

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: February 13, 2023

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 and Marketing
Tara Duxbury, Executive Assistant

CALL TO ORDER

The Chair, Gunta Vitins, called the meeting to order at 9:32am.

The Chair acknowledged that the meeting was held on the ancestral 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 Jeff Regier and **SECONDED** that the agenda be adopted with the following amendment:

- Move 4.12 and 4.13 to after 3.3

1.0 APPROVAL OF MINUTES

1.1 Approval of Minutes of January 10, 2023

R23-012 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the Minutes of January 10, 2023 as presented.

CARRIED

1.2 Approval of Minutes of January 27, 2023

R23-013 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Minutes of January 27, 2023 as presented.

CARRIED

1.3 Approval of Minutes of February 2, 2023

R23-014 It was MOVED by Matt Vane and SECONDED

THAT the Board of Directors approve the Minutes of February 2, 2023 as presented.

CARRIED

2.0 BUSINESS ARISING/ACTION LIST

2.1 2023 Board Calendar & Action Item

The 2023 board calendars and action item list were presented for information.

The Board reviewed the calendars and amended the May and July meeting dates.

2.2 2023 Operations Plan

The 2023 Operations Plan was presented for information.

The Board reviewed the plan and agreed with the format and direction.

2.3 Nomination Letter for Metro Vancouver's Agricultural Advisory Committee

The nomination letter for Metro Vancouver's AAC was 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 Animal Care Program implementation and the five-year Code of Practice review.

3.2 Regional Reports

Updates from the regional representatives were presented.

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3.3 Ritchie Smith Research Flock

████████████████████ with Ritchie Smith Feeds joined the meeting at 10:05am.

Ritchie Smith Feeds presented a summary from their five-year research grant. The majority of their research reviewed ways feed could influence egg size. A report will be provided that can be distributed to producers. A request was also submitted for a second five-year research grant and an update provided.

████████████████████ with Ritchie Smith Feeds left the meeting at 10:46am.

The Board reviewed the research flock request and are supportive of a second grant, subject to the eggs from both flocks being fully graded.

4.0 OPERATIONS

4.12 Mouldy Eggs and Shipping Costs

215 boxes of eggs were received by the processor in week 02, 2023 that were mouldy from an AI positive farm. A claim was submitted for the instance which occurred as a result of a failure to comply with the Consolidated Order.

The Board discussed the situation and the claims submitted.

R23-015 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the use of \$6,638.30 of the withheld funds from the Grading Station producer payment to pay the process claim. The remaining \$2,651.98 will be returned to the producer less any CETPP adjustments.

CARRIED

Action: Staff was directed to include a reminder to keep coolers turned on in the next Scrambler.

4.13 Producer Rebate

BC Egg has a cash surplus due to the levy rate producers paid in 2022 that has not been adjusted to reflect underspending in budgeted items as well as refund of the Service Fee that was paid by producers from 2014-2020. A surplus analysis was presented for discussion.

The Board reviewed the analysis, discussed the options for the rebate and agreed to issue the funds starting February 24, 2023.

R23-016 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve a producer rebate of \$0.40 cents per issued quota bird as of week 06, to be issued to producers in good standing starting February 24, 2023. Producers not in good standing will have until June 30, 2023 to become eligible to receive the rebate. Concessions may be made for producers impacted by Avian Influenza.

CARRIED

Action: Staff was directed to announce the rebate on Friday, February 17 via Fast Fry.

3.0 STAKEHOLDER ENGAGEMENT (continued)

3.4 Young Farmer Delegate Presentation

The agenda item has been moved to the March 16 meeting.

3.5 Farmed Animal Welfare Committee Member

The BC Ministry of Agriculture (AF) has undertaken a project to assess the Farmed Animal Welfare Framework in BC. BC Egg staff met individually with the Ministry team for this project in October 2022 and future engagement sessions were cancelled due to the AI issue taking precedence. The next step is to form an Advisory Panel with representatives from supply management.

The Board reviewed the project and discussed options to represent BC Egg for the panel.

Action: Staff was directed to contact the representatives discussed to determine their interest.

3.6 BCPC Update

The BC Poultry Conference is being held on March 2-3, 2023. A planning update was presented for discussion.

The Board discussed the March 2 meetings and the gala dinner details.

3.6a March 2 Dinner

BC Egg will be hosting a dinner at CinCin Ristorante + Bar for national and provincial representatives on March 2. The RSVP list was presented for discussion.

The Board agreed with the invitation list suggested.

3.7 Annual Report

A sample of the Annual Report was presented for information.

4.0 OPERATIONS (continued)

4.1 Quota Transfers

4.1a Producer A

BCEMB received an updated Central Securities Register for [REDACTED], which is one of the partners of [REDACTED]). The shareholder information was presented for discussion.

R23-017 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors grant final approval for the shareholder changes at [REDACTED] and the deemed transfers of quota at [REDACTED]. In accordance with Consolidated Order Part V 3(4)(a), a surrender of layer quota is not required. The deemed transfers will not be affected by the twelve-month moratorium and Bergen Ridge will be eligible to participate in future growth allocations.

