

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: June 8, 2023

Location: BCEMB Boardroom

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

STAFF IN ATTENDANCE: Katie Lowe, Executive Director
Joey Aebig, Manager Operations & Logistics
Erin Duetta, Manager Finance
Amanda Brittain, Director, Marketing & Communications

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 as presented.

CARRIED

1.0 APPROVAL OF MINUTES

1.1 Approval of Minutes of May 15-16, 2023

R23-045 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the Minutes of May 15-16, 2023 as presented.

CARRIED

1.2 Approval of Minutes of May 23, 2023

R23-046 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the Minutes of May 23, 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 for information.

3.1a FRIT

The Free Run COP will be completed in 2024. EFC has formed a project team known as the Free Run Integration Team (FRIT). Each province has been asked for two representatives who will participate in discussions and make recommendations regarding methods to coordinate the efficient implementation of the Free Run COP. Preliminary questions for the Boards to consider prior to the meeting were also presented for discussion.

The Board supported Jon and Katie participating on FRIT on behalf of BC.

Action: Staff to confirm BC FRIT participants with EFC.

3.2 Regional Reports

Updates from the regional representatives were presented.

3.3 October Board Meeting Details

The Board of Directors Meeting scheduled on October 26-27 is being held on Vancouver Island. Options for accommodations were presented for discussion.

Action: Staff to send updated invite to Board with Nanaimo accommodations.

3.4 2024 AGM

Planning for the 2024 BC Egg Conference and AGM is underway. An update on the schedule was presented for review.

4.0 OPERATIONS

4.1 Quota Transfers

4.1a Producer A

BCEMB has received quota transfer requests from a registered producer which was presented for review.

R23-047 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the deemed transfer of quota from [REDACTED] to [REDACTED]. The shareholders of [REDACTED] have the same proportionate interest as the original partners of [REDACTED]. Therefore, in accordance with the Consolidated Order Part V 3(4)(e), a surrender of layer quota is not required.

CARRIED

R23-048 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors provide conditional approval for the transfer of [REDACTED] units of layer quota from the partnership of [REDACTED] to [REDACTED]. The partners of [REDACTED] have the same proportionate interest as the shareholders of [REDACTED]. Therefore, in accordance with the Consolidated Order Part V 3(4)(e), a surrender of layer quota is not required. [REDACTED] will not be affected by the twelve-month moratorium and will be eligible to participate in any growth allocations as [REDACTED] and [REDACTED] are considered a business unit.

CARRIED

R23-049 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors provide conditional approval for transfer of [REDACTED]0 units of layer quota from [REDACTED] to [REDACTED]. This is a transfer to the transferor's child and his spouse, therefore in accordance with the Consolidated Order Part V 3(4)(a) a surrender of layer quota is not required.

CARRIED

4.13 System Migration

[REDACTED] with [REDACTED] joined the meeting at 11:05am.

BC Egg is considering updating its IT database. A demonstration of one of the IT systems being considered for BC Egg's system migration was presented for the Board's consideration.

[REDACTED] left the meeting at 11:41am.

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4.1b Producer B

A producer is planning to sell their farm as a going concern sale. The details regarding the proposed sale were presented for review.

R23-050 It was MOVED by Walter Siemens and SECONDED

WHEREAS Per the Consolidated Order Part V 1. (4) The Board will determine, in its sole discretion, whether a Transfer is a bona fide Going Concern Sale

WHEREAS Per the Consolidated Order Part V 1 (6) it appears to the Board that parties to a Going Concern Sale have structured the transaction for the primary purpose of circumventing the requirement that Layer Quota be Transferred through the Quota Exchange, the Transfer shall be deemed to lack bona fides.

THAT the Board of Directors decline the Going Concern transfer proposed from [REDACTED] to [REDACTED].

CARRIED

4.2 2022/2023 Allocation

On May 23, 2023 BC Egg's 4.528% pro-rata allocation was approved by BC FIRB. On May 24, 2023 the allocation was approved by BC Egg and distributed to qualifying registered producers. An update on the distribution of the allocation was presented for information.

System Migration

[REDACTED] and [REDACTED] with [REDACTED] joined the meeting at 1:01pm.

BC Egg is considering updating its IT database. A demonstration of one of the systems being considered for BC Egg's system migration was presented for the Board's consideration.

[REDACTED] and [REDACTED] left the meeting at 1:32pm.

4.3 TAP B Program

The policy of the Board is to review the TAP B Program in May/June of each year to determine if quota should be made available in July for the next 12 month period. At the June 6, 2023 EIAC meeting, the EIAC recommended that the Board make 40,000 quota units available for temporary allotment through the TAP B program for the upcoming 12 month period. Prior to making a decision the Board considered the EIAC recommendation, inventory, and other programs which could impact this decision.

