

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 processes and decision-making.

Effective: A clearly defined outcome with appropriate processes 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: December 16-17, 2021

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

CALL TO ORDER

The Chair, Gunta Vitins, called the meeting to order at 9:29am on December 16, 2021.

The Chair acknowledged that the meeting was held on the traditional and unceded territory of the Semá:th First Nation and Mathxwí First Nation of the Stó:lō people.

CONFLICT OF INTEREST

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

ADOPTION OF AGENDA

It was **MOVED** by Matt Vane and **SECONDED** that the agenda be adopted with the following addition:

4.11 Audit Update

4.12 Barn Fitness Update

1.0 APPROVAL OF MINUTES

1.1 Approval of Minutes of November 18, 2021

R21-135 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Minutes of November 18, 2021 as presented.

CARRIED

1.2 Approval of Minutes of November 19, 2021

R21-136 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the Minutes of November 19, 2021 as presented.

CARRIED

2.0 BUSINESS ARISING/ACTION LIST

2.1 2021 & 2022 Board Calendar & Action Item

The 2021 and 2022 board calendars were presented for information.

3.0 STAKEHOLDER ENGAGEMENT

3.1 EFC Update

An update on the matters of EFC and its committees were presented, including an update on the WEMA letter, FPA, Buyback and EFC's potential donation to support BC after the flooding.

3.2 Marketing Update

A marketing update was presented for information, including the Campaign Evaluation Survey results.

Action: Staff was directed to provide a comparison of the 2019-2021 Campaign Evaluation Survey results.

3.3 Marketing Plan

The 2022 Marketing Plan was presented for information, including an update on the target audiences.

The Board reviewed the Marketing Plan, including the 50,000 dozen egg Food Bank partnership and discussed additional options for promoting the relationship.

Action: Staff was directed to contact the Food Bank about having the BC Egg logo added to their delivery trucks.

3.4 Food Bank BC Partnership

Food Banks BC has approached BC Egg with a proposal to donate 100,000 dozen eggs a year. Options for the partnership were presented.

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3.5 2022 AGM Update

An update on the 2022 AGM preparations was presented for information.

The Board discussed the upcoming Producer Christmas Party.

3.6 BC Flooding Update

An atmospheric river resulted in a large amount of precipitation in Southern BC from November 13-15, 2021. An outline of the major events, donations that have been received and funding being made available to producers were discussed. A request for quota credits has also been received by a producer and the details were presented for discussion.

The Board discussed options for distributing the donations.

R21-137 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors agree to uphold the current policies and decline the producer's request to collect quota credits for downtime due to the November flood.

CARRIED

W. Siemens abstained.

3.7 November 8 COMB/FIRB Meeting Notes

A board member attended the November 8 COMB/FIRB meeting and notes from the event were presented for information.

4.0 OPERATIONS

4.1 Quota Transfers

4.1a Producer A

The topic was deferred until the January meeting.

4.1b Producer B

A producer has submitted a going concern sale request.

R21-138 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors conditionally approve the Going Concern Sale of [REDACTED] quota units along with the Independent Production Unit at [REDACTED] in [REDACTED] from [REDACTED] to [REDACTED] provided that the following conditions are met:

- Evidence is provided by the transferee that a registered Form A transfer for the property at [REDACTED], [REDACTED] has been submitted by January 24, 2022 if ownership of the property changes as a result of the Going Concern Sale; and
- An updated State of Title Certificate for the IPU is provided no later than March 15, 2022 if ownership of the property changes as a result of the Going Concern Sale.

As the transfer does not meet any of the exemptions detailed in Part V 3. (5) of the Consolidated Order a surrender of 2,531 quota units is required.

CARRIED

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4.1c Producer C

A producer is succession planning and is seeking approval on their transfer concept.

R21-139 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors reject the proposal as it does not meet the intent of the current Consolidated Order and therefore can not be approved.

CARRIED

W. Siemens abstained.

The Board discussed the intent of the current IPU definition and concepts moving forward.

Action: Staff was directed to bring the IPU concepts back to the January meeting for further discussion, including what other provinces are doing.

4.1d Producer D

A producer has submitted multiple quota transfer requests.

R21-140 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors grant final approval for the transfer of [REDACTED] units of layer quota from [REDACTED] to [REDACTED]. As [REDACTED] and [REDACTED] have provided confirmation that these farms are a Business Unit, [REDACTED] will remain eligible for any future growth allocations.

THAT the Board of Directors conditionally approve the proposed share structure change at [REDACTED] through the transfer of [REDACTED] existing Common Shares to her sons, [REDACTED] and [REDACTED]. Following the transfer [REDACTED] and [REDACTED] will have a joint 50/50 ownership in [REDACTED]. Following the proposed transfer there will be no other shares that benefit from future growth increases at [REDACTED]. This proposal represents a deemed transfer from parent to child, therefore in accordance with the Consolidated Order Part V 3. (5) (e) a surrender of layer quota is not required. This transfer will not be affected by the twelve-month moratorium and [REDACTED] will be eligible to participate in future growth allocations.

