

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: February 19/20, 2020

Location: BCEMB Boardroom

BOARD IN ATTENDANCE:

Gunta Vitins, Chair
Walter Siemens, Vice-Chair
Matt Vane, Board Member
Jon Krahn, Board Member
Jeff Regier, Board Member

STAFF IN ATTENDANCE:

Katie Lowe, Executive Director
Joey Aebig, Manager Operations & Logistics
Erin Duetta, Manager Finance
Amanda Brittain, Director of Communications & Marketing
Nicole Thompson, Executive Assistant
Julianne Cox, Executive Assistant

CALL TO ORDER

Chair, Gunta Vitins, called the meeting to order at 9:31 am.

The Chair acknowledged that the meeting was held on the traditional and unceded territories of the Kwantlen, Sto:lo, and Lummi First Nations.

CONFLICT OF INTEREST

The Board discussed any perceived conflicts of interest with the proposed agenda items

ADOPTION OF AGENDA

It was MOVED by Jon Krahn and SECONDED that the agenda be adopted as presented.

1.0 APPROVAL OF MINUTES

1.1 Approval of the Minutes of January 3, 2020

R20-020 It was MOVED by Walter Siemens and SECONDED

The Board of Directors of BC Egg Marketing Board

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THAT the Board of Directors approve the Minutes of January 3, 2020 as presented.

CARRIED

1.2 Approval of the Minutes of January 7, 2020

R20-021 It was MOVED by Matt Vane and SECONDED

THAT the Board of Directors approve the Minutes of January 7, 2020 as presented.

CARRIED

1.3 Approval of the Minutes of January 16, 2020

R20-022 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Minutes of January 16, 2020 as presented.

CARRIED

1.4 Approval of the Minutes of January 21, 2020

R20-023 It was MOVED by Matt Vane and SECONDED

THAT the Board of Directors approve the Minutes of January 21, 2020 as presented.

CARRIED

1.5 Approval of the Minutes of January 21, 2020 (COP)

R20-024 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the Minutes of January 21, 2020 (COP) as presented.

CARRIED

1.6 Approval of the Minutes of February 4, 2020

R20-025 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Minutes of February 4, 2020 as presented.

CARRIED

2.0 BUSINESS ARISING/ACTION LIST

2.1 2020 Board Calendar

The 2020 Board Calendars were presented for information.

The Board reviewed the calendars, finalized the date for the May board meeting, and discussed the BC Poultry Conference meeting schedule.

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2.2a COGA: Governance- Managing Conflict Notes

Board and Staff members attended the Centre of Organizational Governance in Agriculture Managing Conflict session on January 23, 2020. Notes from the meeting were presented for information.

2.2b Leading in a Diverse and Inclusive Culture Notes

Board and Staff members attended the Leading in a Diverse and Inclusive Culture session on January 24, 2020. Notes from the meeting were presented for information.

2.2c ACP Pullet Meeting Minutes

A staff member attended the ACP Pullet conference call on January 7, 2020. The meeting minutes, as well as a memo from EFC, were presented for information.

2.2d Canadian Ag Day Notes

A staff member attended the Canadian Ag Day on February 11, 2020. Notes from the meeting were presented for information.

2.2e One Welfare Notes

A staff member attended the One Welfare presentation on February 5, 2020. Notes from the meeting were presented for information.

2.2f Pullet Growers of Canada Presentation

F. Jacques and A. DeWeerd joined the meeting at 2:03pm on February 20, 2020.

Pullet Growers of Canada gave a presentation to the Board regarding their governance and operational plans moving forward within the industry.

F. Jacques and A. DeWeerd left the meeting at 2:58pm on February 20, 2020.

3.0 STAKEHOLDER ENGAGEMENT

3.1 EFC Update

The EFC PMC has been requested to review the feeder space requirements in the Code and an update on the process was provided. A brief update on the Natural Overrun Committee meeting was also provided.

3.2 Marketing Update

An update on marketing initiatives was presented, along with an update on the 2019 Annual Report. Information was also provided on the new trade show display.

