

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: October 26-27, 2023

Location: Coast Bastion Hotel, Nanaimo

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
Erin Duetta, Manager, Finance
Amanda Brittain, Director, Marketing & Communications

October 26 - CALL TO ORDER

The Chair, Gunta Vitins, called the meeting to order at 12:54pm.

The Chair acknowledged that the meeting was held on the ancestral and unceded traditional territory of the Snuneymuxw, Snaw-naw-as, Stzuminus people, and the traditional keepers of their land.

CONFLICT OF INTEREST

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

Jon Krahn declared a conflict of interest with 4.9a [REDACTED].

ADOPTION OF AGENDA

It was MOVED by Walter Siemens and SECONDED that the agenda be adopted as amended:

- 4.12 Pricing
- 4.13 AI Update

1.0 APPROVAL OF MINUTES

1.1 Approval of Minutes of September 20, 2023

R23-093 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the Minutes of September 20, 2023 as amended.

CARRIED

1.2 Approval of Minutes of October 6, 2023

R23-094 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Minutes of October 6, 2023 as presented.

CARRIED

1.3 Approval of Minutes of October 10, 2023

R23-095 It was MOVED by Jon Krahn and SECONDED

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

CARRIED

2.0 BUSINESS ARISING/ACTION LIST

2.1 2023 & 2024 Board Calendar & Action Item

The 2023 & 2024 board calendars and action item list were presented for information.

Action: Staff to update names for meetings upcoming.

3.0 STAKEHOLDER ENGAGEMENT

3.1 EFC Update

An update on the matters of EFC and its committees was presented for information.

3.1a FRIT

The Free Run COP will be completed in 2024. EFC has struck a project team, chaired by Walter Siemens, to coordinate the implementation of this COP. The first meeting of the FRIT occurred on October 13, 2023, and included a review of, and agreement on, the project definition, project principles and project timeline.

The Board of Directors of the BC Egg Marketing Board

Minutes: Board of Directors Meeting

Date: October 26-27, 2023

3.2 Regional Reports

Updates from the regional representatives were presented for information.

3.3 IEC

Information was provided on the topics discussed at the IEC conference held in Lake Louise, Alberta on September 25-28, 2023. IEC also provided a Thank You letter for the wine sponsorship BC Egg provided at the Chairman's reception dinner.

3.4 WEMA Notes

On October 12, WEMA had an informal meeting where the provinces discussed the levy increase and increase to EFC buyback. The next meeting will be held in Abbotsford prior to December 14, 2023.

3.5 Marketing Update

An update was provided for information that included events held, traditional advertising and social media. The theme for the 2024 annual report was provided for feedback.

Action: staff to investigate food programs for at-risk children.

3.6 Conference & AGM Update

An update was provided on the keynote speaker and educational sessions. Stakeholders will be notified of the AGM; November 1 for sponsors and December 1 for producers.

3.7 Producer Christmas Party

BC Egg will be hosting the annual Producer Reception Party on Dec 5 at the Clarion hotel from 11am to 3pm. The Board agreed to proceed with the annual in person Producer Christmas Party with biosecurity precautions included in the announcement.

3.8 2026 Summer Meeting Update

Each year, provincial boards take turns hosting the National Producer Conference and in 2026, it will be BC Egg's turn to host. Two options were presented for the Boards consideration: Victoria or Whistler. Based on location of conferences being held 2023 and 2025 being in waterfront locations, Whistler would be the preference for the event.

3.9 CCFI Conference Notes

Information was provided for the topics discussed at the CCFI Public Trust Summit held in Toronto, Ontario October 17-18, 2023.

4.0 OPERATIONS

4.1 Quota Transfers

4.1a Producer A

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

R23-096 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the transfer of 18,198 units of Layer Quota from [REDACTED] to [REDACTED]. This is a transfer among Related Corporate Producers, therefore, in accordance with the Consolidated Order Part V

The Board of Directors of the BC Egg Marketing Board

Minutes: Board of Directors Meeting

Date: October 26-27, 2023

3(4)(b), a surrender of layer quota is not required.

CARRIED

Action: staff to follow up with the producer to better understand the timeline of events.

