

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: March 16, 2023

Location: BCEMB Boardroom

BOARD IN ATTENDANCE: Gunta Vitins, Chair
Walter Siemens, Vice-Chair
Jon Krahn, Board Member
Jeff Regier, Board Member

REGRETS: Matt Vane, Board Member

STAFF IN ATTENDANCE: Katie Lowe, Executive Director
Nicole Thompson, Executive Assistant
Joey Aebig, Manager Operations & Logistics
Erin Duetta, Manager Finance

CALL TO ORDER

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

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 Jon Krahn and **SECONDED** that the agenda be adopted with the following additions:

- 3.7 Yukon and BC Young Farmers Event
- 4.10a Industry Resilience and Earthquake Preparedness

1.0 APPROVAL OF MINUTES

1.1 Approval of Minutes of February 13, 2023

R23-028 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Minutes of February 13, 2023 as presented.

CARRIED

1.2 Approval of Minutes of March 2, 2023

R23-029 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the Minutes of March 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.

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 COP project.

3.2 Regional Reports

Updates from the regional representatives were presented.

The Board discussed feedback from the BC Poultry Conference and responses from producers about the egg conference going forward.

3.3 Young Farmer Delegate Presentation

The agenda item has been moved to the April board meeting.

3.4 CAF Update and Financials

The 2022 CAF financial statement was presented for information along with an update on BC Milk's intentions for 2023.

The Board agreed that BC Egg will not purchase BC Milk's portion of CAFL.

3.5 EFA and SEP 2023 AGM Report

Board members attended the Egg Farmers of Alberta AGM on February 28, the Saskatchewan Egg Producers AGM on March 8 and the Egg Farmers of Ontario on March 9. The reports from the events were presented for information.

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3.6 March 2 Meeting Notes

The meeting notes from the Board's March 2, 2023 meetings with stakeholders were presented for review.

3.7 Yukon/BC Young Farmers

The Yukon/BC Young Farmers lunch is scheduled for March 28 at the Clarion in Abbotsford. BC Egg is a sponsor of the event.

The Board supported Gunta and Jon attending.

Action: Staff was directed to contact the EPA to see if they would also like to send people to the event.

4.0 OPERATIONS

4.1 [REDACTED]

J. Krahn recused himself from the conversation.

A producer is considering upcoming flock placements and is looking for clarity from the Board of Directors regarding their facility. The producer's request was presented for discussion.

Based on the history of good management and satisfactory completion of past Corrective Actions, the Board determined that an additional placement into this facility would be acceptable.

4.2 [REDACTED]

A producer impacted by HPAI had a planned extended downtime as they transition their production systems from conventional to enriched and are asking to continue to be able to earn QCs for a portion of the downtime. The producer's request was presented for discussion.

The Board agreed that if a producer has their layers removed due to HPAI who was already planning to build a new barn, they will be eligible to earn QCs for a maximum of 182 days, as of their planned Fowl Removal Date.

4.3 BC Specific STMRQ Program

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

R23-030 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve to extend the BC Special STMRQ program until Week 48, 2023.

CARRIED

4.4 EFC 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 discussed the program, which graders have agreed to participate in.

Action: Staff was directed to confirm with EFC to when the EFC STMRQ program is being extended and if young birds are included.

4.5 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 proposal to BCFIRB was presented for discussion. The final document will be completed and sent to BCFIRB by early next week.

4.6 Whistleblower Report

W. Siemens recused himself from the conversation.

On February 17, 2023, the Board received a Whistleblower Report through the anonymous form on the BC Egg public website. The report and background were presented for discussion.

The Board reviewed the Whistleblower complaint and feedback from legal counsel. As there was no evidence of wrongdoing, the Board determined that no further direction was required.

4.7 Grader Concerns

4.7a Temporary Grader Programs

The Post Farm Gate Costs Program was rescinded and three new grader programs were introduced in 2023 (two programs effective Week 1, one program effective Week 5). An update on the programs was presented for information.

The Board discussed the program analysis and conversations with the graders regarding the total fund amounts.

4.7b Market Needs Project Team

A grader market needs consultation commenced in 2022. As part of the Golden Valley Appeal process, additional collaboration is required. The project charter was presented for discussion.

The Board provided direction for the project team membership and agreed with the project charter presented.

4.7c Initial Concepts

Graders have asked for BCEMB to consider mechanisms to reduce specialty production and for enhanced programming to share a larger portion of the cost incurred when there is more production than is required in marketplace. Initial concepts for the working group to consider were presented for discussion, including industry resilience discussions from the March 14 EIAC meeting.

The Board reviewed the concepts and provided feedback, including the importance of using the SAFETI principles.

4.8 Annual Liquid Damages Assessment Rate

For the upcoming LDA cycle, which begins Week 9 of 2023 (February 26, 2023) and ends Week 8 of 2024, the annual LDA Rate is \$62 per layer. This is an increase of \$4 per layer over 2022.

4.9 ULPT

The Uniform Levy Project Team is meeting in April, after the first full year of implementation for the new levy process. They have asked the Boards questions to determine if the uniform levy process is functioning as intended and BC Egg's draft responses were presented for discussion.