3.3 Regionality Study

BC Egg completed a regionality study in 2019 with funding support from Investment Agriculture Foundation's (IAF) BC Agrifood and Seafood Market Development Program. Research was conducted on the types of eggs and their origin that are sold at retail throughout BC regions, and consumer preference for eggs. The consumer preference analysis was presented for discussion.

The Board agreed with Staff's recommendation to expand the analysis to include the small lot program information to provide a more fulsome review. The Board also agreed with Staff's plan to incorporate industry information, including small lot program information, into existing Ministry of Agriculture educational webinars targeting northern regions.

Action: Staff was directed to include a more detailed analysis, including small lot program information, at the March 17-18 meeting.

3.4 RS Research Update

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Ritchie-Smith was granted a research flock and as part of the agreement, quarterly updates were to be provided. An update for their second flock was provided for information.

3.5 CAF Update

BCEMB jointly owns the Central Agriculture Facility building with the BCMMB. KPMG completed the 2019 audited financial statements, which were presented for information. An update on the leasing activities and required building improvements were also presented for information.

The Board discussed the current building value, tenant situation, and the cost of proposed improvements.

Action: Staff was directed to provide an update at March 17-18 meeting.

3.6 Women in the Industry Program

EFC is in the process of recruiting for the 2020 cycle of the Women in the Industry program. EFC has requested each provincial board to nominate one mentor and mentee by March 6, 2020. The nominee recommendations from the EPA were presented to the Board for discussion.

R20-026 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors nominate [REDACTED] as a mentor and [REDACTED] as a mentee for the EFC Women in the Industry Program.

CARRIED

Action: Staff was directed to correspond directly with the selected nominees prior to the due date to confirm their interest.

4.0 OPERATIONS

4.1 [REDACTED] Update and Appeal

A 2015 New Producer Program winner under the “producer-vendor” category is not fulfilling the producer-vendor requirements per our Consolidated Orders. The January monthly update was presented for information.

4.2 [REDACTED]. Appeal

On February 7, 2020, BCFIRB provided BCEMB and the appellant with their decision, dismissing the appeal pursuant to section 31(1)(b). BCFIRB’s letter was presented for information.

4.3 [REDACTED] Update

The Board requested monthly progress reports to ensure that the producer is progressing towards compliance in a timely manner. An update was presented for information.

The Board discussed the process for bringing the producer back in to good standing with the Consolidated Orders once the second flock is housed.

4.4 Transfer of Layer Quota Requests

A producer is requesting approval on a layer quota transfer. The request was presented for discussion. An update on outstanding conditionally approved transfers were also provided for information.

R20-027 It was MOVED by Jon Krahn and SECONDED

The Board of Directors of BC Egg Marketing Board

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THAT the Board of Directors provide final approval or the transfer request from [REDACTED] to incorporate their partnership from [REDACTED] to [REDACTED] effective January 5, 2020.

CARRIED

4.5 Code Requirement

BCEMB may have some facilities that are not fully compliant with all requirements from the 2017 Code of Practice. The Executive Director and Manager of Operations are scheduling calls with every registered producer to discuss the importance of the Code requirements. To date, staff have contacted 10 of 144 farms.

4.6 Salmonella Enteritidis Booklet

Staff has developed an informational booklet for producers that explains the process involved with an SE positive event. The booklet is based on documenting the current practices as they are today.

The Board provided its support of the SE booklet.

Action: Staff was directed to have the PMC review the document prior to it being sent to producers.

4.7 Specialty Producer

BC Egg has become aware of a specialty producer who is receiving a premium on Free Range Eggs but may not be adhering to the program requirements. An update on the situation was presented for discussion.

[REDACTED] *joined the meeting at 9:45am on February 19, 2020.*

The producer provided an update to the Board and answered any questions.

[REDACTED] *left the meeting at 10:27am on February 19, 2020.*

The Board discussed amendments to the Penalty Policy.

