

## Mark Morton – President, Board of Directors

Good Evening ladies and gentlemen, welcome everyone to the 93<sup>rd</sup> Annual Meeting of TVC. I am Mark Morton your board chair. As we begin our Annual General Meeting, we acknowledge that our meeting is held on the ancestral lands of Treaty 2 and 4 and the Homeland of the Metis.

At this time, I would like to pause for a moment of silence, to honour our members recently departed. As well keeping the people of Ukraine in our hearts and minds.

Thank you

A little story to start:

Our 5 year old granddaughter started Kindergarten in the fall and the teacher was asking the kids what they wanted to be when they grow up. She got the usual replies, a fireman, a doctor, an astronaut. When she came to our grand daughter who looked very worried and asked her what she wanted to be she replied. I don't even know what I want to be for Halloween yet I'm only 5!!!

Well onward and upward, I guess.

At our last annual meeting, I remarked on how strange it was having an AGM virtually, Dwayne, Ashley, Angele and myself in the office talking to you over the computer, no smiling faces, not much feed back, oh how I missed the in-person meeting. Even though we are back to in person we are still broadcasting virtually so people can join if they couldn't make it here tonight. If you are joining virtually, please mute your mic to prevent feed back, raise your hand then unmute to ask your question or make, or second a motion

I will remind everyone that if you are moving or seconding a motion or asking a question please start with your name. I might be able to see you and I may even know who you are, but our secretary will be madly taking notes and probably won't see who is talking. So please start with your name, if you don't know it, ask the person beside you.

Moving on:

At this point I would call for adoption of the agenda please can I have a mover for the agenda?

Minutes of the last annual meeting were provided with the financial statements as you came in the door or sent out with the virtual invite. Can I Have a mover for the minutes?

How blessed are we to be living in a country where someone isn't trying to shoot you and bury you in a mass grave or shelling and bombing you daily? Where the worst we have to live with is if we have to wear a mask or not. Ever since the second world war especially on Remembrance Day we say never again and lest we forget. Well, some of us have forgotten, and we need to hold the pressure on the politicians and world leaders, we need them to fix this mess in Ukraine, or it will get out of hand. For our part we must not become complacent and numb to this conflict. If we do the Ukraine will be Putin's first step, he has already said he plans to rebuild the former Soviet Union. Then what? We share a border with this asshat. And don't think for one minute that a little snow and ice will bother him. Well, that's my little rant I'm no Rick Mercer but there it is.

Since our last annual meeting we as a board have been fairly busy, we have met 13 times most of them by WebEx, we managed a board tour of all of our facilities. And not least of all a day long planning session with senior management. I would commend the board for their good attendance to these meetings as well as their avid interest and participation, an organization such as this can not operate in a vacuum. We are made up of a board of nine directors from 6 zones in our trading area, but for the last years we have been short 1 director from our north west zone. Here is where I would like to introduce your board of directors of Twin Valley Co-op please stand and acknowledge our members. Jim Boucher, Jean Hogarth, Manley Mackendenski, Kendall Heise, Diana Brydon, Barb Stambuski, and Mark Humphries oh ya and I guess me. If you see these people in the street talk to them, we want to hear your thoughts your ideas especially about this Co-op.

Last year I spoke about how unique the year before had been masks, sanitizers, partitions, social distancing, more cleaning and more sanitizer all the things people have come to hate but were necessary. Well, I'm happy/sorry to say most of those precautions will be around for a while yet. Covid has not been defeated and is rearing its ugly head for a 6<sup>th</sup> wave. We as an organization will follow the provincial mandates whatever they may be, it is not our intent to enhance the spread this disease. Or endanger our members and staff. If the mandates are reintroduced or when they are lifted that's where we will be.

Here is where I would once again like to thank our staff and management for going above and beyond, for their hard work and dedication in keeping our stores well stocked and running smoothly. Shortages notwithstanding, I know they will do their best to keep inventory, but somethings are just out of their control and I ask for patience and understanding from our members. Staff once again thank you.

As we move through, what... year 3 of this pandemic and vaccination programs are coming up on the 4<sup>th</sup> dose it looks like we are learning to live with this problem. What does that mean, learning to live with it? Well I think it means being flexible, that means if we have to lock down again we do, if opportunities arise in adding business lines or

amalgamation we need to be ready and willing to at least take a look at that opportunity, if our friends and neighbours need help...we help. And I don't just mean our neighbour Co-ops I mean our friends and neighbours sitting next to us.

I think we as a Co-op are positioned for some real growth. Ashley is going to come up here in a bit and go over the last year financials. I think they look pretty good but make no mistake if we stand back and bask in the glory, the train that is our competitors will run right over us, we must keep moving forward.

Dwayne is going to come up and review the last year and maybe go over some upcoming projects and ideas that we are all pretty excited about.

But I also think there are some segments of our community that we are overlooking, I think we need more representation from those segments, I feel we have the same values and aspirations. How do we bring them along so they become loyal members and in turn can benefit from our Co-op advantages? Namely local jobs, local community donations and cash back. A say in how this business is run and a share in its profits.

