

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: May 9-10, 2024

Location: Seymour Salon, Prestige Harbourfront

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
Amanda Brittain, Director of Communications & Marketing
Nicole Thompson, Executive Assistant

CALL TO ORDER

The Chair, Al Sakalauskas, called the meeting to order at 12:37pm on May 9, 2024.

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 presented.

1.0 APPROVAL OF MINUTES

1.1 Approval of Minutes of March 11, 2024

R24-036 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Minutes of March 11, 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.

The Board discussed the timeline and process for barn measurements.

Action: Staff was requested to provide a report with the age of barns and equipment.

3.0 STAKEHOLDER ENGAGEMENT

3.1 EFC Update

An update on the matters of EFC and its committees were presented, including the consensus around the table at FRIT with an MOU to be completed next and the preliminary directions for EFP and NORT.

3.2 Regional Reports

Updates from the regional representatives were presented.

3.3 Committee Reports

Updates from the committee chairs and representatives were presented, including an update on offers to purchase the CAF building.

3.4 Marketing Update

An update on marketing campaigns and school programs were presented.

3.5 AGM Overview

Based on the survey results from the 2024 AGM and conference, options for future conferences were presented.

The Board reviewed the survey results from the 2024 conference and agreed to hold a Friday conference in Vancouver with a Thursday evening reception for 2025.

Action: Staff was directed to bring hotel and programing options for the 2025 AGM and conference to a future meeting.

3.5a Financial Statements in Annual Report

A question was raised as to whether the financial statements are required to be included in the Annual Report. Based on legal advice and after reviewing the Egg Marketing Scheme, it appears there are no set requirements.

The Board of Directors of the BC Egg Marketing Board

Minutes: Board of Directors Meeting

Date: May 9-10, 2024

The Board agreed the financial statements do not need to be included in the annual report and should instead be included as a handout at the AGM.

3.5b Hot Seat Question Follow Up

Two questions were asked during the Board Hot Seat at the 2024 AGM regarding ownership of eggs after pick up and the timeline for grading the eggs. A legal opinion was obtained and included in the supporting documents for review.

The Board reviewed the legal opinion and agreed with the recommended changes.

R24-037 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the first reading of Amending Order 001.

CARRIED

3.6 National/Provincial Meeting Notes

Board members and staff attended national and provincial meetings. Notes from the meetings were included for information.

The Board discussed COGA funding and programming.

3.6a EFC Vision 2020

EFC's Vision 2020 was presented for information.

3.7 Governing in Public Interest

The Board Chair attended a Governing in Public Interest meeting, and a verbal update was presented for information.

3.8 Strategic Planning Update

BC Egg will be undergoing a full refresh of its Strategic Plan in 2024. As part of the refresh, interviews and a survey will be conducted. A list of attendees for both items were presented for discussion.

The Board reviewed the attendee lists and discussed topics to be included in the sessions.

3.9 MAF Industry Project Development Think Tank

MAF and Industry have initiated an Industry Project Development Think Tank with feedback from CFIA to determine desired research outcomes related to disease entry to poultry farms and spread. The first meeting was held on April 24, 2024, and notes from the meeting were presented for discussion.

3.10 Video Release

A video was released on April 23, 2024. A brief update was presented for information.

The Board discussed the lessons learned and educational aspect.

4.0 OPERATIONS

4.1 Quota Transfers

4.1a Producer A

J. Krahn recused himself from the topic.

A producer has submitted a shareholder change request. The supporting documents were presented for review.

R24-038 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors grant final approval for the shareholder changes at [REDACTED] and the deemed transfer of [REDACTED] units of Layer Quota from [REDACTED] to [REDACTED] [REDACTED] [REDACTED] and [REDACTED].

CARRIED

4.1b Producer B

A producer has submitted a quota transfer request. The supporting documents were presented for review.

R24-040 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors grant final approval for the transfer of all units of Layer Quota from [REDACTED] to [REDACTED].

CARRIED

4.1c Producer C

A producer has submitted a quota transfer request. The supporting documents were presented for review.