Action: Staff was directed to draft an amendment to the Penalty Policy.

Action: Staff was directed to follow up with the producer and to schedule an additional audit on the farm. The results from the visit were requested to be brought to the March 4 Board meeting.

4.8 Barn Fitness Audit

Prior to approving EPU leases between producers, BCEMB requires the successful completion of a Barn Fitness Audit. The updated Barn Fitness policy and manual were presented for discussion.

The Board discussed the documents and provided amendments.

Action: The Chair will amend the documents prior to the March board meeting.

4.8a [REDACTED] Review

A producer is concerned regarding the process that was undertaken and the final decision from the Barn Fitness Audit that was conducted at his facility. A draft letter to the producer was presented for review.

The Board reviewed the letter and provided amendments.

Action: The Chair will amend the documents prior to the March board meeting.

4.9 CETPP Update

Enriched Pricing has been in effect since September 2019. An update on the program and provincial blend rates were presented for information.

4.10 Audit Process

BCEMB has become aware that the way we conduct audits is different than the majority of other provinces. Staff had a meeting with EFC to find a solution to reduce the number of visits our producers experience on an annual basis. An update on the options provided to EFC were presented for discussion.

The Board discussed the potential audit processes and the status of the BC EFC auditor.

4.11 Interior Fowl Removal Update

BCEMB was notified that as of January 1, 2020 the dispatcher, which has been coordinating fowl removal in the interior region, will no longer operate the stunner. The contracts with the new dispatcher have been finalized and signed, and an update on the process was presented.

The Board discussed feedback received from producers that the new process is going well. BCEMB will review options for updating the process on Vancouver Island after gaining 12 months of experience in the Interior

4.12 Specialty Audit Program Update

All Free-Range facilities in BC have now received their first Specialty Audit and a review of the audit tool has been conducted by the third party auditor and BCEMB. Information from the review was presented for discussion.

The Board reviewed the recommendations and provided feedback to be reviewed by the Specialty Audit Committee.

Action: Staff was directed to provide the Board's feedback to the Specialty Audit Committee. Upon final approval of the changes, NSF will receive the updated checklist and start auditing to the revised standards.

4.13 Corporate Workshop

At the January board meeting, staff was asked to work with lawyers and accountants to brainstorm solutions for a clear process to assess quota transfers. A suggested workshop format was presented for discussion.

The Board reviewed the recommendations and provided additional feedback.

Action: Staff was directed to begin planning the workshop to be held in May.

4.14 Adjacent Facility Letter

Concern has been raised regarding the Start Clean Stay Clean rule regarding multiple poultry facilities at one address. BCEMB has drafted a letter to EFC requesting that they review the rule. The letter was presented for discussion.

The Board reviewed the letter and agreed with the direction.

Action: Staff was directed to send the proposed letter to EFC.

4.15 Application for New Construction or Renovation

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In November 2018, BCEMB staff updated most, if not all, of the producer forms, which were then uploaded to the producer-only website. During that process, a form was added for New Construction and Renovation. The intent of the document was to provide producers with the ability to communicate officially with BCEMB to ensure that BCEMB was aware of new construction and renovations as this requirement was added as part of the Consolidated Orders update in November 2017. This is especially critical with the enriched transition and budgeting process for the CETPP.

The Board reviewed the form and provided amendments.

Action: Staff was directed to amend the form and present it to the PMC for further review at their next meeting.

4.16 EFC Measuring Protocol Memo

The EFC Production Management Committee (PMC) has approved version 3 of the measuring protocols. EFC has requested feedback from provincial boards by February 19. A response memo was drafted and presented for discussion.

The Board discussed the draft amendments, reviewed the memo and supported the direction.

ADJOURNMENT

It was MOVED by Matt Vane and SECONDED that the meeting be adjourned at 4:10pm on February 19, 2020.

CALL TO ORDER

Chair, Gunta Vitins, called the meeting to order at 10:14am on February 20, 2020.