R23-051 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors authorize the TAP Pool B program for usage from July 2, 2023 to June 29, 2024 for 40,000 quota units

CARRIED

Action: Staff to send out notifications to producers regarding the TAP B program.

4.4 2023 NPP Program

The 2023 NPP Program submission deadline was June 2, 2023. The board reviewed the scores and comments provided by the NPP review committee from their June 6, 2023 meeting for the applications received.

R23-052 It was MOVED by Jon Krahn and SECONDED

The Board approves [REDACTED] and [REDACTED] as qualifying applicants for the 2023 New Producer Program.

CARRIED

Action: Staff to send out notification letters to applicants.

4.5 AI Update

An update on funding available and zone controls was presented.

4.6 Fowl Removal Update

Proposals for the parties interested in providing removal services in the Interior are expected to be submitted by the end of June.

4.7 CAF Update

At the board meeting in May, staff discussed the progress of the CAF building being put up for sale as well as proposed costs that would be associated with moving to BC Milk's space. The board discussed options for leasing or purchasing space in Abbotsford as well as retaining a realtor to help find properties best suited for our needs.

4.8 Market Needs Project Team

A project team was developed to encourage greater collaboration between graders, producers and the Board to more closely align production with market needs. An update was provided to the Board on the progress of the project team.

4.9 Preliminary Pricing Decision

Pricing Order #01/2023 was approved on Dec 23, 2022 effective Week 5, 2023 and distributed on December 28, 2022. EFC has notified the Board of a \$0.10 per dozen levy rate increase effective Period 8, 2023 (July 16, 2023). With the increase to the levy rate and increases to the COP since Week 5, 2023, a price change may be needed. The preliminary recommendation from the EIAC was discussed. Discussions will continue throughout the upcoming month and the pricing decision will be brought back to EIAC and the Board for final approval at a future meeting.

4.10 WEMA

A meeting with the western provinces has been scheduled for June 15, 2023 in Calgary. Agenda items were presented for discussion.

4.11 Quota Credit Program

The Board discussed the Quota Credit Program, and how systems can be adapted to implement parts of the Quota Credit Program policy which may not be supported by our current IT database.

Action: Staff will bring back a more developed plan for discussion at the next meeting.

4.12 Grader Request

A BC grader is planning a major facility upgrade. The Board discussed the plan and potential impacts this may have to the producers.

R23-053 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the proposed plan presented by the [REDACTED] regarding the upgrade to their facility.

CARRIED

5.0 GOVERNANCE

5.1 2022 PARP Reporting

BCFIRB requires a Public Accountability and Reporting Project (PARP) report to be sent yearly. The 2022 PARP report is due to BCFIRB on August 15, 2023. The Draft BC Report and BCFIRB's letter outlining this year's requirements are included in the supporting documents.

5.2 Consolidated Order Review

The Consolidated Order is required to be reviewed every five years. The current document was last reviewed in 2017. The Consolidated Order has been updated according to the first consultation and subsequent Board review. The second reading was approved at the May Board meeting. The draft submission was sent to FIRB on May 19.

5.3 BC Egg Marketing Scheme Request

Currently BC Egg is the only supply managed commodity in BC that requires prior approval from BC FIRB to vary quota. BC Egg has notified the Ministry of Agriculture of their intention to request the removal of the prior approval requirement from the Scheme. Changes or amendments to the BC Egg Marketing Scheme requires an amendment to the Order in Council.

Ministry staff have notified BC Egg that they intend to review that request and, if it moves forward, submit the change with the same Order in Council request as the Federal Provincial Territorial Agreement (FPTA).

6.0 PERFORMANCE REPORTS

6.1 Dashboard

The Industry Dashboard was presented for information.

6.2 Financials

6.2a Period 4 Board & Committee Per Diems & Expenses

The Period 4 Board & Committee Per Diems & Expenses were presented for review.

R23-054 It was MOVED by Matt Vane and SECONDED

THAT the Board of Directors approve the Period 4 Board & Committee Per Diems & Expenses as presented.

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CARRIED

6.2b AR Report

The AR report was presented for information.

6.2c Period 4, 2023 Financial Statement

The Period 4, 2023 Financial Statement was presented for review.

R23-055 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the Period 4, 2023 Financial Statements as amended.

CARRIED

6.2d Grader Incentive Program

An update on the grader incentive program was presented for review.

6.2e ULPT

The summary detailing levy remitted to EFC under their updated Uniform Levy Project Team was presented for information.

6.3 IP Report

The IP Report was presented for information.

Action: Staff to bring a report showing historical information of medium organic eggs sent to the processor as compared to production and Specialty Buy Back funds used.

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 4:13pm.



Board Chair



Certified Correct, Secretary