

2008 Feeder Associations of Alberta, Annual General Meeting

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INSPECTION PROGRAM



- From October 1, 2007 – January, 2008, there have been 22 inspections of associations completed. Remainder will be done by Spring.
- Summer Inspection Project:
After project completion, it was deemed that there was little benefit in doing field inspections at this time of year.

However, doing an office review at this time was beneficial. If, in the future an inspection focusing on late purchased grass cattle is to be done it will be completed in late Spring, just prior to going to grass.





- The new procedures manual has been completed and each association was hand delivered a copy last fall.
- If more copies are needed they can be printed off the website:
[http://www1.agric.gov.ab.ca/\\$Department/deptdocs.nsf/all/beef11375](http://www1.agric.gov.ab.ca/$Department/deptdocs.nsf/all/beef11375).
- Thanks to all those who participated in its development: Dick Peterson, Lacombe Association, Jodi Walker, Little Bow Association, Harvey Donahue, RCMP Livestock Investigator, Dale Johnson, Provincial Board and AF staff.

- Member loan limits have been increased to \$100,000 for new members and \$300,00 for existing members. These are the maximums and local boards should set appropriate limits for each member.
- From September 1, 2006–August 31, 2007, there were 357,000 head for \$237 million for an average of \$664/head.
- From September through December there were 216,000 head for \$119 million for an average of \$550/head.
- Total guarantee dollars out at present are \$50,535,000.





CLEAR TITLE

Clear Title and Branded Cattle are of utmost importance security interest to associations. Part of getting clear title is having the cattle brand inspected by LIS and this means all cattle purchased no matter the manner of purchase. [Sec. 3(2) FAGA Regulation]

SALES

- For the selling of feeder association cattle: when an agent is involved in the sale and will be receiving the initial sales proceeds, associations need to have LIS Form 47B filled out and have on the file with the association.



BOARD OF DIRECTORS

- The Board of Directors of a feeder association directs the activities of the co-op according to the *Feeder Associations Guarantee Act* and Regulation, and the *Cooperatives Act*.
- Although the main functions of a Board of Directors are to set policy and advise management, the board is ultimately responsible for all decisions and actions of a co-operative.



The main responsibilities of Directors are to:

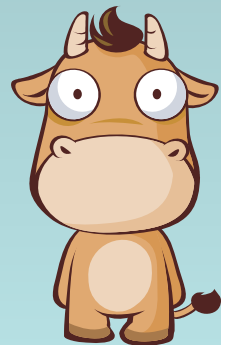
- Set and run the annual meeting.
- Elect a chairman, vice-chairman and appoint a secretary-treasurer and a supervisor.
- Set policy related to:
 - membership approvals,
 - loan limits,
 - financial management and control staff duties and remuneration,
- Review all applications for membership. Directors must approve or reject members.
- **This function must not be delegated to staff.**

Delegate responsibilities for:

- maintaining financial records,
- day-to-day business transactions,
- signing authorities.



- Use authority only within a properly convened board meeting and not as individuals.
- Act in a position of trust, good faith, loyalty and in a reasonable manner.
- Not act on privileged information for personal gain.
- Reveal any conflict of interest relative to situations presented to the board.
- Make decisions as a board relative to staffing prior to starting a new fiscal year.
- Decisions should be reported to the membership at annual meetings; however, a vote on staffing should not be heard at annual meetings. Members can make motions of recommendations to boards relative to staff but they cannot hire or fire staff.