5.0 GOVERNANCE

5.1 Quota Allocation Consultation

At the November EFC Open Board Meeting, the EFC Board approved a national allocation increase of 105,965 hens, which includes 14,916 hens for BC. A consultation document was developed based on the analysis of allocation options conducted by the Board, and the EIAC's December 2019 recommendation. The document was sent to the EPA for their feedback. The EPA's response and a draft proposal to BCFIRB was presented for discussion.

The Board agreed with the direction of the quota allocation proposal to BCFIRB.

Action: Staff was directed to send the amended proposal to the Board for final approval prior to February 28, 2020.

5.2 QATE Implementation

On January 30, 2020, BCFIRB responded to the BCEMB's November 4, 2019 proposed definition of Business Unit definition. The BCFIRB supported the intent behind the proposed definition however they felt that the definition was unclear and further requested the BCEMB to submit a clarified definition prior to final approval. A draft letter with a revised definition for Business Unit was presented for discussion.

The Board reviewed the letter and revised definition.

R20-028 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the revised Business Unit definition to be presented to BCFIRB.

CARRIED

Action: Staff was directed to send the revised definition to BCFIRB by February 28, 2020.

5.3 Board Performance Survey

The Governance Policy Manual requires that the Board conduct an annual self-evaluation to determine whether the Board and its committees are functioning effectively. The Board performance survey was sent on January 8th and the final results were presented for review.

Action: Staff was directed to amend the performance survey based on feedback provided.

5.4 Committee Elections

There are multiple committee positions up for election. The positions as well as the election process were presented for discussion.

The Board reviewed the process and proposed changes to the Terms of Reference for the Production Management Committee and the Audit and Finance Committee.

Action: Staff was directed to update the Terms of Reference documents for the PMC and Audit and Finance committees for the March 4 meeting.

Action: Staff was directed to confirm with COMB the process of destroying the ballots from the board elections.

5.5 Committee Minutes

5.5a PMC November 13, 2019

The minutes from the November 13, 2019 Production Management Committee meeting were presented for information.

5.5b A&F November 26, 2019 Meeting Minutes

The minutes from the November 26, 2019 Audit and Finance Committee meeting were presented for information.

5.5c EIAC December 5, 2019 Meeting Minutes

The minutes from the December 5, 2019 Egg Industry Advisory Committee meeting were presented for information.

5.6 Producer of the Year and Legacy Award

Each year, a Producer of the Year (POY) is nominated by the industry and awarded at the AGM. This year an additional award, the Legacy Award, has been added. The PMC reviewed the nominations and has provided their proposed recipients to the Board.

The Board discussed a recommendation to the PMC that board members should not be eligible for nominations moving forward.

R20-029 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors accept the recommendation from the Production Management Committee that [REDACTED] receive the 2019 Producer of the Year.

CARRIED

R20-030 It was MOVED by Jeff Regier and SECONDED

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THAT the Board of Directors accept the recommendation from the Production Management Committee that [REDACTED] be the recipient of the first BC Egg Marketing Board Legacy Award.

CARRIED

5.7 PFGC Update

The BC Egg Processors Council (BCEPC) have asked that a review of the Post Farm Gate Cost (PFGC) program be conducted. The PFGC committee has met on several occasions and the Board has reviewed the previous BCFIRB appeal decisions in detail. In order to develop a comprehensive program that meets the needs of the BC industry as well as the SAFETI and Regulated Marketing Economic Policy Principles, further work is required prior to making any changes to the program.

The Board reviewed the proposal for a comprehensive review in collaboration with graders and agreed with the direction.

5.8 Egg Stamping Update

BC Egg has been working with the graders for a number of years to incorporate egg stamping in to the grading process. An update on egg stamping was provided for discussion.

The Board discussed available funding and program processes but ultimately agreed to not move forward with the program until later in 2020 or early 2021.

5.9 Organic Livestock Standards Review Update

A small livestock working group meeting was recently held to prepare for the upcoming Organic call on March 12. An update from the meeting as well as information regarding potentially including vegetables in feed were presented for discussion.

