



ACFA Board Conference Call
July 20, 2017 at 3:30 PM

MINUTES

Directors in Attendance: James Bekkering, Jake Bueckert, Ryan Kasko, Craig Paskal, John Schooten, Greg Schmidt, Jeff Smith, Page Stuart, and Martin Zuidhof (Chair). **Staff:** Shannon Lyons, Casey Vander Ploeg, and Bryan Walton. **Regrets:** Jason Hagel, Colleen Mackey, and Keith Ypma.

- 1) *Call to Order and Agenda Check:* Chair Zuidhof welcomed everyone and asked if there were additions to the Agenda. Financial support of ABP for appealing the Lethbridge Business Tax was added. The agenda was approved by consensus.
- 2) *Summary of ACFA-ABP Joint Executive Meeting:* As a result of the last meeting of the Executives, ABP has proposed a mandatory check-off with ABP receiving \$1.30 (85¢ for ABP and 45¢ for CCA) and the Alberta Beef Industry Development Fund (ABIDF) 40¢. Also, each individual producer can direct up to 25¢ of each \$2.00 they pay to the ABIDF or one of the provincial beef organizations. If every producer were to direct the 25¢ maximum, it would amount to \$850,000.
- 3) *Discussion on ABP Funding Concept:* There was general agreement that the concept is a step in the right direction. However, allowing producers to direct only 25¢ (12.5%) of their \$2.00 check-off would not result in sufficient funding for ACFA. With 2 million head processed each year, cattle feeders are paying \$4 million in check-off. If all feedlot operators directed their 25¢ (12.5%) share to ACFA, it would yield \$500,000. This is below ACFA's current budgeted membership fees of \$650,000. And, not all feedlots would direct their check-off to ACFA. The 10% to 12% range identified by the Board in previous discussions was to apply to the entire check-off total (\$6.7 million) which would generate between \$650,000 to \$850,000. While the concept has merit, the numbers do not work as they do not keep ACFA financially whole.
- 4) *Path Forward:* Several modifications were discussed that might make the proposal work. Suggestions included lowering the ABP portion from 85¢ to 65¢ to increase the producer allocation and shifting more of ABP's budget to the ABIDF. It was also suggested that producers identify themselves as either a cow-calf producer or a feedlot producer, with feedlot producers allowed to allocate up to \$1.00 of their check-off. ABP could also be offered a \$1.00 mandatory non-refundable check-off similar to the national levy. It was also suggested that a new funding concept might be tried out on a trial basis for two or five years to see how it works. It was agreed by consensus that a more focused discussion and decision occur at the August Board meeting.
- 5) *Business (Head) Tax in Lethbridge County:* ACFA organized meetings with the litigants and the County on May 10 and June 20, in an effort to find a settlement. Some litigants had made an offer to the County, but they are reluctant to take something off one or two business owners. It has been suggested that \$1.00 or \$1.50 per head be offered for a period of three years, which would allow time to reform the assessment of farmland, or pursue options like those in the 2002 MLA Report. A middle point of \$1.25 would be half of what the County expects to levy this year. Bob McCue has been asked how we might put such a proposal forward. In the meantime, IMPACT has been asked to stand down for now as the file has cooled. ACFA is working to develop a "Black Paper" that will explore workable solutions to the assessment issue. The fact that the County was denied STIP funding was also discussed. **ACTION: Recommendations from Bob McCue to be brought back to the Board at the August meeting.**
- 6) *CBI Annual Forum:* A letter from ABP has been sent to the Chair of CBI on separating NCOA from CBI. ACFA and ABP are largely in agreement on this issue. A meeting is being coordinated on the evening of August 14 before the Forum to discuss this matter and perhaps draft resolutions. ABP will develop a backgrounder that will help the conversation.
- 7) *ABP Support for Business Tax Appeal:* ABP has an upcoming Board meeting. At that meeting, they will decide if they will match ACFA's \$75,000 contribution to funding the appeal.
- 8) *Adjournment:* Moved/Seconded by Schooten/Kasko that the meeting be adjourned.