R24-041 It was MOVED by Derek Janzen and SECONDED

THAT the Board of Directors grant final approval for the share structure changes at [REDACTED].

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WHEREAS the [REDACTED] sole beneficiaries [REDACTED] and [REDACTED] hold the proportional same ownership in both farms, [REDACTED] and [REDACTED] will be considered a Business Unit.

CARRIED

The Board of Directors of the BC Egg Marketing Board

Minutes: Board of Directors Meeting

Date: May 9-10, 2024

4.1d Producer D

A producer has submitted a quota transfer request. The supporting documents were presented for review.

R24-042 It was MOVED by Jon Krahn and SECONDED

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

CARRIED

4.1e Producer E

W.Siemens recused himself from the topic.

A producer has submitted a quota transfer request. The supporting documents were presented for review.

R24-043 It was MOVED by Jeff Regier and SECONDED

WHEREAS [REDACTED] currently holds [REDACTED] quota units.

WEHEREAS [REDACTED] has submitted a Going Concern Transfer which does not meet any exemptions detailed in Part V 3(3) of the Consolidated Order; requiring a surrender of [REDACTED] quota units on June 21, 2024 transfer date.

WHEREAS the Consolidated Order Part V 2(9) only allows a Registered Producer to transfer up to 80% of their total Layer Quota holdings through a Going Concern Sale, permitting [REDACTED] to transfer a maximum of [REDACTED] quota units to a transferee.

THAT the Board of Directors conditionally approve the Going Concern Sale of [REDACTED] quota units along with the Egg 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 July 5, 2024;
- An updated State of Title Certificate for the IPU is provided when available and no later than August 2, 2024; and

THAT following the Going Concern Transfer, the remaining [REDACTED] units of layer quota held by [REDACTED] are offered for Sale on the next available Provincial Quota Exchange which the Egg Board runs quarterly in accordance with Part VI of the Consolidated Order.

As the transfer does not meet any of the exemptions detailed in Part V 3(3) of the Consolidated Order a surrender of [REDACTED] quota units is required.

CARRIED

4.2 Producer QC Request

J Krahn recused himself from the topic.

A producer is asking to be eligible to follow the regular quota credit policy during the downtime for their flock that is currently assigned to the HPAI Infected Premise Recovery Program.

The Board reviewed the HPAI Infected Premise Recovery Program and agreed the request does not fit within the program.

R24-039 It was MOVED by Jeff Regier and SECONDED

WHEREAS on April 8, 2024 [REDACTED] requested to receive quota credits for the regular downtime of [REDACTED] hens that on December 7th, 2023, were approved to moult under the 2023 HPAI Infected Premises Recovery Program;

THAT the Board of Directors upholds the HPAI Infected Premise Recovery Program as outlined and declines [REDACTED] request for special consideration to earn quota credits.

CARRIED

4.3 Producer Audit Request

A producer has raised concerns regarding EFC's Measurement Protocols which impact the EFC Redeveloped Animal Care Program.

The Board discussed the producer's concerns and agreed to obtain legal advice which will be provided to the PMC for review.

Action: Staff was directed to bring the producer's letter to the next PMC meeting and provide a legal opinion at the next board meeting.

4.4 Going Concern Questions

The Consolidated Order of December 31, 2023 contains an updated definition for Going Concern transfers. Staff have received questions from producers regarding the new definition and would like clarity from the Board.

The Board agreed with staff's interpretation.

Action: Staff was directed to update the quota transfer decision tree document.

4.5 HPAI Recovery Program

Presently the HPAI IP Recovery Program is distributed and completed by producers who are placing spent fowl flocks following an on-farm HPAI positive result. At previous meetings, the Board had discussed including options to determine when molting would be appropriate. A draft program with the proposed changes was included for review.

The Board of Directors of the BC Egg Marketing Board

Minutes: Board of Directors Meeting

Date: May 9-10, 2024

R24-044 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the BC HPAI Infected Premises Recovery Program, dated May 10, 2024, as presented.

CARRIED

ADJOURNMENT

The meeting was adjourned at 4:26pm on May 9, 2024.

