

RED RIVER COOPERATIVE LTD.
MINUTES OF THE 83rd ANNUAL GENERAL MEETING
April 22nd, 2021

REGISTRATION

All members registered in advance by April 15, 2021 in order to sign in to the virtual annual meeting and participate with voting and question period. In preparation for the meeting all registered members received the Draft Agenda and the 2020 Annual Report, by secure email communication.

1. CALL TO ORDER

During the 2020 Annual General Meeting (AGM) the members ratified the motion passed by the Board of Directors on May 4, 2020, to amend the by-laws by adding in the new Section 10.11 permitting electronic meetings. With the continued pandemic restrictions surrounding public gatherings the Board felt a virtual meeting was required to keep everyone safe. The meeting was held on April 22, 2021 and streamed live from the head office of Red River Co-op.

President Ward Weisensel called the meeting to order at 7:00 pm.

2. WELCOME AND INTRODUCTIONS

W. Weisensel, on behalf of the Board of Directors and Management, welcomed the initial 78 registered members and 13 guests to the AGM and confirmed that quorum was achieved (note: after 7 pm there were 88 registered members). He thanked the members for their attendance, participation and their support of their Red River Co-op gas bars, food stores and pharmacies.

He shared that with the challenges of a virtual AGM, the Board of Directors would make and second all motions to be voted on, and explained how registered members would be called upon to vote throughout the meeting and how questions were to be submitted for question period.

He introduced fellow Directors, Glenn Williams Vice-President, Kristen Wittman Secretary Jim Huggard, Anna Maria Magnifico, Gary Timlick and Donna Zwarich. Also in attendance, Chief Executive Officer Doug Wiebe, Chief Financial Officer Susan McLean and Executive Assistant René Baker acting as recording secretary for the meeting.

K. Wittman acted as the parliamentarian for the 83rd Annual General Meeting.

3. ADOPTION OF AGENDA

W. Weisensel stated the meeting would conclude before 8:15 pm.

Motion that the agenda for the 83rd Annual General Meeting of Red River Cooperative Ltd. be adopted as presented.

Moved:	Ward Weisensel	#198348
Seconded:	Kristen Wittman	#106089

60 registered members voted: 60 in favour/0 against **Carried**

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4. MOMENT OF SILENCE

A moment of silence was observed to acknowledge those who experienced loss and to remember all Co-op members who passed this last year.

5. ADOPTION OF MINUTES OF THE 82nd ANNUAL MEETING

Director Kristen Wittman referred the members to the 82nd Annual General Meeting draft minutes provided for their review prior to the meeting. Members were asked if there were any questions in regards to business arising from the minutes to submit via the “ask a question” button and it would be addressed during question period.

Motion that the minutes of the 82nd Annual Meeting of Red River Cooperative Ltd. be adopted as received.

Moved:	Kristen Wittman	#106089
Seconded:	Ward Weisensel	#198348

67 registered members voted: 67 in favour/0 against Carried

6. BOARD OF DIRECTORS’ REPORT

W. Weisensel referred the members to the detailed reports included in the 2020 Annual Report booklet, highlighting points within the reports:

- Reduced demand tied to the pandemic restrictions lowered consumption of fuel across our system. The UNIFOR strike at the Federated Co-operatives Ltd. (FCL) refinery was a factor in lower fuel volumes. Overall fuel consumption fell more than 15% (65 million litres) from fiscal 2019. During the first lockdown in March of 2020 fuel consumption at RRC facilities fell by as much as 50% of the previous year's volumes.
- Red River continues to modernize their food store facilities; the newly renovated St. Vital food store is complete; and the Lorette and Gimli food stores are receiving upgrades.
- The St. Norbert food store opened in February 2021; and construction of the Seasons of Tuxedo food store began in fall of 2020.
- Major gas bar repair and maintenance projects were postponed due to the pandemic. Red River did move forward with the Selkirk rebuild and the construction of the new location at Lagimodiere and Cottonwood.
- Over the past 5 years, patronage of \$156 million has been paid to the members.
- The Board approved donations of over \$185,000 to community organizations. A full listing of the organizations that Red River supports can be found on the website.

W. Weisensel concluded by thanking the membership for their continued support of their co-op.

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7. RETAIL REPORT

Doug Wiebe, Chief Executive Officer introduced the Executive Leadership Team and presented the Retail Report, sharing Red River Co-op's 2020 accomplishments, focus, goals and continued areas of commitment;

- D. Wiebe acknowledged the numerous challenges of 2020; the labour dispute at the FCL refinery and the pandemic. Gas bars sales were greatly impacted with a decline in volumes of up to 50% from 2019 volumes during the lockdown period associated with the pandemic.
- The challenges of 2020 had a major impact on Red River's earnings and the level of patronage we were able to share with the members.
- The Food Division had a positive contribution and contributed to the overall success of Red River Co-op and increased the amount of equity and cash back the members received.
- In 2020, Red River introduced Click and Collect at all Winnipeg food stores and, the Carwash App was piloted for the co-operative retailing system.
- Red River will install 4 EV charging sites at locations in Winnipeg in 2021. This will assist Red River in understanding this new commodity for the future.
- Red River's culture and commitment to their employees was recognized as Red River was identified as one of Manitoba's Top Employers.
- With the completion of the St. Norbert food store and the construction of Seasons of Tuxedo food store, Red River will have 9 food stores.
- The upgrade of all Energy Assets will be completed by the end of 2021 including the Selkirk gas bar and the new construction of the Lagimodiere Blvd. gas bar.
- Red River continues to support local, by providing more than 600 local products amounting to \$12 million in sales annually.
- D. Wiebe acknowledged and thanked the efforts of all Red River Co-op employees.