4.2 STTMQ Update

The Board received requests from two graders for expanded programming allowances within the ongoing Special Temporary Table Market Quota (STTMQ) program. When originally presented to the Board at the September 20 meeting, staff incorrectly assumed the request was for an upcoming 19 week placement and recommended a policy change to incorporate the STTMQ for free run white that ended on December 31, 2024, however, the request was for August 2024-August 2025.

R23-097 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the October 2023 version of the BC STTMQ Program as amended.

CARRIED

Action: staff to confirm how programs will work with allocations.

The Vancouver Island EPA joined the meeting at 2:58pm. The Board discussed new protocols provided by AG Safe, the upcoming price increase and fowl removal rates for the upcoming year.

Action: staff to add the recording of the AG Safe in the November Scrambler.

Action: staff to check rates producers to bill Pollon for catching and communicate to producers.

ADJOURNMENT

It was MOVED by Jeff Regier and SECONDED that the meeting be adjourned at 4:43pm.

October 27 - CALL TO ORDER

The Chair, Gunta Vitins, called the meeting to order at 9:30am.

4.0 OPERATIONS (CONTINUED)

4.3 Appeal Updates

4.3a Appeal A

At the June 8 meeting, the Board declined the Going Concern Transfer Request between [REDACTED] and [REDACTED] as it did not meet the criteria for a Going Concern Sale. BC Egg's documents were disclosed on August 12, 2023 and the appellant, [REDACTED], had their documents and witness list to BCFIRB by September 20, 2023. The appeal will take place virtually over 1.5 days from October 30 to 31.

The Board of Directors of the BC Egg Marketing Board

Minutes: Board of Directors Meeting

Date: October 26-27, 2023

4.3b Appeal B

Jon Krahn recused himself at 9:35:am.

In July 2023, ██████████ submitted a request to moult a flock in the summer of 2024. The request was declined by the Board as it did not meet the requirements of the Consolidated Order. A Notice of Appeal was sent to BCFIRB on August 18, 2023. The Board deliberated the information received from ██████████ and considered various options. The Board will be responding to the appellant.

Jon Krahn rejoined the meeting at 10:09am.

4.4 WEMA Comparison

The four provinces involved with WEMA are BC, Alberta, Saskatchewan and Manitoba. On average, Manitoba sends 45% of their production to the processor. To ensure that the western provinces can price without negatively impacting Manitoba, BC, AB and SK have agreed to cover some of the additional IP costs should Manitoba price above their COP. Information was provided on the factors that go into the calculation for how payments are derived.

Action: staff to add payments on the agenda items for the upcoming WEMA and include the history of payments.

4.5 ULPT Memo Signature

The ULPT memo was updated in 2023 to include a few clarifying statements that do not affect the intent of the policy. The updated ULPT Policy and Memo were approved by the EFC Board of directors on July 11, 2023.

R23-098 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approves the revised National Uniform Levy Policy and authorizes the Chair to sign the Memorandum of Understanding for the National Uniform Levy Policy.

CARRIED

4.6 CETPP Blend Updated for 2024

An update on the CETPP program for 2023 including the expected fund balance and blend rate was presented for discussion.

R23-099 It was MOVED by Matt Vane and SECONDED

THAT the Board approve the CETPP price adjustment for 2024 to be adjusted to a 5 cent deduction for conventional and 6 cent add on for enriched production.

CARRIED

4.7 2024 Budget Assumption

The 2024 draft budget was presented for discussion including programming recommendations.

4.7a 2024 Marcom Budget

The 2024 Marcom budget was presented for discussion.

The Board of Directors of the BC Egg Marketing Board

Minutes: Board of Directors Meeting

Date: October 26-27, 2023

4.8 CRA GST Audit Update

BC Egg had been selected for a GST audit for fiscal year's 2020-2022. The area of concern seemed to be the treatment of GST on BC's TAP programs and EFP service fee. Initially, the CRA wanted a backup of our SAGE software database, however, due to system limitations, SAGE is not able to backup specific years and would provide data beyond the scope of what was being requested. On June 20, a CRA IT auditor attended the BC Egg office to extract data for the years requested. On September 6, 2023 a response was received from CRA that preliminary work was completed and they were closing the audit as they did not find any areas of concern.

4.9 System Migration SOW Review

BC Egg's current IT system has become dated and is not adaptable to our reporting needs. Three companies provided proposals and demos for the Board to view the proposed platforms. After reviewing each system and the estimated costs, the Board approved Converge/Newcomp for the system migration. An updated SOW was presented for the Boards consideration.

