

**RED RIVER COOPERATIVE LTD.
MINUTES OF THE 82nd ANNUAL GENERAL MEETING
JUNE 11th, 2020**

REGISTRATION

All members registered in advance by June 4, 2020 in order to sign in to the virtual annual meeting and participate with voting and question period. In preparation to the meeting all registered members received the Agenda, 2019 Annual Report, and the bylaw amendments by secure email communication.

1. CALL TO ORDER

An Order made by the government under the Emergency Measures Act allowed Red River Co-op to hold the 82nd Annual General Meeting (AGM) electronically. The meeting was held on June 11th, 2020 and streamed 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 65 registered members and 16 guests to the AGM and confirmed that quorum was achieved (note: after 7 pm there were 80 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 in attendance, Kristen Wittman, Secretary, Donna Zwarich and Directors attending virtually, Glenn Williams Vice-President, Marlene Boersch, Jim Huggard, Anna Maria Magnifico. Also in attendance, Chief Executive Officer Doug Wiebe, and Executive Assistant René Baker recording secretary for the meeting.

3. ADOPTION OF AGENDA

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

Motion that the agenda for the 82nd Annual General Meeting of Red River Cooperative Ltd. be adopted as presented.

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

54 registered members voted: 54 in favour/0 against **Carried**

4. MOMENT OF SILENCE

A moment of silence was observed in memory of those members who passed this past year.

5. ADOPTION OF MINUTES OF THE 81st ANNUAL MEETING

RED RIVER COOPERATIVE LTD.
MINUTES OF THE 82nd ANNUAL GENERAL MEETING
JUNE 11th, 2020

Director Kristen Wittman referred the members to the 81st Annual General Meeting draft minutes provided for their review prior to the meeting in the 2019 Annual Report booklet and on the Red River Co-op website. Members were asked if there were any questions in regards to business arising from the minutes to submit via the questions button and it would be addressed during question period.

Motion that the minutes of the 81st Annual Meeting of Red River Cooperative Ltd. be adopted as received.

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

48 registered members voted: 48 in favour/0 against **Carried**

6. BOARD OF DIRECTORS' REPORT

W. Weisensel referred the members to the detailed reports included in the 2019 Annual Report booklet, highlighting points within the reports:

- Red River Co-op paid \$33.7 million in cash to the membership in February 2020. Over the past 5 years patronage of \$167.9 million has been paid to the members.
- In 2019, Red River Co-op added an additional food store in Gimli, Manitoba.
- The reconstruction of the St. Norbert food store is slated to open in early 2021; and construction of the Seasons of Tuxedo food store to begin in 2020.
- Red River continues to modernize their facilities; St. Vital food store is expected to be completed later in 2020.
- Red River Co-op is focused on local issues and concerns. Red River Co-op is locally vested in the community, providing the members with quality products from local suppliers.
- The Board approved donations of over \$180,000 to community organizations. A full listing of the organizations can be found (in the annual report booklet and) on the website.

D. Wiebe acknowledged the retirement of Judy Yeo, CFO in April 2020. He thanked her for the many years of service to Red River Co-op and the Co-operative Retailing System and wished her the best in her retirement.

W. Weisensel concluded by thanking the membership for their continued support of their Red River Co-op.

7. RETAIL REPORT

Doug Wiebe, Chief Executive Officer introduced the Executive Leadership Team and presented the Retail Report, sharing Red River Co-op's 2019 accomplishments, focus, goals and continued areas of commitment;

- D. Wiebe reported Red River Co-op grew and provided strong returns to the members, with member allocations of \$37.8 million.
- Red River continues to support local, by providing more than 600 local products amounting to \$10 million in sales annually.

