

Meeting of the Board of Directors

**250 – 32160 South Fraser Way
Abbotsford, BC V2T 1W5**

Strategic: Identify key opportunities and systemic challenges and plan for actions to effectively manage risks and take advantage of future opportunities.

Accountable: Maintain legitimacy and integrity through understanding and discharging responsibilities and reporting performance.

Fair: Ensure procedural fairness in processed and decision-making

Effective: A clearly defined outcome with appropriate processed and measures.

Transparent: Ensure that processes, practices, procedures & reporting on exercise of mandate are open, accessible and fully informed.

Inclusive: Ensure that appropriate interests, including the public interest, are considered.

MINUTES
of
Board of Directors Meeting

Date: April 3, 2018

Location: Boardroom, BC Egg Marketing Board

BOARD IN ATTENDANCE: Gunta Vitins, Chair
Walter Siemens, Board Member
Aryn Alibhai, Board Member
Barry Lockwood, Board Member
Matt Vane, Board Member

STAFF IN ATTENDANCE: Katie Lowe, Executive Director
Joey Aebig, Manager, Operations and Logistics, Recording Secretary

CALL TO ORDER

Chair, Gunta Vitins, called the meeting to order at 12:12 pm.

1.0 Quota Allocation Submission to BC FIRB

In December 2017 Farm Products Council of Canada (FPCC) approved a national increase in egg production that provided the BC Egg Marketing Board (BCEMB) with 108,741 additional units of quota. Per Section 37 (c) of the British Columbia Egg Marketing Scheme, BCEMB requires prior approval from FIRB to vary quota.

In 2016, BCEMB began distributing growth quota based on a Modified Pro-Rata formula that consisted of BC Egg taking 10% of all growth quota received off the top to be held for future New Entrant Programs. The remaining 90% of the allocation was distributed to all producers Pro-Rata. This is referred to as the 10/90 Modified Pro-Rata formula.

In December 2017 BCEMB began a quota allocation consultation to query stakeholders on various alternative methods for growth quota distribution. In January 2018 the consultation was completed; the results of the consultation clearly favour, across all producer and

The Board of Directors of BC Egg Marketing Board

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stakeholder segments, the 10/90 Modified Pro-Rata formula as the preferred mechanism for the allocation of growth quota.

BC Egg also received support in writing favouring the 10/90 Modified Pro-Rata formula from Egg Producers Association (EPA).

The BC Egg Directors discussed the merits of alternative allocation methods in depth. Considerations were given to all of the following questions: (1) What allocation method best meets the needs of the marketplace? (2) What allocation method best meets the needs of the consumer? (3) Which is the most equitable and fair to our producers? (4) Which best promotes an efficient industry?

After careful consideration, the Board agreed with the consultation and letters received from stakeholders; choosing to proceed with requesting BC FIRB approval on a 10/90 Modified Pro-Rata growth allocation distribution.

BC Egg Marketing Board directors, staff, producers, and supply chain partners have come a long way since the 2005 review. We are now collectively pursuing a market responsive strategy that includes monitoring provincial market needs and trends, and BCEMB is tailoring programs within the SAFETI framework to meet those needs.

In the submission document to BC FIRB, BCEMB will communicate its requested 10/90 Modified Pro-Rata allocation. BC Egg will also communicate its monitoring of market conditions, challenges, successes, approach and governance tools that are being utilized, deployed and planned for in the future.

Action: Staff to continue work on Round Table discussion. Staff to create an agenda for the round table discussion and present it to the Board for consideration at its next meeting. Staff will need to prepare background documents to help prepare roundtable participants for indepth discussions.

Action: Katie to contact EIAC chair to request a letter of support that summarizes the EIAC discussion from the last meeting.

Action: Staff to make numerous additions to the BC FIRB submission to clarify and strengthen BCEMB's request. This will include: identifying all of BC Egg's initiatives within the industry, a broad market analysis that includes an international analysis, and finally to identify areas that BCEMB will continue to build upon to better facilitate informed decision making.

ADJOURNMENT

The meeting was adjourned at 3:17



Board Chair



Certified Correct, Secretary