

**Canadian Sheep Federation 2017 Annual General Meeting Minutes**  
**Thursday, November 9th, 2017**  
**Arc the Hotel, Slater Board Room**  
**Ottawa, Ontario**

**Present:** Phil Kolodychuk, Barbara Johnstone-Grimmer, Arlette Seib, Kate Basford, Chantal Larouche, Joseph Leck and Harry Elsinga.

**Observers:** Virginie Rocket, Helene Methot, Colleen Acres, Eric Bjergso, Gord Schroeder, Brian Greaves and Bruce Sinclair.

The meeting was called to order at 6:31pm EDT.

Declaration of voting members:

British Columbia- Barbara Johnstone Grimmer  
Saskatchewan – Arlette Seib  
Manitoba-Kate Basford  
New Brunswick – Chantal Larouche  
Prince Edward Island – Harry Elsinga  
Nova Scotia – Joseph Leck  
Independent – Phil Kolodychuk

CSF Chair, Phil Kolodychuk, welcomed attendees to the 2017 Canadian Sheep Federation Annual General Meeting.

Approval of the 2017 AGM Agenda: The agenda was revised to include an in-camera session to take place following the opening address by the newly elected Chair.

***Motion: Kate moved, Harry seconded approval of the agenda with the noted addition.  
Motion carried.***

Approval of 2016 AGM Minutes: 2016 AGM Minutes were reviewed with no questions or revisions.

Business arising from 2016 AGM minutes: There was no business arising from the 2016 AGM Minutes.

***Motion: Chantal moved, Joseph seconded approval of the 2016 AGM Minutes as presented. Motion Carried.***

Review of 2016-17 audited financial statements: The Board reviewed audited financial statements for FY 2016-17. The Treasurer elaborated on the statements, including;

- \$11,000 in expenses for the in-person sustainability committee in November 2016, which were not originally budgeted but were approved by the Board in advance of the meeting.

- Increased cash in FY2016-17 compared to FY2015-16, resulting from a cash advance from AAFC for the GF2-AS-034 project.

The Board reviewed the FY2016-17 Audit letter, noting the following statements from the auditor:

- There were no new accounting policies adopted or changes to the application of accounting policies of the company during the year.
- There are no internal control matters that we wish to bring to your attention.
- In the course of our audit, we have not found any material misstatements or unadjusted items that, in aggregate, exceed materiality thresholds established for the audit, nor have we found significant misstatements that would likely cause future financial statements to be materially misstated.
- In the course of our audit, we have not identified any uncorrected financial statement misstatements.
- We are not aware of any significant transactions entered into by the company that you should be informed about.
- We encountered no significant difficulties during our audit that should be brought to the attention of the Board of Directors.
- During our audit, we did not note any significant issues on internal controls to report to management.
- Once the financial statements have been approved by the Board, we will be in a position to sign our audit report subject to our review of the Annual Report including MD & A (and Annual Information Form ["AIF"]) and earnings press release, if applicable) and are satisfied that the financial results presented are consistent with the approved financial statements and other reporting requirements.
- We wish to express our appreciation for the co-operation we received during the audit from the company's management.

***Motion: Kate moved, Chantal seconded approval of the financial statements as presented. Motion carried.***

Review of 2017-18 approved budget: The Board reviewed the FY2017-18 budget approved prior to the beginning of the fiscal year. The budget includes an additional fund this fiscal year, the CWD Fund which will be used to track activity related to the delivery of the Chronic Wasting Disease Voluntary Herd Certification Program. The Saskatchewan Sheep Development Board is currently the only member paying dues, where other provinces remit tag fees based on sales in their provinces.

Review of Audit & Finance Committee recommendation of Auditor for the 2017-18 Fiscal Year: The Audit & Finance Committee issues requests for tenders for audit services to four (4) firms, for FY2017-18. Two (2) firms responded with proposals; Collins Barrow Guelph Wellington Dufferin, and BDO Canada Cornwall. The Audit & Finance Committee noted that the BDO proposal was approximately \$300 less than Collins Barrow. The Committee suggested that because Collins Barrow (Morrisburg) currently provides bookkeeping services to the CSF, it would be best if the audits were conducted by a completely independent firm. The Audit &

Finance Committee is recommending that BDO Canada Cornwall be engaged for the FY2017-18 audit.

***Motion: Barbara moved, Harry seconded the appointment of BDO Cornwall for the CSF FY2017-18 audit. Motion Carried.***

Committee Reports: Corlena presented Committee reports as provided to the Board.