RED RIVER COOPERATIVE LTD.
MINUTES OF THE 82nd ANNUAL GENERAL MEETING
JUNE 11th, 2020

- Supporting local with community giving; proceeds from the 2019 Fuel Good Day raised close to \$72,000 for the Children's Hospital Foundation.
- Red River continues to invest in facilities, offer new services and will evolve to stay relevant to our members.
- Management continues to support Red River Co-op employees with opportunities to develop and advance within Red River Co-op.
- With the completion of the St. Norbert and Seasons of Tuxedo food stores Red River will have 9 food stores.
- The upgrade of Energy Assets is to be completed by the end of 2021 with the new construction of a gas bar on Lagimodiere Blvd to begin in 2021.
- Red River continues to monitor the energy market and the trends to better serve its members, today and in the future.
- On behalf of management and the board, D. Wiebe acknowledged the families affected by the pandemic of 2020 and the financial toll it has had on local business.

8. PRESENTATION OF AUDITED FINANCIAL STATEMENTS

Susan McLean, Chief Financial Officer, presented the Financial Statements for the year ending October 31, 2019. Throughout the report members were asked to refer to the financial statements provided in the 2019 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: With increased growth in the food division sales increased 28% over 2018. Red River saw an increase in litres sold however the deflation in petroleum pricing resulted in lower sales dollars.
 - Gross margin: An increase of 7.6% over 2018 resulted mainly from the increase in the food division.

9. AUDIT REPORT

Jeff Eckstein, CPA, CA and Partner with Myers Norris Penny, and Lead Engagement Partner of the Red River Co-op audit reported, with the assistance of the FCL internal audit team, confirmed that the audit was completed in an effective and efficient manner. J. Eckstein confirmed MNP received the full cooperation and support from Management, the Audit Committee and the Board of Directors throughout the process. The Independent Auditors Report is included on pages 21-22 of the 2019 Annual Report booklet. J Eckstein reported, based on the audit procedures performed, that the financial statements of Red River Cooperative Ltd. are fairly presented as at and for the year ended October 31, 2019. This is an unmodified or clean audit opinion.

10. APPROVAL OF REPORTS AND QUESTION PERIOD

Motion that the 2019 Board of Directors' Report, Retail (Energy Division, Food Division and Human Resources Division), Finance and Audit Reports be approved as presented.

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

**RED RIVER COOPERATIVE LTD.
MINUTES OF THE 82nd ANNUAL GENERAL MEETING
JUNE 11th, 2020**

What is the strategy to support the transition to electric vehicles by members?
Charging stations?

D. Wiebe responded: To date, Red River has one charging station at the Red River Co-op Dryden Gas Bar, a Tesla supercharging site. Between 2020-2021 Red River will be installing 4 universal supercharging stations at 4 different locations within the city as part of the Western Canadian Corridor for the Co-operative Retailing System.

6. Member #197550 Sheila Snider (07:29:54 pm)
Will you be maintaining the one-way aisles and distancing going forward?

D. Wiebe responded: Yes, it is Red River Co-op's intent to maintain this strategy until we are through the pandemic. This will be the new norm for the unforeseeable future.

11. MOTION TO APPOINT EXTERNAL AUDITORS FOR 2019 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 Meyers Norris Penny (MNP) be appointed as external auditors for 2019-2020 fiscal year.

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

57 registered members voted: 55 in favour/2 against **Carried**

12. BY-LAW CHANGES

- a. **Electronic Meetings** (This bylaw amendment was made available to the membership on the Red River Co-op website the week of May 4, 2020 and was part of the documents received with registration.)

K. Wittman advised the members that amendments may be adopted by the Board of Directors provided the amendment is ratified by the members at the AGM. With the current pandemic situation, on May 4, 2020 the board approved an amendment to permit members to attend and participate in future AGMs via electronic communication. The bylaws, at present, do not permit electronic meetings and tonight's meeting is pursuant to an Order made by the government under the Emergency Measures Act. The main change is to allow members to participate in future AGMs via electronic communication.

**RED RIVER COOPERATIVE LTD.
MINUTES OF THE 82nd ANNUAL GENERAL MEETING
JUNE 11th, 2020**

The Board requests ratification from the members of a motion passed by the Board of Directors on May 4, 2020, to amend the by-laws by adding in the new Section 10.11.