Everyone has a different answer to that question. But if you are feeling part of one of those segments or have ideas how we can bring them into the fold so to speak please share those ideas with any of your Directors, management or staff.

Now I borrowed this last bit from last years address, but I thought it was worth saying again.

My hope is that our members will see Twin Valley Co-op for the essential service that it is and continue to support us to the upmost. Other members hope that TVC can continue to meet their growing demands in a timely and cost-effective manner. But no matter your view this organization only thrives when everyone pulls together, supports one another and works toward a better tomorrow for our communities and everyone in them. That is the definition of Co-op after all.

In closing from the Board of Directors, we want to thank our staff for their hard work in keeping this whole organization clean and safe, full and operating. And we want to thank our members each and everyone whole heartedly for their support of Twin Valley Co-op.

## Dwayne Moncur – General Manager, Twin Valley Co-op

Hello and welcome our AGM. It's great to meet in person again.

As you can see, we were \$1.5M short of \$100M in sales for the year, so close.

We were quite proud of the fact that we surpassed \$90M for the first time in 2020, and then to have another year over that threshold. Of course, commodity pricing had an effect, but we also experienced real growth.

We have budgeted to exceed \$100M in 2022 but, we will see how that goes as commodity shortages continue in all departments. Supply issues will likely be with us for some time.

Several initiatives have taken place since we've last had the opportunity to meet.

We are just nicely into year 2 of the Co-op Ag Equipment venture that was formed with the Valleyview Co-op, a separate business from both Co-ops.

This dept is unique as a member's purchase can go through either Valleyview or Twin Valley Co-op however, the new dept is included in the TVC operating statement. Reconciliation will take place quarterly between the retails.

The team has been expanded as sales continue to increase and more work will be completed in-house, ie: our own bin crew. Last year was 3<sup>rd</sup> party, there were some difficulties associated with that.

The year has started well, sales are above budget at this time. The addition of the web page has helped to promote this business and it is on other forms of social media.

- Construction started last year on a new chem shed in Rossburn and just recently was placed in use. This will be a welcome addition as it will allow for more product on site as well as year-round storage of chem and seed.
- New gas pumps installed at the Elkhorn Home Centre location.
- The cardlock was removed from the Russell Gas Bar this past fall as the new cardlock was opened at the bulk plant.
- LED lighting upgrades in many locations.

We have identified other upgrades that we expect to take place in 2022. As most of you may be aware, it was announced recently that TVC will be building a new food store in Russell. This has been a long process, the first feasibility I was involved with took place in 2012 and I know that it had been discussed prior. However, the hurdles have been cleared and we will proceed.

The tendering process will take place after the engineered drawings have been completed. We will select a contractor and hope to get started this year. Of all the things that could hold us up, it could be refrigeration equipment. It appears that there are really only 2 suppliers, we could experience delays. We would like to order as quickly as possible as it could be 12 months plus to get equipment.

Our goal is to have construction start late summer with an opening sometime in 2023. The food store will be located west of the gas bar as we were able to purchase a large area of property right beside it.

We are excited to partner with Fusion Credit Union on this project.

Lots of excitement about what the future holds in store for us, we continue to explore opportunities for growth. There are a few things that are in discussion for future development, we will keep you posted.

There were 2 roles that we have discussed many times over the past years. We were finally able to remove them from our “to do” list.

Technology was a priority this past year as several initiatives were introduced by FCL in 2021, and more to come over the next couple of years. We had to upgrade much of our equipment to be able to implement the upgrades and will continue to do so, but also made us seriously consider hiring an IT person to lead us through the change and be able to address interruptions when needed.

As well, whenever we had issues .... and we had issues, it could bring us to a standstill. We used Andy Klein of Mudrock Technologies in Russell when needed but it was unfair to expect he would drop everything for us. We are pleased that we could come to an agreement and hired Andy on a full-time basis last fall.

Health and Safety has been a priority for years however, it was administered for the most part by HR and Dept Managers. Last fall we hired Robert Bonchuk to fill that role. He has many years of experience in that category and has helped reduce the workload of others.

We are very pleased to be able to continue to support local organizations and service groups. Our YAHH Community Fund Program has donated to various initiatives throughout our trading area. This is for the donation requests that are out of the scope of the regular requests we receive; a decision is made internally as to what category a request would fall into. These are reviewed by the Board of Directors in the Spring and Fall, and a decision made as to whether or not it meets the guidelines that have been developed. For more information, please refer to our website.

We are well represented through Social Media ie: Facebook, Twitter, Instagram, Website, Co-op App, and radio.

Our total Member Relations distribution for the year was \$70,000. Down from the previous year as not much was happening. As well, our team volunteered a total of 739 hours despite the restrictions.

We will be sending out equity cheques on Monday Apr 11, a total of \$1.1 million. Thanks to your support, we are pleased to be able to continue to give cash back to our members again this year.

Our team is looking forward to being able to hold Member Relations events again throughout our trading area. The Kids Club activities will start again.