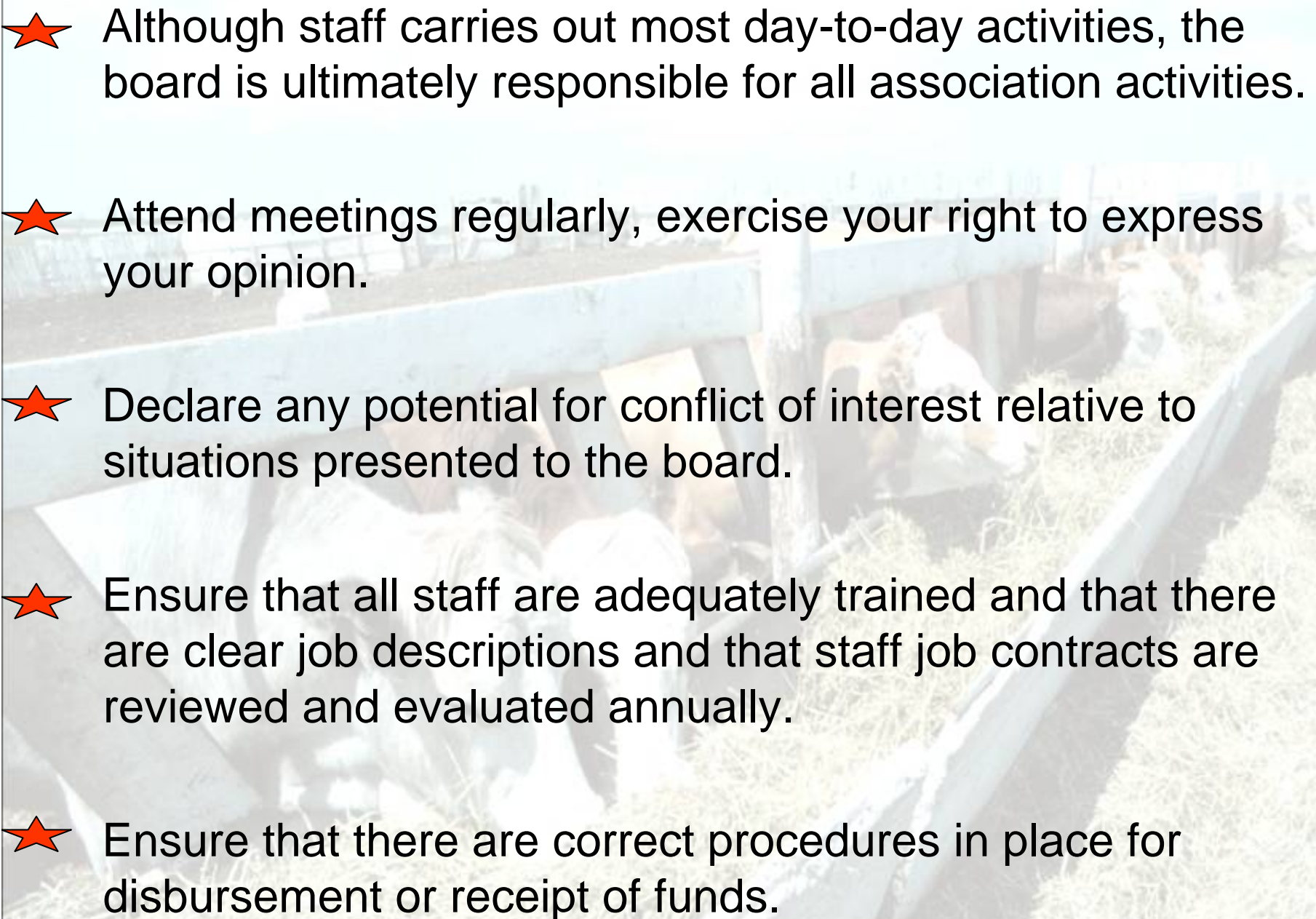


Understand your responsibilities before agreeing to become a board member.



- ★ Be familiar with the *Feeder Associations Guarantee Act* and Regulation, and the *Cooperatives Act* and Regulation.
- ★ Be familiar with the organization's by-laws and ensure the by-laws are up to date and filed as per the *Cooperatives Act*.
- ★ Require that clear minutes be kept of all meetings. Minutes should be signed by the local Chairman and copies circulated to each Director following the meeting.



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- ★ Although staff carries out most day-to-day activities, the board is ultimately responsible for all association activities.
 - ★ Attend meetings regularly, exercise your right to express your opinion.
 - ★ Declare any potential for conflict of interest relative to situations presented to the board.
 - ★ Ensure that all staff are adequately trained and that there are clear job descriptions and that staff job contracts are reviewed and evaluated annually.
 - ★ Ensure that there are correct procedures in place for disbursement or receipt of funds.

★ Ensure that regular evaluations of the association's activities take place. At each board meeting the staff must provide at least the following:

- latest bank statement,
- a current financial statement,
- all purchases and sales since the last meeting,
- a list of upcoming or overdue accounts,
- a written report from the local supervisor detailing association activities since last meeting.



★ Association Loan Guarantee amount hinges on fiduciary responsibility being understood (as provided by governance training) and maintained by the Board.