CALL TO ORDER

The Chair, Al Sakalauskas, called the meeting to order at 8:26am on May 10, 2024.

4.6 NPP Review Committee Selection

The Board of Directors approved a 2024 draw to select up to two New Producer Program applicants. The draw is now open and options for the review committee were presented for discussion.

The Board discussed the review process and committee list for the 2024 draw. Concerns raised by a previous NPP entrant were also discussed.

R24-045 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the NPP committee list as presented, with [REDACTED] as an alternate.

CARRIED

4.7 2024-2025 TAP B

Annually in May/June the Board of Directors make a decision on a potential TAP B quota pool available for the upcoming 12 month period. The recommendation from the EIAC was presented for review.

The Board reviewed the analysis provided and discussed programs that could impact quota.

R24-046 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors authorize the TAP Pool B program for usage from June 30, 2024 to June 28, 2025 for 95,000 quota units.

CARRIED

4.8 2025 Production Sleeve

Each May, a semi-annual review of the production sleeve is conducted to determine if the BC Egg Production Sleeve running from December 29 through to June 28 needs to be adjusted or if it can remain at its current rate (6%).

The Board reviewed the analysis and requested additional information to be reviewed at the June meeting.

Action: Staff was directed to provide additional scenarios for review.

The Board of Directors of the BC Egg Marketing Board

Minutes: Board of Directors Meeting

Date: May 9-10, 2024

4.9 EFC Auditor

BC has consistently experienced challenges with the conduct and delivery of the audit program by one of EFC's auditors. A background of the concerns and a draft letter to EFC were presented for review.

The Board discussed that all auditors should conduct the audit in the same manner and agreed with the letter as amended.

Action: Staff was directed to amend and send the letter to EFC.

4.10 EFC CAR Issue

EFC staff have communicated their interpretation of a memo EFC sent to Egg Boards, which could significantly impact producers unless carefully monitored and addressed.

The Board reviewed the information and discussed the next steps.

Action: Staff was directed to bring the memo to the PMC and arrange a meeting with the EFC PMC.

4.11 Allocation Policy Consultation

BC Egg has completed its three year multi-allocation plan and does not presently have an allocation policy. A consultation process and letter were presented for discussion.

The Board reviewed the draft consultation and agreed with the concepts presented.

Action: Staff was directed to send the letter to the EPA and EIAC.

4.12 Small Lot Permit Application

Staff have conducted a review of the Small Lot Permit Application form and are recommending updates. The amended form was presented for review.

The Board agreed with the recommended changes.

4.13 STTMQ

A grading station has written a letter to the Board endorsing a producer's request for extended lay. Amendments to the STTMQ program were presented for discussion.

The Board reviewed the request and the current program.

R24-047 It was MOVED by Derek Janzen and SECONDED

Whereas BC will be above 100% utilization as of Week 26, 2024;

Whereas the April 11, 2024 request from [REDACTED] was in regards to only one producer;

THAT the Board of Directors decline the extension of the STTMQ program.

CARRIED

The Board of Directors of the BC Egg Marketing Board

Minutes: Board of Directors Meeting

Date: May 9-10, 2024

4.14 Financial Statement Comparison

Deferred until the June meeting.

4.15 Operating Line Increase

The DEFT Settlement riskline amount is not sufficient to cover weekly production payments requiring the bank to provide special authorization each week for the payments to be approved.

R24-048 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the DEFT Settlement riskline be increased by \$3.75 million to a total of \$10 million.

CARRIED

4.16 AMPs

In 2023, BCFIRB required all commodity boards and commissions to implement Administrative Monetary Penalties (AMPs). On March 20, 2024, Staff receive an email from FIRB providing an update on the program. It appears that BC Egg may not require AMPs and can instead continue with existing programming as it should cover all requirements.

4.17 SE Update

A BC Egg producer experienced a spike in mortality which he submitted to the lab for testing that resulted in a positive for Salmonella Enteritidis. An update on the situation was presented for information.

4.18 Fowl Removal

With changes to programming, the stunner is no longer an acceptable option for fowl removal. Options for the equipment were presented for discussion.