R23-100 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approved management to sign the Statement of Work as amended.

CARRIED

4.10 EFC Buyback Increase

The buyback is added to the lesser of COP and producer price, paid to the provincial boards. On July 11, 2023 the EFC Board approved an increase in the buyback from \$0.04 to \$0.08, with the increase retroactive to Jan 1, 2023. At the August Board meeting, the decision regarding the increase in funds was deferred until the funds were received from EFC. The funds were received on September 21, 2023. The Board reviewed the options put forward by management regarding the increase, however, due to the ongoing discussions regarding the November price increase, the decision was deferred.

4.11 Producer B

A producer who purchased quota as a going concern has submitted a Quota Relocation form for the Board's consideration. The Board reviewed the Quota Relocation form and determined that it met the intent of the Consolidated Order.

R23-101 It was MOVED by Walter Siemens and SECONDED

THAT the Board approve the relocation of [REDACTED] Quota from the Independent Production Unit at [REDACTED] to the Independent Production Unit at [REDACTED] as requested.

CARRIED

4.12 Pricing

Provincial chairs and managers had a pricing call on October 26 to discuss the letter that was sent by Retail Council of Canada. Each province discussed their intentions regarding the upcoming price change that was announced to grades on October 11, 2023.

The Board of Directors of the BC Egg Marketing Board

Minutes: Board of Directors Meeting

Date: October 26-27, 2023

4.13 AI Update

Currently, four farms in the Fraser Valley have HPAI. The Board discussed the plan for audits outside the Fraser Valley, the planned SE Testing video shoot and the control zone mapping.

5.0 GOVERNANCE

5.1 Committee Minutes

5.1a June 6, 2023 EIAC Minutes

The June 6, 2023 EIAC minutes and meeting summary were presented for information.

5.2 FPTA Signature

The Ministry of Agriculture and Food (AGRI) and BC FIRB staff have been working with BC Egg over the last year to review the revised FPTA and ensure a full understanding of how the FPTA would impact producers and stakeholders. BC FIRB was the first to sign the FPTA (after EFC). The BC Ministry of Agriculture is working through the signature process as it requires an order-in-council.

R23-102 It was MOVED by Walter Siemens and SECONDED

THAT the Board approve the 2023 Federal-Provincial-Territorial Agreement for signature by the Chair and submission to Egg Farmers of Canada.

CARRIED

6.0 PERFORMANCE REPORTS

6.1 Dashboard

The Industry Reserve report was presented for information.

6.2 Financials

6.2a Period 9, 2023 Board & Committee Per Diems & Expenses

The Period 9 Board & Committee Per Diems & Expenses were presented for review.

R23-103 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Period 9 Board & Committee Per Diems & Expenses as amended.

CARRIED

6.2b AR Report

The AR report was presented for information.

6.2c Period 8, 2023 Financial Statement

The Period 8, 2023 Financial Statement was presented for review.

R23-104 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the Period 8, 2023 Financial Statements as presented.

CARRIED

6.2ci Cash Surplus policy

In 2018, the Board approved a Cash Surplus Policy addressing excess funds collected when programs are implemented under budget. The Audit & Finance Committee reviewed updates to the policy at the September 8 meeting. The Board reviewed the committee's recommendation regarding the updates.

R23-105 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the updates to the Surplus Cash Policy as amended.

CARRIED

R23-106 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve staff to transfer funds that are collected from producers in excess of what is remitted into a separate account to be considered during the budgeting process in the following year.

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.

Action: staff to add a cumulative YTD to the report.

6.3 Industrial Product

6.3a IP Report

The IP Report was presented for information.

6.3b Specialty Production

The summary detailing dozens specialty dozens graded over the past five years versus shipped to the processor was presented for information.

6.3c Specialty Buyback and Egg movement

The summary detailing dozens downgraded under the Specialty Buyback Program and interprovincial trades was presented for information.

Action: Staff to add a footnote on who is reporting.

The Board of Directors of the BC Egg Marketing Board

Minutes: Board of Directors Meeting

Date: October 26-27, 2023

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 Matt Vane and SECONDED that the meeting be adjourned at 2:11pm.



Board Vice-Chair



Certified Correct, Secretary