CARRIED

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4.1b Producer B

BCEMB received updated Central Securities Registers for three farms with common shareholders. The shareholder information was presented for discussion.

R23-018 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors grant final approval for the shareholder changes and deemed transfers of quota at [REDACTED] and [REDACTED]. In accordance with Consolidated Order Part V 3(4)(a), a surrender of layer quota is not required. The deemed transfers will not be affected by the twelve month moratorium and all three producers will be eligible to participate in future growth allocations.

WHEREAS [REDACTED], have completed the conditionally approved transfers in a manner which has the common participating shares in the aforementioned farms held by [REDACTED] and [REDACTED], the farms are considered a Business Unit.

CARRIED

4.1c Producer C

The final details for a Going Concern Sale were presented for approval.

R23-019 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors grant final approval for Going Concern Sale for [REDACTED].

CARRIED

4.1d Producer D

A producer is planning to sell their farm as a going concern sale. The proposal was presented for discussion.

R23-020 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors conditionally approve the Going Concern Sale of 19,215 quota units along with the Independent Production Unit at [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] has been filed by February 28, 2023; and
- An updated State of Title Certificate for the IPU is provided when available and no later than March 31, 2023.

As the transfer does not meet any of the exemptions detailed in Part V 3. (4) of the Consolidated Order a surrender of 1,275 quota units is required.

CARRIED

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4.2 AI Update

Highly Pathogenic Avian Influenza has been found in poultry flocks in Canadian provinces and throughout the US. An update on the cases in BC, the list of Primary Control Zone restrictions, depopulation funding project and import requirements were presented.

4.3 Grader Concerns

4.3a GVF Appeals Update

On July 4, 2022, BC Egg received notice of appeal from Golden Valley Foods. On January 31, 2023, BCFIRB sent BCEMB a dismissal order for the appeal. The letter was presented for information.

4.3b Temporary Grader Programs

As an outcome of the grader appeal a temporary program must be developed and implemented until the BART process is completed. The Interim Funding Program was presented for discussion.

The Board reviewed the temporary program and discussed the three grader programs.

R23-021 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the Interim Funding Program as presented, effective Week 5 (January 29), 2023.

CARRIED

Action: Staff was directed to provide the program details to the graders.

4.3c Grader Market Needs Consultation

A grader market needs consultation commenced in 2022. BC Egg staff will develop a draft Terms of Reference and Project Timeline for a Market Needs Working Group.

The Board agreed with the direction presented.

4.4 2022/2023 Allocation

Upon approval from FPCC, a National Increase to our federal quota occurred Week 1, 2023. As a result of the increase BC will be receiving a provincial allocation that will need to be distributed to registered producers.

The Board agreed with the draft proposal for producers and that the numbers should be updated based on final transfer details.

4.5 BC Special STMRQ Program

On November 21, 2022, BC Egg launched the Special Temporary Market Requirement Quota Program. An update on the program was presented for information.

The Board discussed extending the program past week 15.

Action: Staff was directed to bring back the lease details to the March meeting.

4.6 EFC Special STMRQ Program

The processor has confirmed that they would be able to accept product from EFC's revitalized STMRQ program. The program details were presented for discussion.

The Board reviewed the program and discussed participation concerns due to insurance.

4.7 ILT

The Lower Mainland has continued to see an increase in ILT cases over the last few years. At the January 31, 2023 PMC meeting, the committee discussed ILT further. Over the last few years, it appears that ILT has flared up considerably despite the fact that producers have not been able to acquire the CEO vaccine. The intent is to ask the AGRI Vet Lab for further information to gain a better understanding of the prevalence of ILT.

The Board discussed how ILT may be managed in the other poultry commodities.

4.8 Request to EFC for SCSC Disposal Plan

BC has been hit hard by HPAI in the past year and BC Egg is looking at ways to improve its programming to learn from this experience. On January 31, 2023, the PMC reviewed the proposal and made the following recommendations:

1. Request EFC consider adding a recommendation to the SCSC program whereby:
 - a) It is recommended that Producers within 1km of a poultry premise develop an on-farm disposal plan that meets the CFIA and provincial environmental requirements as preparedness in the event of a disease challenge which would require on farm disposal.
 - i. The minimum request would be to identify the potential environmental concerns for their province, have a primary plan for where the piles would be built with a secondary option and determine if the material could be mixed inside or if an exterior mixing plan must be developed
2. The BCPA's red biosecurity guidelines should include a recommendation for producers to review their current manure storage levels knowing that all manure would need to be removed from the site if they were found positive for AI.

The Board agreed with the PMC's recommendation.

4.9 Audit Update

The current Avian Influenza outbreak has put on-farm audits on hold. BCEMB is working with EFC with the intent to begin conducting virtual audits for this year.

The Board agreed with the approach.

4.10 Fowl Removal Update

BC Egg has a number of ongoing projects related to Fowl Removal in BC. An update on the projects, including the CO₂ machine, was presented for information.

4.11 Statistics Canada's request for Specialty Egg Data

On November 2, 2022, Statistics Canada sent a letter to BC Egg outlining a request for information on the specialty egg sector.