Annual Report: Corlena presented the Annual Report as provided to the Board. There was a question about the VSFCP, and if without the program would our national surveillance level be sufficient to gain market access? This depends on the importing country, their level of disease control programs and their risk assessments for imports. In the case of the U.S., it would not be enough to garner access for breeding stock.

Review of Motions and Resolutions. A motion was put forward to amend Canadian Sheep Federation ByLaws, with proposed changes provided in the meeting document 'Motion to amend the Canadian Sheep Federation Bylaw (June 2015). The Board and observers discussed the motion with the following comments:

- Following the September national sheep industry meeting, ALP was supposed to arrange an October meeting, but there has been no word or contact about a meeting.
- The recommended changes are not set in stone, but rather are a starting point.
- The CSF continued to thrive this past year, with a lot of great work on a shoestring budget.
- Item 3.54 says 90 days notice required to resign from the organization. This seems like a long time, should it change? Only items in blue can be changed at this meeting, they are the only changes members were notified of.
- Item 3.0 allows for three classes of members, Regular (Provinces), Affiliate and Associate. Allows representation for those for who there isn't currently any. This change is not just about membership dollars or producer numbers per se, but about ensuring everyone has a chance to provide input.
- Item 3.2: should 'any person' be removed and leave the rest? What about 'Appoint an'?
- The changes need some definitions. 4.2, should re-add 'if director ceases to own sheep'. Should there be a timeline here if folks sell, until a new Director can be appointed. Have to keep it this year, but maybe in can be changed next year.
- Should Bylaws be reviewed annually?
- One suggestion for change; 1 Director per province, Affiliate, CSBA, CCWG, CEPOQ each with one vote. Executive of 1 west, 1 east, 1 central, 1 atlantic, 1 Affiliate. Tag fees and not memberships.
- Is a smaller Board more effective? Maybe less expensive?
- If Directors were paid more (per diems), the organization could expect more.
- How does this go forward? Status quo (splintered) likely not successful in the long run.
- There needs to an effort to fix it, can't just dwindle away.
- The CSF needs to focus on industry needs.
- How long will government listen to the CSF if there's another player?

- We have to look after ourselves, need to have that option. Check-off on tags? Eliminate provincial Boards from holding power over national Board? There's plenty of opportunity to make it work.
- What about the idea of moving to a regional representation, maybe more unified if influence is less provincial.
- Regions like: West (BC,AB,SK), West Central (MB,ON), East Central (QC, NB), Maritime (NS,PE,NL), plus CSBA, CCWG, etc?
- History of provinces pulling out because provincial agendas not prioritized by CSF Board. Problem may be provincially related and that conflict needs to be removed.
- SSDB continues to support a National industry.
- Governance should not be about where you come from, should be about what you're there for.
- Provinces should continue to be consulted but not accountable to the Boards.
- There should be focus on the quality of individuals at the table and expectations of Directors.
- The CSF has been chronically underfunded for 20 years, needs stable funding and regional representation.
- Call it national sheep industry service/enhancement fee.
- Could CCWG provide help with mailing lists/ballots?
- Can not mix provincial and national politics; need regional with small Board.
- Maybe needs to be done in steps; interim and long-term regionalization steps?
- Need financial commitments in the interim.
- Item 3.2 Elected by provincial producers. Letter to member provinces to ask for support to go to regional representation. But are we appointing someone from the province who doesn't?
- Communications need to be straight to producers, not filtered through provinces.
- CCWG offering space in annual catalog. Corlena to coordinate CSF ad.
- The CSF gets ad hoc funding for specific projects and work but needs sustainable core funding.
- There should be an ethics clause developed for new and existing Directors, who should be required to sign a copy.
- The following changes should be considered an interim document to regional representation.
- The CSF should work on a new communications strategy, not tied to provinces, and work on a regionalization model.