THAT the Board of Directors conditionally approve the proposed share structure change at [REDACTED] through the transfer of [REDACTED] existing Common Shares to her sons, [REDACTED] and [REDACTED]. Following the transfer [REDACTED] and [REDACTED] will have a joint 50/50 ownership in [REDACTED]. Following the proposed transfer there will be no other shares that benefit from future growth increases at [REDACTED]. This proposal represents a deemed transfer from parent to child, therefore in accordance with the Consolidated Order Part V 3. (5) (e) a surrender of layer quota is not required. This transfer will not be affected by the twelve-month moratorium and [REDACTED] will be eligible to participate in future growth allocations.

THAT the Board of Directors conditionally approve the proposed share structure change at [REDACTED] through the transfer of [REDACTED] existing Common Shares to his sons, [REDACTED] and [REDACTED]. Following the transfer [REDACTED] and [REDACTED] will

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have a joint 50/50 ownership in [REDACTED]. Following the proposed transfer there will be no other shares that benefit from future growth increases at [REDACTED]. This proposal represents a deemed transfer from parent to child, therefore in accordance with the Consolidated Order Part V 3. (5) (e) a surrender of layer quota is not required. This transfer will not be affected by the twelve-month moratorium and [REDACTED] will be eligible to participate in future growth allocations.

WHEREAS [REDACTED], [REDACTED], and [REDACTED], complete the conditionally approved transfers, where the common participating shares in the aforementioned farms are 50/50 held by [REDACTED] and [REDACTED], the farms will be considered a Business Unit.

CARRIED

J. Krahn abstained.

4.1e Producer E

A producer is looking to update their shareholder structure.

R21-141 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors acknowledges that the [REDACTED] Share Ownership Exchange Agreement was used to settle the estates of [REDACTED] and [REDACTED], and that a surrender of Layer Quota is not required as the quota was transferred by the executors to the beneficiaries in accordance with Part V 3.(5)(h) of the Consolidated Order.

CARRIED

4.1f Producer F

A producer has submitted a going concern sale request.

R21-142 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors conditionally approve the Going Concern Sale of [REDACTED] quota units along with the Independent Production Unit at [REDACTED] in [REDACTED] from [REDACTED] to [REDACTED] provided that the following conditions are met:

- The transfer application document is completed and amended where necessary;
- Evidence is provided by the transferee that a registered Form A transfer for the property at [REDACTED], [REDACTED] has been submitted by March 1, 2022; and
- An updated State of Title Certificate for the IPU is provided when available and no later than May 1, 2022.

As the transfer does not meet any of the exemptions detailed in Part V 3.(5) of the Consolidated Order a surrender of [REDACTED] quota units is required.

CARRIED

M. Vane recused himself.

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Action: Staff was directed to amend the Quota Transfer forms and bring them back for the Board to review.

4.2 Quota Allocation

BC Egg's 2021 Allocation Submission was approved by BC FIRB on October 28, 2021. On October 29, 2021 the quota allocation was approved by BC Egg's Board of Directors and immediately issued to BCEMB registered producers. An update on the progress was presented for information.

4.3 Tap C

On July 7, the Board initiated the utilization of the Temporary Allotment Pool C (TAP C) pilot program. An update on the program was presented for information.

The Board agreed that the final lease out for TAP C will end on Week 26, 2022.

Action: Staff was directed to provide a summary of the TAP programs.

4.4 EFP Update

EFC is re-evaluating its EFP program and BCEMB is considering revitalizing the program so that it can take advantage of market opportunities which are available within the province.

4.5 2022 Market Forecast

The 2022 Market Forecast was presented for review.

4.6 2022 Inventory Projection

The 2022 Inventory Projections were presented for review.

The Board reviewed the projections and provided its support of the analysis.

4.7 2022 Production Sleeve

Options for a potential 2022 production sleeve were presented for discussion.

The Board reviewed the scenarios, the EIAC's recommendation, and tools to reduce inventory if needed.

R21-143 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve a 4% production sleeve from July 3, 2022 – July 1, 2023.

CARRIED

4.8 WEMA Update and Pricing

A WEMA meeting was held on December 3, 2021 and notes from the meeting were presented for discussion.

The Board reviewed the notes and appointed J. Regier and K. Lowe to the WEMA sub-committee.

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4.9 PFGC Update

The graders have requested an increase in the Post Farm Gate program allowance. BC Egg received proposals for a revised program, which was discussed during the November 2, 2021 meeting.

The Board discussed options for the program as well as concerns raised by graders regarding other programming.

4.10 Fowl Removal Update

There are a number of projects concerning fowl removal in BC. Updates on the Interior and Lower Mainland projects were presented for discussion, including an update on the CO2 machine and the covered loading area project.

4.11 Auditing Update

EFC is in the process of training the BC Egg auditors to do all SCSC and ACP audits beginning in January 2022. BC Egg will be training EFC on BC's SE testing.