R23-022 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve BC Egg to provide Statistics Canada with the Market and Specialty production numbers with the weighted average producer price for Market and Specialty Eggs beginning with January 2017.

CARRIED

5.0 GOVERNANCE

5.1 Consolidated Order Review

The Consolidated Order is required to be reviewed every five years. The current document was last reviewed in 2017. A final consultation was sent to the industry on November 28, 2022 and the preliminary results were presented for discussion.

The Board discussed the survey and sending out reminders.

5.2 2023 Board Election

BCCOMB confirmed on February 2, 2023 that Jon Krahn was appointed to the board by acclamation for four years.

5.2a CEIRA Election

CEIRA has confirmed that the Voting Delegate for BC egg producers is up for renewal this year. The Call for Nomination was sent to producers on January 25, 2023 with a deadline of February 24, 2023.

5.2b A&F Committee Election

There are two A&F Committee positions up for election in March 2023. The committee positions were presented for discussion.

5.2c EFC Call for Nominations

On February 10, 2023, EFC sent out the Call for Nominations with a deadline of March 16, 2023. The nominations will be discussed further at the March 2 meeting.

5.3 EIAC Terms of Reference

It was requested that the EIAC Terms of Reference be presented at a future board meeting. The document was presented for discussion.

The Board agreed that the EIAC agenda should be sent to the Board prior to being sent to the EIAC chair.

5.4 Chair and Board Performance Survey

Each year the Board completes Board and Chair Performance Reviews. The results from the surveys were presented for information.

The Board provided amendments to the Board Performance Survey for 2023.

5.5 NPP Update

5.5a 2023 NPP Update

The commitment to award an average of two NPP allotments annually, if followed, would require BCEMB to draw five NPP applicants this year (2023). Staff is recommending a spring draw for additional NPP applicants.

The Board supported a spring draw for three additional NPP applicants and possibly another draw later in the year as five NPPs at the same time could overwhelm the industry mentors.

5.5b Appeal Update

On December 28, 2022, BCFIRB informed BC Egg that Old Country Farms Ltd. appealed the NPP application decision. On February 6, 2023, BCFIRB informed BC Egg that the appeal had been dropped.

5.5c Producer E

On January 27, 2023, 2021 NPP winners, [REDACTED], sent an email to BC Egg requesting an increase to their initial quota request. Their proposal was presented for discussion.

The Board reviewed the proposal and agreed with the request.

R23-024 It was MOVED by Jon Krahn and SECONDED

WHEREAS the [REDACTED] were successful in our 2021 NPP program granting their partnership to be eligible for a maximum allotment of 3,000 quota units from the NPP with a maximum of 1,000 quota units upon their first 19-week placement.

WHEREAS the [REDACTED], due to exceptional market circumstances, have requested an exemption for the Board to increase their initial allotment up to 1,300 quota units.

THAT the Board of Board approve the [REDACTED] request to commence their NPP production with up to 1,300 layers. Per the 2021 NPP Policy guidelines, to maintain their initial allotment [REDACTED] will be required to market a minimum of 75% of their production on a rolling average basis over a 12 month period.

CARRIED

5.6 POY and Legacy Award

The Producer of the Year (POY) and Legacy Award programs are reviewed annually. The PMC has recommended that the POY award be put on hold either indefinitely or until it can be revamped and that the Legacy Award not be given this year.

The Board agreed with the PMC's recommendation.

5.7 IEC Lake Louise Sponsorship

On January 24, 2023, BC Egg received an email on behalf of EFC and IEC asking for sponsorship support. There is a range of sponsorship opportunities available, including the social

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events, which are detailed in the supporting Sponsorship Brochure which was presented for discussion.

The Board reviewed the sponsorship request and since BC Egg is helping to fund EFC's sponsorship, the Board decided not to have a separate BC Egg sponsorship.

5.8 PMC Meeting Minutes – November 2, 2022

The November 2, 2022 PMC Meeting Minutes were presented for information.

5.9 A&F Meeting Minutes – December 5, 2022

The December 5, 2022 A&F Meeting Minutes were presented for information.

6.0 PERFORMANCE REPORTS

6.1 Dashboard

The Industry Dashboard was presented for information.

6.2 Finances

6.2a Period 12 and 13 Board & Committee Per Diems & Expenses

The Period 12 and 13 Board & Committee Per Diems & Expenses were presented for review.

R23-025 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Period 12 and 13 Board & Committee Per Diems & Expenses as presented.

CARRIED

6.2b AR Report

The AR report was presented for information.

6.2c Period 13, 2022 Financial Statement

The Period 13, 2022 Financial Statement was presented for review.

R23-026 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the Period 13 Financial Statements as presented.

CARRIED

6.3 IP Report

The IP Report was presented for information.

7.0 MEETINGS HELD & UPCOMING

7.1 2023 Meetings Held

The 2023 meetings held were presented for information.

7.2 2023 Meetings Upcoming

The 2023 upcoming meetings were presented for information.

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ADJOURNMENT

It was MOVED by Jeff Regier and SECONDED that the meeting be adjourned at 3:41pm.



Board Chair



Certified Correct, Secretary