

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 11, 2024

Location: BCEMB Boardroom

BOARD IN ATTENDANCE: Al Sakalauskas, Chair
Walter Siemens, Vice-Chair
Jon Krahn, Board Member
Jeff Regier, Board Member
Derek Janzen, 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, Al Sakalauskas, called the meeting to order at 9:18 am.

The Chair welcomed Derek Janzen to the Board of Directors.

CONFLICT OF INTEREST

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

ADOPTION OF AGENDA

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

- 3.1 Financial Assignment

1.0 APPROVAL OF MINUTES

1.1 Approval of Minutes of February 15, 2024

R24-030 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Minutes of February 15, 2024 as presented.

CARRIED

1.2 Approval of Minutes of February 28, 2024

R24-031 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the Minutes of February 28, 2024 as presented.

CARRIED

2.0 BUSINESS ARISING/ACTION LIST

2.1 2024 Board Calendar & Action Item

The 2024 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.

Action: Staff to compare how BC and other provinces present their financial statements and notes in annual reports.

3.2 Regional Reports

Updates from the regional representatives were presented.

Action: Staff to provide producer contact information for the Interior and Island producer reps.

3.3 Committee Reports

Updates from the committee chair representatives were presented for information.

3.4 AGM Meeting Notes

Notes from the Grader and EPA meetings held at the AGM were presented for information.

3.5 Board AGM Feedback

Staff presented the survey questions to be sent to producers to collect feedback from conference and AGM attendees for discussion.

Action: Staff to determine how many producers attended both the AGM and EPA meetings.

Action: Staff to bring the feedback from the survey to the May meeting.

3.5a Education Session Questions

Operations staff prepared and presented an education session for producers at the AGM. A summary of questions asked at both sessions was presented for information.

3.6 Marketing Update

An update was provided for information that included traditional advertising and social media campaigns.

Action: Staff to confirm the requirements on presenting financials in annual reports.

4.0 OPERATIONS

4.1 HPAI IP Recovery Program

Between October 20, 2023 and February 8 2024, there has been a total of 54 cases of HPAI detected in poultry flocks, 11 of the 54 HPAI Infected Premises have impacted sites which house layer or layer pullets. Staff presented proposed amendments to the program for consideration.

Action: Staff to prepare and at the May Board of Directors Meeting present an amended HPAI IP Recovery Program which incorporates the feedback discussed by the Board.

4.2 Capacity & Inventory Review

To ensure quota received is being produced, BC Egg has developed a barn capacity tool to assist in decision making when considering program development in order to reach 100% utilization.

Action: Staff to amend the Barn Capacity summary sheet.

4.3 NPP Request

BCEMB has received a request from a 2023 NPP winner requesting an increase to their initial allotment which was presented for review.

R24-032 It was MOVED by Walter Siemens and SECONDED

WHEREAS ██████████ was successful in our 2023 NPP program granting their corporation 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 ██████████, due to exceptional market circumstances, has requested an exemption for the Board to increase their initial allotment up to 1,500 quota units.

THAT the Board of Directors approve ██████████ request to commence its NPP production with up to 1,500 layers. Per the 2023 NPP Policy guidelines, to maintain their initial allotment ██████████ will be required to maintain marketing 75% of their production on a rolling average basis over a 12-month period.

CARRIED

4.4 Allocation Request

The equal distribution component of the February 6th quota allocation was restricted to one equal distribution per Registered Producer and per Egg Production Unit. There were two unique situations where two producers house their quota at a single location. These two unique situations each received one equal distribution.

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The EPA has received a request from the producers at one of the Egg Production Units, requesting access to the equal distribution for both produces and to be grandfathered for future increases of that nature. BCEMB has received a request from a producer to reconsider the equal distribution rules.

R24-033 It was MOVED by Jeff Regier and SECONDED

WHEREAS on February 6, 2024 the Board of Directors passed a motion that the Board of Directors approve the distribution of a 5.146% pro-rata increase to all qualifying Registered Producers plus one 200 quota unit equal distribution per Egg Production Unit and per qualifying Registered Producer currently in good standing with the BCEMB Consolidated Order, effective February 11, 2024. The 208,507 quota units available for the allocation have been obtained through the 2023 EFC allocation increase of 209,504 quota units, with the remaining 997 quota units set aside in BC Egg's Quota Reserve to meet reserve program requirement needs.

WHEREAS this 200 quota unit equal distribution is the third of the three part of Multi-Allocation Plan; with part one being the 100 quota unit equal distribution allocation that occurred in 2019, and part two being a 150 quota unit equal distribution allocation that occurred in 2021.