4.12 Barn Fitness Update

An update on a previous Barn Fitness Audit was presented for information.

5.0 GOVERNANCE

5.1 AMP

BC Egg is required to draft an Administrative Monetary Penalties (AMP) Policy and Procedures document outlining our intentions for the program. The draft was presented for discussion.

Action: Staff was directed to send a test survey to the Board.

5.2 2022 Election

Two board member positions are up for election in 2022. The amended election schedule was presented for discussion.

The Board discussed creating a Regional Representation framework document.

Action: Staff was directed to draft a Regional Representation Framework document.

5.3 2022 Budget

The 2022 budget was presented for review.

The Board agreed with the budget as presented, including the marketing budget and Food Bank egg donation.

5.4 2022 Levy Rate Recommendation

The 2022 levy rate recommendations, including the A&F Committee's recommendation, were presented for review.

R21-144 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the 2022 BCEMB Budget as presented and THAT the levy rate decrease to \$0.0375 per bird per week (\$0.0749 cents per dozen) effective Week 09, 2022.

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CARRIED

ADJOURNMENT

It was MOVED by Walter Siemens and SECONDED that the meeting be adjourned at 4:28pm on December 16, 2021.

CALL TO ORDER

The Chair, Gunta Vitins, called the meeting to order at 9:12am on December 17, 2021.

5.5 2021 Rebate

Options for a 2021 rebate, including the A&F Committee's recommendation, were presented for review.

The Board reviewed the scenarios for the 2021 rebate as well as discussions from the A&F Committee.

R21-145 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve a \$0.50 per bird rebate on issued quota at Week 44, 2021 excluding TAP A, B and C leasing, to be paid on December 31, 2021.

CARRIED

5.6 Auditing Firms

BC Egg is looking to hire a new auditing firm for the 2022 audit. Auditing firm proposals were presented for discussion.

R21-146 It was MOVED by Matt Vane and SECONDED

THAT the Board of Directors approve that Loewen Kruse be recommended to be appointed BC Egg Marketing Board's auditors for 2022 at the March 18, 2022 AGM.

CARRIED

5.7 Committee Meeting Minutes

5.7a June 7, 2021 MarComm Meeting Minutes

The June 7, 2021 MarComm Meeting Minutes were presented for information.

5.7b June 23, 2021 PMC Meeting Minutes

The June 23, 2021 PMC Meeting Minutes were presented for information.

5.7c July 19, 2021 PMC Meeting Minutes

The July 19, 2021 PMC Meeting Minutes were presented for information.

The Board discussed the CEO vaccine and increased ILT cases in the Lower Mainland.

5.7d August 26, 2021 PMC Meeting Minutes

The August 26, 2021 PMC Meeting Minutes were presented for information.

5.7e August 10, 2021 A&F Meeting Minutes

The August 10, 2021 A&F Meeting Minutes were 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 report was presented for information.

6.2b IP Report

The IP Report was presented for information.

6.2c Egg Import Information

The Egg Import reports was presented for information.

6.2d Quota Utilization Report

The Quota Utilization Report was presented for information.

6.2e Quota Credit Update

The Quota Credit update was presented for information.

6.2f Inventory Report

The Inventory Report was presented for information.

6.3 Financials

6.3a Period 11 Board & Committee Per Diems & Expenses

The Period 10 & 11 Board & Committee Per Diem & Expenses report was presented for information.

R21-147 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Period 10 & 11 Board & Committee Per Diem & Expenses as amended.

CARRIED

6.3b AR Report

The AR Report was presented for information.

6.3c Period 11, 2021 Financials

The Period 11, 2021 Financials was presented for information.

R21-148 It was MOVED by Matt Vane and SECONDED

THAT the Board of Directors approve Period 11, 2021 Financials as presented.

CARRIED

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6.4 COP

The COP report was presented for information.

The Board reviewed the COP report and provided feedback.

6.5 Audit Scores

The Audit Scores report was presented for information.

6.6 Feed Mill Participation Report & AAFC Report

The Feed Mill Participation Report & AAFC Report was presented for information.

6.7 Fowl Removal Update

A brief Fowl Removal update was provided.

6.8 CETPP Production Comparison

A CETPP Production Comparison report was presented for information.

6.9 Producer Utilization Update

The Producer Utilization update was presented for information.

6.10 Active Leases

The Active Leases report was presented for information.

6.11 Barn Capacity

The Barn Capacity report was presented for information.

7.0 MEETINGS HELD & UPCOMING

7.1 2021 Meetings Held

The 2021 held meetings were presented for information.

7.2 2021 & 2022 Meetings Upcoming

The 2021 and 2022 upcoming meetings were presented for information.

The Board discussed attendance at the provincial AGMs.

ADJOURNMENT

It was MOVED by Jeff Regier and SECONDED that the meeting be adjourned at 11:15am on December 17, 2021.



Board Chair



Certified Correct, Secretary