

# COABC Operational Plan for 2006

## Introduction

This Operational Plan provides the basis for COABC activities in the coming year. It is offered to the membership for review, comment, amendments, and ratification. Though specific activities are included, it is understood that the society will continue to respond to issues and events as the year evolves.

## Achievements in 2005

The 2005 Operational Plan focussed on **core activities**:

- achieving financial stability – through cost-cutting and more revenue generation (through increased membership) the COABC is now in sound financial shape
- ensure professional functioning of the COABC Accreditation Board – much progress on this, though much more needs to be done
- Standards maintenance – Brand Names List completed and posted on the website
- Website – the website is fully upgraded and is proving to be fast, accurate and attractive
- Office operations – the fully functioning website has reduced some of the office burden – the office now provides for shipping, storage and inventory of packaging and promotional materials - the COABC office is functioning well—the office is able to keep on top of its tasks
- Book keeping – some progress has been made to provide more and better financial information to the membership – more needs to be done
- Policy work – the COABC developed the position of “Executive Director” in 2005. Upon direction from the board, the executive director has been able to provide external relations for the COABC: BC Agri-Food Trade council, BC Centre for disease control, national accreditation representation, supply management (marketing board) specialty review, BC MAL, Ministry of Health, BC Agricultural Council

The COABC reduced its commitment to only **Key Activities** that provided an economic or strong service benefit to the organisation:

- OSDP
- Environmental Farm Planning
- Organic Harvest Awards
- Annual organic conference
- Organic component of the Pacific Agricultural Show
- Project development with BC MAL

## COABC in 2006

The COABC intends to build on its successes in 2005 in its plans for 2006. There are no major activities planned, though the national organic regulation may require action on the part of the organisation. Focus will be on improving efficient operation of the organisation, services to members, and other activities as directed by the Board.

### Core Activities

#### 1. COABC Accreditation Board

The COABC will continue to make accreditation its primary focus in 2006. The 2006 budget will more realistically reflect the level of activity required to run the COABC Accreditation programs. The COABC Accreditation Board will undertake a project to update the accreditation program to reflect ISO 17011 (formerly ISO 61) requirements. The COABC will implement an annual Meeting

of administrators—this meeting is the first step of an effort to improve the flow of information between CBs and COABC.

Administration of the Accreditation program will be reviewed and improvements will be made where needed. It is anticipated that the impending national organic regulations will require an increased level of activity for the COABC executive director and the COABC Accreditation Board during 2006.

#### **- Program Acceptance**

The COABC has begun work with BCMAL to develop a recognition agreement between the COABC/BCMAL and the Peoples Republic of China. This will continue through 2006.

#### **2. Standards Review Committee**

The Standards Review Committee will develop a project to review COABC management standards against the Canada Organic Standard. The SRC will continue to respond to member requests as needed.

#### **3. Website**

The COABC will maintain the website in its present format. No major changes are anticipated for 2006.

#### **4. BC Organic Grower**

The success of this magazine is entirely dependent on the continuation of Cathleen Kneen as editor. The COABC will investigate a possible succession plan for the BCOG.

#### **5. COABC Office**

##### **- Internal Audit**

The COABC will arrange for an internal audit of the COABC operations during 2006. The internal audit will be performed by an internal auditor (appointed by the Board)—the internal auditor will report to the Board.

##### **- Reports**

The Executive Director will develop bi-weekly activity reports that will keep the membership informed of current COABC activity.

##### **- Book keeping**

The COABC will complete the project to move COABC book keeping into the office. This effort will result in increased efficiency, more accurate and more current financial reports, and financial savings to the organisation. The executive director will develop financial statements to accompany all directors meetings.

#### **6. Policy**

The COABC will explore options for modifying its associate membership category to allow a broader range of membership in the organisation. The objective of this proposal is to ensure that the COABC represents the entire BC organic sector in its relationship with an (impending) national organic organisation. Modifying the associate membership category will also provide the opportunity for increased membership revenue.

The COABC executive director will continue to represent the organisation as directed by the Board. Current activities include:

- BC Agri-food trade council
- BC Centre for Disease Control (west Nile disease prevention program)
- National organic regulation issues, in collaboration with BCMAL
- Supply management specialty implementation
- BC Ministry of Health (Act Now program)
- BC Agricultural Council
- Expert Committee on Organic Agriculture – Abra Brynne represents BC on this board of directors.
- Organic Agricultural Centre of Canada – Michael Ableman represents BC on this organisation.
- International recognitions
- Avian flu and poultry access to outdoors issues

#### **- Executive Director**

The position of Executive Director (developed in 2005) has provided relief for the President and allowed the COABC to more fully engage itself in provincial, national, and international policy issues. There will never be enough time to do everything, but the COABC intends to continue this position as long as it is affordable. The Board of directors will be asked to provide direction (to the ED) when direction is needed.

### **Key Activities**

#### **1. Organic Sector Development Program**

The OSDP will continue to play an important role for enhancing the organic sector in the province. There will be increased OSDP activity in the areas of organic research and producer outreach—particularly, more producer seminars and workshops. The COABC will strive to collaborate with established commodity groups to develop organic research and producer extension activity.

#### **2. Environmental Farm Planning**

The COABC will continue to administer Organic Environmental Farm Planning on behalf of the British Columbia Agricultural Council.

#### **3. Annual Organic Conference**

The annual conference (and COABC AGM) will continue to be an important key (and in the case of the AGM, a core) activity for the COABC. A venue will be determined, a co-ordinator will be hired, and the event will take place in February 2007. The Board has determined that providing travel expenses for members to attend the AGM is an important core activity. The COABC will explore opportunities to provide increased revenue from this event.