The Board agreed with the draft responses.

Action: Staff was directed to provide a list of the current levy abatements.

4.10 AI Update

Highly Pathogenic Avian Influenza has been found in poultry flocks in Canadian provinces and throughout the US. An update on the status in BC, long term EOC management, and destruction programming and training were presented for discussion.

The Board discussed the Ministry project currently being conducted and agreed with staff's draft recommendations to be presented for the project.

A producer who is sending 40,000 birds for spent fowl instead of extending lay was also brought to the Board's attention.

The Board discussed options for the producer and agreed that the birds should be used in the BC STMRQ program.

4.10a Industry Resilience and Emergency Preparedness

Over the past few years, BC has been hit with multiple disasters causing our quota utilization to be lower than anticipated. At the March 14, 2023 EIAC meeting, the Committee reviewed options that could allow the industry to adapt more easily to changes. The Ministry has also done additional work on emergency preparedness.

The Board agreed the EIAC options should be brought to the Market Needs Project Team and that the BCPA should review including other emergency preparations in the long-term EOC plan, including earthquakes.

4.11 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, were presented for information.

4.12 Quota Lease Opportunity

BC Egg is projecting a 90% utilization rate for the 2023/2024 quota year. There is some quota in the province that will remain unused during this timeframe. Ontario has provided BC with a proposal to lease up to 160,000 quota units at a determined lease rate for 52 weeks.

The Board discussed the lease rate and agreed the lease should be until Week 8, 2024.

Action: Staff was directed to negotiate the lease rate with Ontario.

5.0 GOVERNANCE

5.1 Consolidated Order Review

The Consolidated Order is required to be reviewed every five years. The current document was

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last reviewed in 2017. A final consultation has now been conducted and the results, along with the legal review, were presented for discussion.

The Board reviewed final Consolidated Order update and agreed to amend the penalty rate. The Board also agreed to implement the updated Consolidated Order on July 1, 2023, pending BCFIRB's approval.

R23-031 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the first reading of the Consolidated Order of July 1, 2023 as amended for submission to BC FIRB for prior-approval.

CARRIED

5.2 FPTA Submission

The Ministry of Agriculture and BC FIRB staff have been working with BC Egg over the last year to review the revised FPTA and ensure the full understanding of how the FPTA would impact producers and stakeholders. All parties have now completed their review and the draft cover letter and BC Egg's response letter were presented for review.

R23-032 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the FPTA review comments to be sent to Egg Farmers of Canada on March 17, 2023 as amended.

CARRIED

5.3 Women in the Industry Nominations

EFC is in the process of recruiting for the 2023 cycle of the Women in the Industry Program.

R23-033 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors nominate [REDACTED] for the BC Mentee position for the EFC Women in Industry program.

CARRIED

5.4 Board Disclosure Statements

Every BC Egg Board and Committee member must complete a yearly declaration. A 2023 Declaration was provided to the Board prior to the meeting.

5.5 EIAC Performance Survey Results

The EIAC Terms of Reference requires a committee performance and member satisfaction survey. The results from the survey were included for review along with feedback from the EIAC.

5.6 BC Egg Policy Management Guideline

BC Egg staff have developed the BC Egg Policy Management Guidelines to ensure that our policy review procedures are clearly outlined, including which committees must be a part of that review. The Policy Manual has also been updated and added to the Dropbox.

The Board supported the guideline document.

6.0 PERFORMANCE REPORTS

6.1 Quota Reports

6.1a Industry Reserve

The Industry Reserve report was presented for information.

6.1b Egg Import Information

The Egg Import reports was presented for information.

6.1c Quota Utilization Report

The Quota Utilization Report was presented for information.

6.1d Quota Credit Update

The Quota Credit update was presented for information.

6.1e Inventory Report

The Inventory Report was presented for information.

6.2 COP

The COP report was presented for information.

An update on the EFC amended Cost of Production Summary document was presented for information.

Action: Staff was directed to contact someone who is already completing the pullet survey to mentor other pullet producers to complete the survey.

6.3 Feed Mill Participation Report & AAFC Report

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

6.4 CETPP Production Comparison

A CETPP Production Comparison report was presented for information.

6.5 Producer Utilization Update

The Producer Utilization update was presented for information.

Action: Staff was directed to provide the analysis information for the report.

6.6 Active Leases

The Active Leases report was presented for information.

Action: Staff was directed to provide an analysis on family leases versus other leases.

6.7 Barn Capacity

The Barn Capacity report was presented for information.

The Board reviewed the empty barns and discussed how the information is being used to assist in programming.

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7.0 MEETINGS HELD & UPCOMING

7.1 2023 Meetings Held

The 2023 meetings held were presented for information.

7.2 2023 Meetings Upcoming

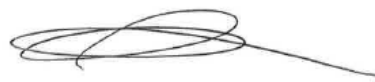
The 2023 upcoming meetings were presented for information.

ADJOURNMENT

It was MOVED by Jeff Regier and SECONDED that the meeting be adjourned at 2:57pm.



Board Chair



Certified Correct, Secretary