WHEREAS both [REDACTED] and [REDACTED] qualified for the 100 and 150 quota unit equal distribution.

WHEREAS both registered producers [REDACTED] and [REDACTED] have their Egg Production Unit located at the [REDACTED] and therefore qualified for one 200 quota unit equal distribution.

WHEREAS registered producers [REDACTED] and [REDACTED] have submitted a request to receive access to the 200 quota unit equal distribution for both farms.

THAT the Board of Directors approve both [REDACTED] and [REDACTED] to have access to the 200 quota unit equal distribution allocation.

WHEREAS registered producers [REDACTED] and [REDACTED] have submitted a request to be grandfathered for future quota allocations, requesting that both registered producers are considered eligible on any equal distributions in the future.

THAT the Board of Directors decline the request from [REDACTED] and [REDACTED] to be grandfathered. If equal distribution is utilized a method of distribution on future allocations, the Egg Production Unit will have the same stipulations as all BC Egg registered producers.

And:

WHEREAS the Board of Directors have provided the opportunity for two registered producers to access the 2024 equal distribution of 200 quota units where both registered producers were located on one Egg Production Unit.

THAT the Board of Directors approve both [REDACTED] and [REDACTED] to have access to the 200 quota unit equal distribution allocation. If equal distribution is utilized as a method of distribution on future allocations,

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the Egg Production Unit will have the same stipulations as all BC Egg registered producers.

CARRIED

4.5 NPP Producer Request

██████████ was successful in the 2022 NPP draw. They were the first winner under the current NPP format, which meant their restrictions included that they must be located outside lower mainland, their initial quota offerings are limited, and they maintain a minimum of 75% self-marketing of their production. Staff provided information regarding the dozens sold to the marketplace confirming that ██████████ is maintaining their 75% self-vending requirement.

4.6 On-Farm Visits

The current Avian Influenza outbreak has put BC Egg on-farm audits/visits on hold. Staff presented an update including the operational plan to resuming on-farm visits and environmental sampling.

5.0 GOVERNANCE

5.1 Committee Minutes

5.1a A&F November 28, 2023 Minutes

The minutes from the November 28 2023 A&F Meeting was presented for information.

5.2 EFC Nominations

The upcoming EFC elections of officers and standing committee members for 2024-2025 will be held on Wednesday, March 27, 2024. Nominations will be accepted up to close of business (5pm EST) on Thursday, March 21, 2024.

The Board has nominated the following:

- Budget – ██████████
- Marketing & Nutrition – ██████████
- Non-Director from Industry – ██████████
- Research Committee – ██████████

5.3 2024 Strategic Planning Session

The current strategic plan was from 2020 to 2025. The groundwork was completed in 2019 and it is time to refresh the plan. Staff presented an update for information. The update and review to the strategic plan will commence in June 2024.

5.4 EIAC Grader Appointment

██████████ first term on the EIAC expired and the BCEPC requested ██████████ be his replacement. To ensure grader/processor members on the EIAC are representative of all graders/processors in BC, the Board reappointed ██████████. Golden Valley has requested some clarification on the EIAC processor appointments.

Action: Staff to reply to Golden Valley's inquiry on the EIAC appointment.

5.5 Board Declarations

Every BC Egg Board and Committee member must complete a yearly declaration, 2024 declarations were provided to the Board prior to the meeting. Once all statements have been signed by the Chair, they will be filed with BC Egg.

6.0 PERFORMANCE REPORTS

6.1 Dashboard

The Industry Reserve report was presented for information.

6.2 Financials

6.2a Period 1, 2024 Board & Committee Per Diems and Expenses

The Period 1 Board & Committee Per Diems & Expenses were presented for review.

R24-034 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the Period 1,2024 Board & Committee Per Diems & Expenses as presented.

CARRIED

6.2b AR Report

The AR Report was presented for information.

6.2c Period 1, 2024 Financial Statement

The Period 1, 2024 financial statements were presented for information.

R24-035 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the Period 1, 2024 Financial Statements as presented.

CARRIED

Action: Staff to change to Quota Exchange to Quota Exchange & NPP Deposits.

6.2d Grader Incentive Program

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

6.2e ULPT

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

6.3 Industrial Product

6.3a IP Report

The IP Report was presented for information.

Action: Staff to determine the buyback for each province based on production & IP.

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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.

7.0 MEETINGS HELD & UPCOMING

7.1 2024 Meetings Held

The 2024 meetings held were presented for information.

7.2 2024 Meetings Upcoming

The 2024 upcoming meetings were presented for information.

ADJOURNMENT

It was MOVED by Walter Siemens and SECONDED that the meeting be adjourned at 2:19.pm



Board Chair



Certified Correct, Secretary