#### **4. Pacific Agricultural Show**

The Pacific Agricultural Show is probably the best event for COABC to provide information and outreach to non-organic farmers. The 2006 budget will reflect the wishes of the organisation (2005 AGM) that COABC put more effort to assist non-organic farmers to transition to organic.

#### **5. Project Development with BCMAL**

During 2005, the COABC had the opportunity to collaborate with BCMAL on a number of joint projects, such as the organic component of the Pacific Agricultural Show. The relationship with BCMAL will be strengthened during 2006 in order to provide more organic services to BC farmers. COABC will use the information gathered by a MAL contractor in 2005 (needs assessment survey) as the basis for a new project looking at assisting farmers in at least two geographical regions with access to post harvest handling information and/or facilities.

## **6. Organic Harvest Awards**

The first annual organic harvest awards was approved at the 2005 AGM and occurred on November 5, 2005. The event was very successful—an important (and fun) event for BC organic business, and an excellent place to display the value of the COABC to the BC organic community. The BC Organic Harvest Awards not only recognises the contribution of BC organic operators, it reaches beyond the COABC to include the entire organic community in the province. One result of the 2005 was a number of new operators joining the BC Certified Organic Program. A new (organic operator) member provides new revenue for the COABC, which allows the COABC to continue to provide the service demanded by its members.

The 2005 event provided a small amount of revenue for the organisation. Considering this was the first annual, any profit is a large success. A larger profit is anticipated for 2006.

## **7. CHFA Expo West Trade Show**

The COABC executive has identified the Canadian Health Food Association Expo West trade show as an appropriate venue to increase the exposure of the BC Certified Organic Program. The intention is to collaborate with members in a booth at the event. The more operators we can attract to the BC program, the more revenue will be generated for the COABC. More revenue will ensure financial self-sufficiency, which in turn will allow the COABC to continue providing services to its members.

## **8 Emerging Issues**

The COABC will respond to emerging issues as directed by the Board. Organic seed production is one issue that we may wish to pursue.

# **Financial Management**

The COABC did well in 2005. Increased revenue from memberships, diligent use of project funding, and the office's ability to control costs has left the organisation in good financial shape going into 2006. The COABC will be able to continue to employ the Executive Director as long as money for this position is available. The budget will reflect the wishes of the Board to provide more service towards transition of non-organic farmers. Encouraging transition is philosophically consistent, and makes good financial sense—new members' means new revenue for the organisation.

## **Budget for 2006**

Attached

### COABC Core<sup>1</sup> Budget for 2006

	<u>BUDGET</u> <u>2006</u>	<u>ACTUAL</u> <u>2005</u>	
<b>REVENUE</b>			
COABC Fees	\$90,000	\$88,187	
BCOG Subscriptions	\$500	\$486.73	
BCOG Advertising Revenue	\$9,000	\$8,747.57	
Books & Materials Sales	\$7,000	\$6,818.37	
Freight Recovery	\$450	\$427.8	
Website Revenue (Spotlights)	\$200	\$50	
Conference & Workshop Revenue (all revenue including AGM sponsorship)	\$32,500	\$3,2681.2	
Organic Harvest Awards 2006 (all revenue including OHA sponsorship)	\$ 25,000	\$21,320.39	
Donations	\$ 0	\$1000	
Government Grants	\$ 0	\$4,880.87	balance of strat plan grant moved over for KK wage
Investment Income	\$500	\$530.24	
Sponsorship Program	\$1,515		
Other Income (OSDP Book keeping contract to COABC)	\$9,400	\$7,578.26	includes remainders of project monies moved over
<b>TOTAL REVENUE</b>	<b>\$176,065.00</b>	<b>\$172,708.43</b>	
<b>EXPENSES</b>			
Advertising	\$100	\$80.17	
Accreditation	\$11,728		
Bank Charges & Interest	\$300	\$283.45	
Bad Debts	\$300	0	
Conference/Workshop Venue Expenses (AGM) (includes director/admin travel and accom. for AGM)	\$31,500	\$27,273.82	
Organic Harvest Awards	\$15,000	\$13,731.91	
Directors/staff travel expense	\$3,500	\$2,782.76	
Wages - Office Staff (Incl EI/ CPP/HP)	\$55,000	\$40,574.1	
Bookkeeping & Accounting	\$3,700	\$12,568.	
Website Expense	\$8,700	\$9,248.33	
Contractors - Other (BCOG/OHA/SRC)	\$8,272	\$6,986.25	
Donations	\$300	720	
Equipment Repairs/Maint	\$100	0	
Freight & Postage Expense (includes BCOG)	\$3,400	\$3,547.52	
Insurance	\$1,400	\$1,325.	
Memberships/Subscriptions (OMRI/IFOAM/BC Ag, BCEN, Acres, COG, CHFA)	\$4,365	\$3,877.56	
Miscellaneous	\$200	\$565.46	
Office Expenses & Supplies	\$2,500	\$2,729.94	
Office Rent (includes EEE)	\$8,400	\$5,607.48	
Printing/Copying (BCOG/Standards/Misc)	\$4,800	\$6,694.5	
Telephone	\$1,500	\$1,609.01	
Utilities	\$1,700	\$1,383.25	
Books & Materials (Cost of Goods Sold)	\$8,500	\$2,155.96	
Janitorial	\$800	\$708.08	
<b>TOTAL EXPENSE</b>	<b>\$176,065.00</b>	<b>\$144,452.55</b>	
<b>NET INCOME (LOSS*)</b>	<b>\$0</b>	<b>\$28,255.88</b>	

<sup>1</sup> Core – refers to administration, AGM, BCOG, promotional materials, website, standards, accreditation and any other revenue or expense related to COABC operations

\*Deferred income of \$73,420 from 2005 can used to adjust projected loss for 2006