The Board provided direction to staff for selling the stunner.

Action: Staff was directed to provide an update on the Lower Mainland fowl removal contract in the fall.

4.19 CEIRA Letter

CEIRA is undergoing a stakeholder consultation on their business interruption insurance options. Draft responses to their survey were presented for discussion.

The Board reviewed options for a response and agreed to request feedback from the EPA and PMC.

Action: Staff was directed to send the CEIRA letter to the EPA and PMC for feedback.

4.20 EFC Audit Letter

On April 30, 2024, BC Egg received a letter from the EFC PMC regarding SE Testing and On-Farm Visits. A draft response to the letter was presented for review.

The Board reviewed the EFC letter and discussed the next steps. It was agreed that the letter should be sent as presented.

The Board of Directors of the BC Egg Marketing Board

Minutes: Board of Directors Meeting

Date: May 9-10, 2024

4.21 PGC Working Group

PGC is looking to establish a Joint Working Group with representatives across Canada and EFC to develop a proposal for expanded national pullet representation. Feedback from the Western provinces was provided for discussion.

The Board agreed that they are not interested in conducting the industry consultation at this time.

4.22 BC EOC

Based on the current levels of board staff and producer participation in the EOC, the EOC Director put forward a proposed a change to the current EOC structure.

The Board reviewed the recommendation, discussed producer participation and agreed that middle ground should be found between board staff and producer involvement.

5.0 GOVERNANCE

5.1 Board and Chair Performance Surveys

Each year the board completes Board and Chair Performance Reviews. A proposed timeline and list of questions were presented for discussion.

The Board agreed with the timeline and questions provided.

Action: Staff was directed to request COMB conduct the surveys.

5.2 Women in the Egg Industry

EFC is in the process of recruiting for the 2024 cycle of the Women in the Industry Program. Nominations for the program were presented along with a draft EFC Producer Program Selection Policy for review.

R24-049 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the EFC Producer Program Selection Policy.

CARRIED

R24-050 It was MOVED by Jeff Regier and SECONDED

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

CARRIED

5.3 Committee Meeting Minutes

5.3a November 28, 2023 A&F Minutes

The November 28, 2023 A&F minutes were presented for information.

5.3b December 20, 2023 PMC Minutes

The December 20, 2023 PMC minutes were presented for information.

5.3c December 14, 2023 EIAC Minutes

The December 14, 2023 EIAC minutes were presented for information.

5.3d December 19, 2023 EIAC Minutes

The December 19, 2023 EIAC minutes were presented for information.

5.3e January 25, 2024 EIAC Minutes

The January 25, 2024 EIAC minutes were presented for information.

5.4 EIAC Performance Survey and Committee Composition

W. Siemens abstained from the discussion.

The EIAC Terms of Reference requires a yearly committee performance and member satisfaction survey. The results from the 2024 survey were presented for information. In addition, the committee composition was reviewed to determine any perceived conflicts of interest.

The Board reviewed the Terms of Reference and discussed the conflict of interest.

R24-051 It was MOVED by Jon Krahn and SECONDED

WHEREAS the Chair has become a director of Fresh Start and is no longer perceived as independent.

THAT the Board of Directors rescind the appointment of [REDACTED] as Independent Chair of the EIAC.

CARRIED

Action: Staff was directed to bring the EIAC committee composition back to the June meeting.

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.

The Board of Directors of the BC Egg Marketing Board

Minutes: Board of Directors Meeting

Date: May 9-10, 2024

6.2 COP

The COP report was presented for information.

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.

Action: Staff was directed to review ROL on the report and provide additional information.

6.5 Producer Utilization Update

The Producer Utilization update was presented for information.

6.6 Active Leases

The Active Leases report was presented for information.

6.7 Barn Capacity

The Barn Capacity report was presented for information.

7.0 MEETINGS HELD & UPCOMING

7.1 2024 Meetings Held

The 2024 held meetings 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 12:32pm on May 10, 2024.



Board Chair



Certified Correct, Secretary