8. PRESENTATION OF AUDITED FINANCIAL STATEMENTS

Susan McLean, Chief Financial Officer, presented the Financial Statements for the year ending October 31, 2020. Throughout the report members were asked to refer to the financial statements provided in the 2020 Annual Report provided prior to the meeting.

- S. Mclean reviewed Management's Responsibility to the preparation and presentation of the financial statements and highlighted points of the financial statements noting the positive contribution of the food division.
 - Sales: The decline in sales reflects the impact of significant events in 2020; the FCL labour dispute, the pandemic resulting in work from home orders, and the significant drop in the price of fuel. The lower sales in the energy sector were somewhat offset by the sales increase from the food division. The food division sales increased 16% over 2019.
 - Gross margin: The increase of \$1.7 million from 2019 was mainly from the increased growth in the food division.
- S. McLean explained the new Loyalty Program which is based on the commitment to purchase 90% of total goods from FCL. Red River Co-op met

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D. Wiebe responded: Members qualify for the Senior's discount at age 60. Red River Co-op does not issue new cards to members each year. Including personal information, such as indicating a member's age, would be a personal information security concern. D. Wiebe stated management will follow up with cashier procedures to ensure age qualifying members do not miss out on their discount.

4. Member # 290342 Fred Horbaty (Submitted: 07:04:47 pm)
What is the timing for the installation of the planned EV charging stations in 2021 and what are the locations?

D. Wiebe responded: There is not an official start time to date; the plan is to start this summer. The locations will be St. Norbert, Charleswood and Bridgwater gas bars. Red River is finalizing the St. Vital gas bar/food store location. Further sites to be included in phase 2.

5. Member #233652 Dwight Drummond (Submitted: 07:07:52 pm)
Will the EV charging stations have 4 charging stations per Co-op?

D. Wiebe responded: Each of the four Red River Co-op locations will have two units - each unit having two charging lanes – physically allowing each location to charge up to four vehicles at any given time.

6. Member #220587 Chasta Neufeld (Submitted: 07:13:01 pm)
What is Red River Co-op's long-term strategy to adapt to the changing energy market, specifically vehicles and their changing energy sources?

D. Wiebe responded: Our first entry into the alternate energy business is the EV super charging sites. Red River continues to work with their wholesaler, Federated Co-operative, to explore other alternate energy sources, such as hydrogen and/or natural gas.

7. Member #203159 Marlene Boersch (Submitted: 7:11:12 pm)
Was the RRC grocery division profitable in the past fiscal year?

D. Wiebe responded: As indicated in the Retail Report the food stores achieved a positive contribution plus additional patronage from FCL. We had a strong year from the food division. RRC has invested extensively in new locations, and new upgrades in our existing facilities. Selkirk and Stonewall will receive upgrades in the next fiscal year. RRC is happy with the performance of the food division and results are in line with the feasibilities approved by the board.

8. Member #304285 Marlene Boersch (Submitted: 07:13:02 pm)
How come we continue to lose market share in the gas bar business?

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11. MOTION TO APPOINT EXTERNAL AUDITORS FOR 2021 FISCAL YEAR

Donna Zwarich, Chair of the Audit Committee, thanked the Red River finance team, the FCL internal audit team, and MNP external audit team. D. Zwarich advised that Management and the Board of Directors were pleased with the level of service provided and the ease of communication with all teams involved.

Motion to approve MNP as external auditors for 2020-2021 fiscal year.

Moved:	Donna Zwarich	#33023
Seconded:	Ward Weisensel	#198348

67 registered members voted: 66 in favour/1 against **Carried**

12. NEW DIRECTOR INTRODUCTIONS

Prior to introducing the new directors W. Weisensel thanked retiring director Jim Huggard for his contributions to the Co-operative Retailing System and the Red River Co-op board. J. Huggard was a Red River Co-op director since 2016.

W. Weisensel reported the challenges of running an election during the pandemic. This year the new director endorsement process was introduced. Two vacancies were available and only two candidates let their names stand. The newly acclaimed directors for the two vacant positions are Glenn Williams* and Shirley Mayadewi.
(* – signifies incumbent)

13. ADJOURNMENT

W. Weisensel thanked the membership for their attendance, participation and supporting their co-op. He thanked management and staff for all their efforts this past year, as well as for their preparations for the AGM. W. Weisensel thanked his fellow Directors for their dedication to do what is in the best interest for the co-op and its members.

K. Wittman, member # 106089 moved to adjourn the meeting at 8:07pm.