

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: September 10, 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
Nicole Thompson, Executive Assistant

CALL TO ORDER

The Chair, Al Sakalauskas, called the meeting to order at 8:59am.

CONFLICT OF INTEREST

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

ADOPTION OF AGENDA

It was **MOVED** by Derek Janzen and **SECONDED** that the agenda be adopted as presented.

1.0 APPROVAL OF MINUTES

1.1 Approval of Minutes of August 14, 2024

R24-098 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Minutes of August 14, 2024 as presented.

CARRIED

2.0 BUSINESS ARISING/ACTION LIST

2.1 2024 and 2025 Board Calendar & Action Item

The 2024 and 2025 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 the FPTA, Heart for Africa and BART.

The Chair and Executive Director met with a grader on September 9, 2024. A verbal summary from the meeting was provided, including an update on their market needs.

The Board discussed ways to inform and incentivize producers to meet market needs.

3.2 Regional Reports

Updates from the regional representatives were presented, including feedback regarding the quota exchange.

The Board discussed the quota exchange program in other provinces.

Action: Staff was directed to provide additional information to producers regarding how reserve quota is used.

3.3 Committee Reports

Updates from the committee chairs and representatives were presented.

The Board agreed to have an informal meeting with the newly appointed EIAC chair.

3.4 Strategic Planning Update

The full refresh of BC Egg's Strategic Plan has been completed. Staff have reformatted the strategic plan for review.

The Board reviewed the Strategic Plan and provided minor amendments.

R24-099 It was MOVED by Derek Janzen and SECONDED

THAT the Board of Directors approves the 2025-2029 Strategic Plan as amended.

CARRIED

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3.5 BCFIRB Meeting

The BCEMB Board will be meeting with the BCFIRB Board on September 12, 2024. The draft presentation was provided for review. An update on the October 21, 2024 BCFIRB meeting was also presented.

The Board reviewed the presentation and provided additional amendments.

4.0 OPERATIONS

4.1 NPP Quota Request

A 2023 New Producer Program winner has requested their maximum NPP issuance. The request was presented for review.

The Board reviewed the producer's request and the intention for the program.

R24-100 It was MOVED by Jeff Regier and SECONDED

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

THAT the Board of Directors approve ██████████ request to increase its NPP production to the maximum issuance of 3,000 layers in May 2025. Per the 2023 NPP Policy guidelines, to maintain their initial allotment, ██████████ will be required to market 75% of its production on a rolling average basis over a 12-month period.

CARRIED

W. Siemens abstained from voting.

4.2 Going Concern Lease Program

At the June 26, 2024 Board of Directors meeting, the Board discussed the impact of the 80:20 rule on purchasers of Going Concern Sales. The Board agreed to make a going concern lease available to any purchaser of going concerns since the 80:20 rule became effective January 1, 2024. The draft program and Amending Order were presented for review, along with the application form.

R24-101 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the policy document and application form for the Going Concern Temporary Allotment Program.

CARRIED

R24-102 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the second reading of Amending Order #002 of the December 31, 2023 Consolidated Order as presented.

CARRIED

R24-103 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the Going Concern Quota Transfer form as presented.

CARRIED

4.3 Quota Exchange Summary

Due to the number of going concern sales that occurred in June and July 2024, quota was available for the September Quota Exchange. The exchange occurred on September 4, 2024 and the quota will transfer on October 2, 2024. An update on the process was presented for information.

4.4 Quota Exchange Program

The 80:20 rule has resulted in BC Egg's first quota exchange since January 2022 for the Interior, and the first exchange with quota available in the Lower Mainland since December 2017. Based on an internal review of the process, staff recommended minor changes for discussion.

The Board reviewed the concepts presented and agreed that producers should also be consulted for feedback.

Action: Staff was directed to obtain feedback on the process from the EPA and producers.

4.5 Producer Number Changes

A BC Egg Registered Producer applied for an additional producer licence for a second parcel of land. At the August board meeting, it was discussed that due to new and evolving quota management tools and policies, a review of the Consolidated Order should be conducted to ensure sound marketing. Based on the results, a legal opinion on the matter was obtained and an Amending Order was presented for review.

R24-104 It was MOVED by Derek Janzen and SECONDED

THAT the Board of Directors approve the first reading of Amending Order 003 of the December 31, 2023 BC Egg Marketing Board Consolidated Order.

CARRIED

Action: Staff was directed to clarify what same class means when notifying producers.

4.6 Quota Allocation

BC Egg has completed its multi-allocation plan. Based on the industry consultation and recommendations from the EPA and EIAC, a draft Allocation Policy was presented for consideration.

The Board agreed the policy should be reviewed once every five years.

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R24-105 It was MOVED by Derek Janzen and SECONDED

THAT the Board of Directors approve the BC Egg Marketing Board Quota Allocation Policy as amended.

