at becoming Harissa approved.

(b) Cool Farm Tool Project Summary:

Brian Koberstein updated the directors on the Cool Farm Tool Project. Koberstein reviewed the tool to provide feedback to the group evaluating this tool for Alberta. They did beta testing with 9 cattle operations. One of the main verification platforms in Alberta (VBP+) is not being used to its full potential by producers.

What set out to be a beta test of the Cool Farm Tool became a qualitative look at the program. The other stakeholders say the industry needs to make change; our producers are making the statement that they need to tell their story better. Not only is the data not there but the industry doesn't see the strategic reason to go there right now.

Dubeau will meet with Koberstein to bring the next steps forward. The feedback from the grass roots is important and should be used. The Cool Farm Tool is easy to access, and the dashboard will be available to producers and will be updated shortly with the new information.

(c) Simpson Centre:

They have hired an Executive Director who comes from France. John Simpson organized a phone call with stakeholders to talk about where they need to go and how they can help the beef industry. The ABP Chair discussed frustration in regard to carbon tax and its negative affect on the industry; talked about calves and finished cattle bids were low as compared to high consumer prices; difference in the margins in a cow calf operation vs a grain farm; differences of grain fed vs grass fed; hormone free vs hormone raised beef.

The Centre has written a paper around the set aside program. Dubeau spoke to them about some of the issues found in the paper and they will include the changes before releasing it publicly. PSE is to proofread any beef related papers before they are released, if given the opportunity. Further funding support of the Simpson Centre will require this to happen. There are concerns from the directors on the merit of what they are publishing.

(d) Budget discussion:

These discussions are to make the board aware of the challenges ABP will be facing in our next fiscal year. Over the last several years ABP has been dipping into its reserves to pay the CCA

assessment. The challenge remains that if we continue the path that we are on right now we will deplete our reserves. Procnier has been able to provide forecasting estimates. By continuing to dip into our reserves we reduce our ability to fight any potential issues that may be coming down the road (e.g., a return of mCOOL). Some difficult discussions need to be made though it will be a new board that passes the budget. There are a few choices the board needs to consider simply to start a discussion. It is ultimately the boards decision on how they want to handle the fiscal budget going forward.

Due to increased marketing last year, we saw a significant increase in the CCA assessment for our next fiscal year. There are little things that can be cut from the budget, but they will not make a large difference to the budget. We can not afford to remit funds that we are refunding. The projected budget reduces payments to CCA but ABP still needs to make cuts.

The directors discussed different options and the ramifications to the industry. Some of the discussion focused on the continuing viability of ABP; increasing the provincial service charge; clawing back some of the national service charge; releasing a news article on the service charge refunds without naming names.

How are we going to come up with a budget for the next fiscal year? What will our budget look like once CCA takes its cut? Discussion around the Trade Advocacy Reserve and how we move forward with that. When asked about clawing back funds from the national service charge the directors were almost unanimous in a negative response.

The new board will be formed next week but Dubeau asked all the directors to send their thoughts to him.

(e) LIP (formerly WLPIP):

Wowk participated on the WLPIP committee that was looking for producer feedback on the program. They have changed the name to Livestock Insurance Program (LIP). They extended the buying time and the trigger time; extended the timeline; the biggest issues are that the settlements and cost of the program are unrealistic. Wowk feels that this new program does not offer the cow calf producer what they need.

(f) RDAR update:

Held the elections for the new board and the results will be announced on March 9th. There is a new CEO coming into position on March 1st.

(g) Platform and magazine update:

Everyone has had the opportunity to read the new magazine, and some have provided feedback, positive and negative. Generally, we are very pleased with the product that came out. ABP Daily is also ready to go in the next 2 to 3 weeks. The app will come out to staff for their input and then to the board and delegates before being released to the public. There will be a big push in the next magazine. There needs to be some discussion on subscription and the producer database is still an issue. We will push articles on ABP Daily, but we will not be

making the magazine available online. The directors were asked for their opinion on the magazine.

We are moving forward with the Marketing & Communications Manager and the Content Specialist positions.

(h) Public trust:

Wowk attended the webinar on Dubeau's behalf. They did a little survey on the public trust and the number one group that people trust are farmers.

(i) ABP Board elections:

Staff needed to get together with the Governance Committee because there were fewer 2-year terms than anticipated. The Governance Committee met with ABP Legal and our Chief Returning Officer to determine how best to handle the election of the Board of Directors in keeping with what was the desired at large voting process.

(j) ABP/ACFA meeting with Dreeshen:

Discussed under 5(c)

(k) BCRC appointments:

ABP has five people sitting on BCRC, one from CFC, one from Research and 3 appointed by the Board. The delegate appointed by CFC still has another year to serve and when that term is up the Board will decide whether the position will be appointed from the Board or from the Research Committee. The decision will be made at the Semi-annual meeting in the fall and, if appointed by the board, the position will be filled by election at the next AGM.

(l) Ag Plastics:

There are 26 sites that are up and working. The volume has increased over the last two quarters. There is the potential for a permanent program to be legislated before the end of the pilot program. The provincial government has jumped on board in support. Clean Farm received federal money to look at ag plastics and they are looking for producers who utilize plastic covered silage pits. An issue with transporting plastic is the cost.

(m) Zone Reports:

No Zone reports.

(n) Trudeau visit:

Smith-Fraser provided a farm tour for Prime Minister Trudeau and Ag Minister Bibeau for Canadian Ag Day. Talked about AgriRecovery and BRM's; vaccines for workers in packing plants; the environment and the importance of our grasslands; carbon tax.

8. In Camera

9. Reading Materials

- (a) Board of Directors Resolutions & Action Items:
- (b) Beef Supply at a Glance:
- (c) Feedback on ABP Directors resolution on Coal:
- (d) CCA Rail Safety Consultation:
- (e) CETA Compensation letter and response:
- (f) Canada – EU Red Meat Trade:
- (g) Temporary Foreign Workers:
- (h) Coal Mining in Alberta:
- (i) 2021-2022 Check-Off Plan:
- (j) Email motions:

10. Next Meeting and Upcoming Events

- (a) Board of Directors Meeting – March 4, 2021, Following AGM

11. Adjournment

The meeting was adjourned on a motion by Bowhay at 3:30 p.m.