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

To allow for discussion members were given one minute to submit questions for discussion on this bylaw amendment.

No questions were submitted.

61 registered members voted: 60 in favour/1 against **Carried**

- b. **Special Reserves** (Notice of this amendment was included in the member package mailed February 20, 2020, on the Red River Co-op website the week of March 4, 2020, and was part of the documents received with registration.)

W. Weisensel provided an overview of the purposes of the General reserves and the Special reserves. The changes being proposed to special reserves will allow funds to be used to enhance future allocations beyond the actual profits of Red River Co-op in a particular year.

Motion to approve the amendments to by-law 1.01, 9.02, 9.03 and 9.10 as presented.

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

To allow for discussion members were given one minute to submit questions for discussion on this bylaw amendment.

Question:

1. Member #0315540 Liz Cronk (08:00:20 pm)
Can I assume that the ultimate goal is to hold in person AGMs when we are in a non-pandemic situation?

W. Weisensel responded: It is dependent on the situation next year and future years. He requested members to complete the survey they will receive by email to help plan future meetings.

2. Member #0315540 Liz Cronk (08:07:45 pm)
Can you explain that in more simple terms, please?

W. Weisensel responded: This bylaw would allow the board the ability to increase the allocation in years when local earnings or patronage from FCL are low, where the Board felt it necessary to do so to be competitive and maintain market share. In other words, the Board could increase the patronage paid to Red River Co-op membership by accessing the Special reserves.

**RED RIVER COOPERATIVE LTD.
MINUTES OF THE 82nd ANNUAL GENERAL MEETING
JUNE 11th, 2020**

3. Member #304285 Kirt Ansell (08:10:11 pm)
Does Red River feel that next year's equity will be substantially less, likely due to Covid19 and the refinery strike, that it is necessary to use special reserves the following year to boost the members equity allocations?

W. Weisensel responded: There was a drop in demand on the fuel side which affects Red River Co-op's local earnings and that same drop in demand affects the earnings of the refinery. We are expecting earnings to be lower this year.

62 registered members voted: 58 in favour/4 against **Carried**

13. DIRECTOR ELECTION RESULTS

D. Ward, Deputy Returning Officer, reported on the election activities and results. D. Ward explained his primary role was to oversee the voting process, and ensure its accuracy and integrity. D. Ward outlined the process of the election and timelines that were adhered to and discussed the verification, safety, and security process of the ballots. He ensured that member confidentiality was protected throughout the process, and certified that the 2020 Board of Directors Election process was properly conducted in all aspects. This was the first year of online voting.

D. Ward's report included the following results:

The results were as follows:

Total eligible voters		293,849
Mailed ballots returned	7,363	
Online ballots	2,768	10,131
Spoiled ballots	229	
Valid ballots		9,902

Candidates	Votes Received
(Alphabetical Order)	
Boersch, Marlene*	3,669
Taylor, Sonya	2,624
Timlick, Gary	5,668
Wittman, Kristen*	6,773

Gary Timlick and Kristen Wittman* were declared elected.

14. MOTION TO DESTROY THE BALLOTS

Motion that the ballots of the 2020 election be destroyed.

Moved: Dale Ward #89165

**RED RIVER COOPERATIVE LTD.
MINUTES OF THE 82nd ANNUAL GENERAL MEETING
JUNE 11th, 2020**

Seconded Ward Weisensel

#198348

54 registered members voted:

53 in favour/1 against

Carried

W. Weisensel resumed the chair thanking Dale Ward for his dedication and thorough report of the election process and tabulation.

Weisensel congratulated the elected Directors, Gary Timlick and Kristen Wittman. A special thank you to Marlene Boersch and her 11 years of service on the Red River Cooperative Ltd. Board of Directors.

15. ADJOURNMENT

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

W. Weisensel adjourned the meeting at 8:25pm.