CARRIED

W. Siemens and J. Regier abstained from the vote.

J. Krahn opposed the motion.

4.6a September Allocation 2024

FPCC approved the National Allocation increase on August 13, 2024, which was ratified by EFC on August 23, 2024. A National increase to our federal quota will occur in Week 37, 2024. As a result of this increase, BC has received a provincial allocation to distribute to registered producers.

The Board is in support of staff's recommendation.

R24-106 It was MOVED by Walter Siemens and SECONDED

WHEREAS on August 23, 2024, Egg Farmers of Canada ratified a National Quota Allocation increase of 1,360,332 layers for the country, which was approved by the Farm Products Council of Canada (FPCC) on August 13, 2024.

THAT the Board of Directors approve the distribution of a 5.806% pro-rata increase with a minimum issuance amount of 100 units to all qualifying registered producers currently in good standing with the BCEMB Consolidated Order, effective September 8, 2024. The 211,378 quota units available for the allocation have been obtained through the 2024 EFC allocation increase of 198,221 quota units, plus 13,157 quota units obtained through the accumulation of surrender of layer quota collected on non-exempt transfers, which exceed BC Egg's 55,000 Quota Reserve Policy needs.

CARRIED

4.7 NPP Draw Update

The Board of Directors approved a 2024 draw to select up to two New Producer Program applicants. The draw was conducted on September 9, 2024 and the two winners drawn. An update on the program was presented for information.

4.8 CFIA Consultation: Labelling of egg alternatives

On August 6, 2024, BC Egg received an email from EFC regarding a CFIA consultation on labelling of egg alternatives. Notification of the consultation was sent to all producers in the September Scrambler.

4.9 EOC Update

The EOC Director has proposed a change to the current EOC structure. The four feather chairs and managers met on September 4 with the EOC director and representatives from the BCPA to discuss the proposed reorganized EOC structure. An update from the meeting was presented for discussion.

The Board agrees to appoint [REDACTED] as the BC Egg representative for the EOC governance board.

4.10 System Migration Update

BC Egg is in the process of developing a new reporting system and is in the testing phase. An update on the progress and next steps were presented for information.

4.11 Cyber Attacks

BC Egg's best practices regarding information management, technology and cyber security as outlined in the Crown Agencies Secretariat report, have been reviewed. An overview was presented for information.

5.0 GOVERNANCE

5.1 Regulated Marketing Economic Policy Review

BCFIRB is engaging with all regulated agriculture commodity boards to recommend that the BC Ministry of Agriculture and Food review the 2004 Regulated Marketing Economic Policy (RMEP). As a first step, BCFIRB has asked the commodity boards to complete a questionnaire, which was presented for review.

The Board agreed with the questionnaire responses presented.

5.2 Policy Review

5.2a Producer Rebate Policy

The Producer Rebate Policy was created in 2018. Staff have suggested minor amendments which were reviewed and recommended by the A&F Committee at their September meeting.

R24-107 It was MOVED by Jeff Regier and SECONDED

THAT the Board of Directors approve the update to the Producer Rebate Policy as presented.

CARRIED

5.2b IP Pool Closure Policy

Staff have suggested minor amendments to the IP Pool Closure Policy which were presented for review.

R24-108 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the amended IP Pool Closure Policy as presented.

CARRIED

5.2c Spokesperson Policy

Staff have suggested minor amendments to the Spokesperson Policy which were reviewed and recommended by the MarComm Committee at their June meeting.

R24-109 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the amended Spokesperson Policy as presented.

CARRIED

6.0 PERFORMANCE REPORTS

6.1 Dashboard

The Dashboard report was presented for information.

6.2 Financials

6.2a Period 7, 2024 Board & Committee Per Diems and Expenses

The Period 7 Board & Committee Per Diems & Expenses were presented for review.

R24-110 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Period 7, 2024 Board & Committee Per Diems & Expenses as amended.

CARRIED

6.2b AR Report

The AR Report was presented for information.

The Board discussed the SE flocks and current solutions for the eggs.

6.2c Period 7, 2024 Financial Statement

The Period 7, 2024 financial statements were presented for information.

The Board discussed the ULPT fund balance and how it is determined.

R24-111 It was MOVED by Derek Janzen and SECONDED

THAT the Board of Directors approve the Period 7, 2024 Financial Statement as presented.

CARRIED

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.

Action: Staff was directed to provide the non producer ULPT collections.

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6.3 Industrial Product

6.3a IP Report

The IP Report was presented for information.

6.3b Specialty Production

The summary detailing 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 record of meetings held was presented for information.

7.2 2024 Meetings Upcoming

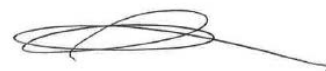
The 2024 record of upcoming meetings was presented for information.

ADJOURNMENT

It was MOVED by Jon Krahn and SECONDED that the meeting be adjourned at 1:48pm.



Board Chair



Certified Correct, Secretary