So many changes over the past 2 years and difficulties still ahead of us. I have to say that it has been good to remove our masks.

If there is a positive out of this, we did get good at Zoom, WebEx, Teams and whatever else is out there for virtual meetings. It certainly has reduced expenses as far as travel etc. is concerned. It has also reduced meeting length as well.

The restrictions may relax but we have decided that some things will remain such as the plastic shields at our locations and I see that sanitizing is still taking place.

I remember when we closed the Birtle Food Store and Russell Gas Bar and had them cleaned throughout because of the possibility of Covid. That seems so long ago, it was a panic. Covid amongst our team members has occurred at all our stores, we aren't surprised about it anymore. However, we don't feel it's any less serious.

I would like to thank everyone in the TVC organization for their due diligence of following the recommended restrictions and procedures, making sure the information was forwarded to all, answering questions, and dealing with those that didn't agree with the rules.

Welcome to those that are new to TVC, we are glad to have you. Congratulations to those of you receiving milestone awards. And thank you to all our team for the great job you do. You are good brand ambassadors for the Co-op.

To the board of Directors, forward thinking. Lots of exciting things coming up .... thanks

To our members, thank you for your support and helping to make TVC the success it is!

## Jean Hogarth – Director, Twin Valley Co-op

### Federated Co-operatives Ltd, Annual Meeting Conference - Delegate Report

Good evening!

Along with Mark Morton and Jim Boucher, I was a Twin Valley Co-op delegate to the Federated Co-operative Limited (FCL) Conference on February 27<sup>th</sup> and 28<sup>th</sup>. Because the event was held virtually again this year, all directors were invited to attend, and Diana Brydon and Mark Humphries took advantage and were able to hear the latest updates as well.

#### **Information Sessions**

Even though the meeting was held virtually, Sunday was still a day-long information session. It started with the Board of Directors' Report, followed by the Resolutions Committee Report. Of course, due to the virtual nature of the meeting, the logistics of 450 people debating motions wasn't possible, but questions were encouraged and answered.

Next was a closed business meeting with FCL's Senior Leadership Team. All ten leaders shared their 3 areas of Strategic Focus for 2022 and we were provided the opportunity to ask questions.

FCL's full 2021 Annual Report is available online at [www.fcl.crs](http://www.fcl.crs). Some highlights include:

- ✓ FCL is owned by 164 independent local retail co-ops with nearly two million members in 620 communities which help fuel, feed, grow and build Western Canada. Its 3,300+ employees support our retailers via strategy and leadership, wholesaling, manufacturing, logistics, operations, business enabling services and marketing support
- ✓ FCL experienced a record year for sales in its fertilizer, crop protection, seed, and home and building solutions business lines, with strong performances in food and energy. Financial highlights:
  - \$9.1 billion sales (a 14% increase over 2020)
  - \$548 million net income
  - \$353 million patronage allocations
  - \$113 million share redemptions
- ✓ \$5 million was invested to expand the Brandon fertilizer terminal which increased storage capacity by more than 30% to a total of 36,500 metric tonnes
- ✓ FCL won 3 awards from the Canadian Agri-Marketing Association for its marketing on helping local producers grow their businesses and feed their families
- ✓ Online shopping at [build.crs](http://build.crs) was piloted at four stores with more to come
- ✓ Co-op partnered with Indigenous communities to develop the new and exclusive

- Western Nations gas bar brand, supplying and supporting independent, local owned Indigenous gas bars across Western Canada, including the one opened last month in Brandon owned by Gambler First Nation.
- ✓ Fuel Good Day raised \$595,000 which was donated to more than 195 organizations. Our local efforts grew to \$3,150 which, along with an additional \$1,500, was donated to day care programs in our communities

### **District Caucus Meetings**

Monday started by touching base with directors at other retail co-ops in our District Caucus Meetings. I also had the pleasure of acting as recording secretary for the meeting. Our District 5 had one director term expiring. Sharon Alford was re-elected by acclamation.

### **Annual Meeting**

The 93<sup>rd</sup> Annual Meeting of FCL began with keynote addresses by President and Chair of the Board Sharon Alford, and Chief Executive Officer Scott Banda.

286 delegates from 131 member retail co-ops formally received and approved the 2021 FCL Annual Report, which included the auditors' report and the audited consolidated financial statements. MNP LLP, Chartered Accountants were appointed as auditors for the October 31, 2022 fiscal year.

In recognition of CEO Scott Banda's retirement, a tribute video was shown highlighting comments from some of the people he has worked with in his 20 years at FCL.

All 4 of the resolutions presented were passed:

- R1 Regular procedural Items
- R2 Director Remuneration – after no change in 2021, the FCL annual retainer increased by 1.75% and the daily per diem by 1.67%
- R3 Indigenous Education – in 2022, FCL will make available an Indigenous educational component for employees and retail board members
- R4 Resolutions Committee: Terms of Reference amended to meeting annually to select a Chair and review its Terms of Reference.

Finally, following the meeting, Sharon Alford was re-elected FCL's President/Chair of the Board. She was first appointed president in 2019.