

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

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**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 82<sup>nd</sup> Annual General Meeting (AGM) electronically. The meeting was held on June 11<sup>th</sup>, 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 82<sup>nd</sup> 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.

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**5. ADOPTION OF MINUTES OF THE 81<sup>st</sup> ANNUAL MEETING**

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.

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

**7. RETAIL REPORT**

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.

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.

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- Red River continues to support local, by providing more than 600 local products amounting to \$10 million in sales annually.
- 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.*

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

59 registered members voted: 59 in favour/0 against **Carried**

**DISCUSSION**

Questions received by registered members via online submission.

There were no questions received regarding matters arising from the 81st AGM minutes.

1. Member #82712 Paul Andre (07:05:50 pm)  
Why don't you post your diesel price at the gas bar?

D. Wiebe responded: Red River conforms with city bylaws in terms of allowable square footage to advertise at each of our sites. Red River does identify locations that do sell diesel but not the price. Management made the decision to promote gasoline pricing. Red River made the decision to advertise services of the gas bar site, carwash, convenience store, lottery to help drive volume.

2. Member #39476 Dwight Stewart (07:09:01 pm)  
Do we have any gasohol (ethanol) in our fuel?

D. Wiebe responded: Yes, depending on the fuel there are varying degrees; up to 10% in regular gas; 5% in midgrade and 0 in premium allowing owners of high-performance vehicles the ability to purchase premium gas.

3. Member #39476 Dwight Stewart (07:09:01 pm)  
Did the strike at our refinery (FCL refinery) in Regina affect our co-op?

D. Wiebe responded: Definitely Red River was impacted through secondary picketing which we saw in declines in volume. The biggest impact was due to the disruption from blockades not the allowing us (Red River Co-op) to access fuel at the Shell and Esso terminals in Winnipeg, resulting in some of our sites having to shut down. D. Wiebe was unable to share the financial impact at this time.

4. Member #0315540 Liz Cronk (07:15:03 pm)  
I would like to add my thanks to those employees who have been on the front lines, those who have attended work day after day to keep our members & the public fed while some of us were able to be at home. Thank-you!

D. Wiebe thanked Liz for the positive comments.

5. Member #290342 Fred Horbaty (07:19:21 pm)  
What is the strategy to support the transition to electric vehicles by members?  
Charging stations?

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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.

*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



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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
Spoiled ballots	-229
Valid ballots	9,902

<b>Candidates</b>	<b>Votes Received</b>
(Alphabetical Order - *designates Incumbents)	
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
Seconded	Ward Weisensel	#198348

54 registered members voted: 53 in favour/1 against **Carried**

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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.

APPROVED