***Motion: Kate moved, Harry seconded amendment of the following Bylaws:***

### ***3.0 Conditions of Membership***

***Subject to the articles, there shall be three classes of members in the Corporation; Regular Membership, Affiliate Membership and Associate Membership.***

***4.6 Regular Membership: shall be limited to the present provincial and territorial sheep organizations which have applied for and been accepted into membership in the Corporation by ordinary resolution of the board or in such other manner as may be determined by the***

**Board. Each member shall be entitled to receive notice of, attend and vote at all meetings of the members of the Corporation. The following provincial organizations are eligible for membership:**

- **British Columbia Sheep Federation**
- **Alberta Lamb Producers**
- **Saskatchewan Sheep Development Board**
- **Manitoba Sheep Association**
- **Ontario Sheep Farmers**
- **Les Éleveurs d'ovins du Québec**
- **New Brunswick Sheep Breeders Association**
- **Prince Edward Island Sheep Breeders' Association**
- **Sheep Producers Association of Nova Scotia**
- **Sheep Producer Association of Newfoundland and Labrador**

**Each Regular Member which contributes its full share towards the funding of the Corporation, or provides appropriate intent as determined by the Board, has the right to appoint its Director(s) to the Corporation. The Director(s) and an alternate shall be elected by the provincial and territorial organization from their Board of Directors to serve during the CSF fiscal year. Directors appointed to the Corporation must own sheep.**

**3.2 Affiliate Membership: Any person, organization, incorporated company or department of a provincial or federal government agency may become an Affiliate Member upon payment of an annual fee, the amount of which to be determined by the Corporation's Board of Directors annually. Each member shall be entitled to receive notice of, attend and vote at all meetings of the members of the Corporation.**

**Each Affiliate Member may appoint one person in any one year as their representative or upon notice to the Corporation and upon acceptance during the term of the membership. An Affiliate Member who has contributed its full membership share has the right to appoint one Director to the Corporation.**

**3.3 Associate Membership: Any person, organization, incorporated company or department of a provincial or federal government agency may become an Associate Member upon payment of an annual fee, the amount of which to be determined by the Corporation's Board of Directors Annually. Each member shall be entitled to receive notice of and attend all meetings of the members of the Corporation. An Associate Member may not appoint a Director to the Board of Directors. An Associate Member may not appoint a Director to the Corporation, and may not vote at meetings of the members of the Corporation.**

**3.4 The membership fees or dues shall be determined on an annual basis by the Board of Directors.**

**3.5 Any member may withdraw membership from the Corporation by delivering to the Corporation a written resignation and lodging it with the Executive Director or Secretary of the Corporation. A resignation in writing by a member is required a minimum of ninety (90) days prior to withdrawing from the Corporation.**

**3.6 Membership in the Corporation is not transferable without approval of the Board of Directors.**

#### **4.0 Board of Directors**

**4.1 Regular Membership and Affiliate Membership representation shall be based on one Director per member each carrying one (1) vote. Quorum shall consist of fifty percent (50%) + 1 of the voting members (rounded up to the next whole number). Directors must be individuals, 18 years of age, with power under the law to contract. Directors must represent paid up members and be bona fide sheep producers. All Directors shall be appointed for a term of one year.**

**4.2 The office of Director shall be automatically vacated:**

- **if a Director resigns his office by delivering a written resignation to the Chairman of the Board of the Corporation;**
- **if at a specific general meeting of Directors a resolution is passed by two-thirds (2/3) of the Directors present at the meeting that he be removed from office for cause;**
- **on the death of the said Director;**
- **if the director ceases to own sheep**

**Provided that if any vacancy shall occur for any reason in this paragraph contained, the Corporation's Board of Directors shall by formal request ask the provincial organization to appoint a new Director to the Corporation.**

**Motion Carried.**

Elections of Office:

**Motion: Eric Bjergso and Gord Schroeder nominated as scrutineers by Barbara Johnstone-Grimmer; seconded by Kate Basford.**

The following positions were acclaimed:

Chairman	Phil Kolodychuk
Vice-Chairman	Arlette Seib
Treasurer	Barbara Johnstone-Grimmer
Secretary	Joseph Leck

**Motion: To destroy the election ballots. Moved by Harry Elsinga; seconded by Joseph Leck. Carried (unanimous).**

Re-acclaimed Chair, Phil Kolodychuk, addressed the Board thanking Directors for continuing to take the high road through a rough year and putting sheep producers interests ahead of politics. The organization looks forward to new members and keeping the industry strong.

***Motion: Joseph moved, Harry seconded the meeting move in-camera at 9:18pm.***

***Motion: Kate moved the meeting out-of-camera at 9:36pm.***

***Motion: Kate moved, Harry seconded to increase the Executive Director's salary by 2% per year and provide a week's paid bereavement leave. Motion carried.***

***Motion: Harry Elsinga moved the meeting be adjourned.***

Meeting adjourned at 9:40pm EDT.

Approved