5.10 Specialty Buyback

A grader has requested that the distribution calculation for the Specialty Buyback program funds be updated to reflect flocks in the current year versus using the previous year's production.. Staff provided alternative options to the Board for discussion.

The Board reviewed the options, discussed the importance of having the buyback based on concrete data rather than projections, and agreed that the final options be sent to the BC Egg Processors Council for their consideration.

Action: Staff was directed to send a letter to the BC Egg Processors Council and include the topic on the March 5 grader meeting agenda.

5.11 Fee Schedule

When the Consolidated Orders were updated in 2017, Schedule 4 was replaced with Part XI - Levies & Fees, which states that fees will be published periodically. Staff has created a fee schedule to be published on a yearly basis as part of the annual budgeting process, which was presented for discussion.

R20-031 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the 2020 BC Egg Levies & Charges Schedule as presented.

CARRIED

5.12 2020 Budget Update

The Board of Directors approved the 2020 budget on Dec 3, 2019; however, amendments are needed to reflect program changes. These changes are in reference to the fowl removal program in the Interior, egg sales from period 7 to 13 and an updated levy calculation, which now includes the Temporary Allotment Program.

R20-032 It was MOVED by Walter Siemens and SECONDED

WHEREAS on February 19, 2020, BCEMB provided the Board of Directors with three amendments to the 2020 budget which was originally approved on December 3, 2019 as motion R19-135;

THAT the Board of Directors approve the amendments to the 2020 BCEMB Budget as presented and THAT the levy rate will remain unchanged.

CARRIED

5.13 HR Update

An update on BCEMB staffing was presented for information.

6.0 PERFORMANCE REPORTS

6.1 Dashboard

The Dashboard was presented for information.

6.2 Quota

6.2a Industry Reserve

The Industry Reserve was presented for information.

6.2b IP Report Week

The IP Report Week 05 was presented for information.

6.2c IP Processor Summary Week

The IP Processor Summary Week 05 was presented for information.

6.2d EFP Report Week

The EFP Report Week 05 was presented for information.

6.2e Quota Utilization Report

The Quota Utilization Report for week 05 was presented for information.

6.2f Quota Credit Update

The Quota Credit Update was presented for information.

6.2g Inventory Report

The Inventory Report was presented for information.

The Board discussed the inventory and allocation information.

Action: Staff was directed to amend the report as discussed.

6.3 Financials

6.3a Period 13 Board & Committee Per Diems & Expenses

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The Period 13 Board & Committee Per Diems & Expenses were presented for information.

R20-033 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the Period 13 Board & Committee Per Diems & Expenses.

CARRIED

6.3b Period 1 Board & Committee Per Diems & Expenses

The Period 1 Board & Committee Per Diems & Expenses were presented for information.

R20-034 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Period 1 Board & Committee Per Diems & Expenses.

CARRIED

6.3c AR Report

The AR Report was presented for information.

6.4 Preliminary COP

6.4a Period 2, 2020 COP

The Period 2, 2020 COP was presented for information.

6.4b Period 3, 2020 COP

R20-035 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors agree to hold BC producer pricing for Period 03, 2020. This decision is effective from Week 09 to Week 12, 2020.

CARRIED

6.5 Audit Scores

The Audit Score Report was presented for information.

6.6 Feed Mill Participation

The Feed Mill Participation Report was presented for information.

6.7 Fowl Removal Update

The Fowl Removal Update was presented for information.

7.0 MEETINGS HELD & UPCOMING

7.1 Meetings Held Appendix A

The Meetings Held Appendix A were presented for information.

7.2 Meetings Upcoming Appendix B

The Meetings Held Appendix B were presented for information.

7.2a Interior Spring Banquet Save the Date

The Interior Spring Banquet Save the Date was provided for information.

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ADJOURNMENT

It was MOVED by Matt Vane and SECONDED that the meeting be adjourned at 3:30 pm.



Board Chair



Certified Correct, Secretary