

Welcome Everyone to our 2019 AGM.

We appreciate your patience as this is third time we have scheduled our AGM, we may have to get used to this in the future.

John has reviewed the financial information, I just wanted to touch base about our sales for the year.

We were on our way to eclipsing \$90 million in sales for the first time ever when the rain started last fall and harvest came to a halt. It had a detrimental effect on fertilizer sales; however, it makes for a busy spring. perhaps this year we will pass that number.

Petroleum was hit hard as well; we just weren't selling any litres. At the end of the year total Bulk litres were down 575,000 or 5%.

A number of other commodities were down but of course we would feel it most in Agro and Petroleum as they make up 67% of our total volume. Some other commodities were flat or up a bit.

2019 started off with Elkhorn being a priority. If you remember, a decision had been made to consolidate the Food and Hardware stores beginning our 2019 fiscal year. Both locations would be under one roof, the Food store. A couple of community meetings were held for further discussion and it was decided that both locations would be were left open.

With input from the community some changes were made to both of the stores and since then, the support has been good. Major resets took place and the feedback has been positive. Both saw increased sales and bottom line improvements. Our team worked hard to get the stores on the right track.

The Birtle Gas went through a huge upgrade that saw us move from a cardlock/house card system. We added a new pump that allowed us to go to retail system that ties into the tills inside the store. As well, the other pumps are truly operated as a cardlock now. People are now able to get quicker service at the pumps.

Another major upgrade was the installation of new checkouts at the Birtle Food store, this made for more room at the front and quicker customer service

Some stores received cosmetic upgrades ie: painting and lighting. Moving forward we will continue to monitor our assets and upgrade as necessary.

We are truly excited to be finishing up the new cardlock at the new Bulk plant in Russell, hope to be in operation by the middle of October. The reason I bring this up is that initial discussions took place 4 years ago, finally things fell into place.

As a point of interest, the current cardlock at the Russell Gas bar will remain open for the time being.

There were 4 locations that experienced manager changes: Miniota Food, Miniota HABS, Birtle and Russell Gas Bars. The new managers, except for the Russell Gas bar were internal however the new Russell manager is local. All have settled into their roles and are doing a good job.

This reflects well on the training that continues to be a priority. Without continuous training both internal and external, we would not be able to move our people into more responsible positions within TVC. We are so pleased that Co-op can offer our team members permanent employment that may turn into a career.

TVC turned 90 years old in 2019, there were events in the 5 communities where we have a physical presence. The BBQ's we had were successful and we donated the profits made to a local organization. The team that were involved with helping put on the celebrations did a good job.

In 2019 the YAHH (You're At Home Here) Community Fund program was implemented. 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. We were pleased to donate to several worthwhile initiatives throughout our trading areas.

Fuel Good Day was supported very well, and donations made to the local Fire Departments. Fuel Up To Win continues to be popular and very well supported.

It was a pleasure to help raise money for the schools through "Recycle Bag" program. Our goal is to eliminate the use of plastic bags in our association.

Kid's Clubs were initiated, and the response has been great.

We are proud to support other local organizations/service groups and will do so into the future.

As a point of interest, we have many team members that donate their time within our communities. In 2019 a total of 1,635 hours, that we are aware of, were spent volunteering with different organizations.

Our Member relations team does a great job of promoting and organizing events for us.

A nice surprise in 2019 was being recognized by Snoman as the winner of the "Outstanding Support by a Non-Snowmobile Related Business" award for Manitoba.

We try to do our best for expense control and in 2019 total expenses were 15.9% of sales compared to 16.7% the year before.

One cost that continues to increase year after year is Credit Card Fees, this past year at \$460,661 an increase of 5.5% I shudder to think what that number would be if we accepted CC for accounts receivable.

All locations are continuously reviewed to see where we can perhaps reduce expenses without having a negative effect on our business or our people. The team is doing a good of identifying areas where we can improve and administer some of our functions.

There are so many complexities that are a part of our Co-op that I couldn't begin to mention them all.

However, our Admin Dept continues to offer assistance to our locations and of course our members, they also make sure the admin process is done properly.

HR is busy as there is always lots going on, especially right now because of Covid-19.

Safety and safety training is a very important component that takes a lot of time.

Our AR dept makes sure that accounts are paid in a timely manner and help by offering 3rd party credit to our members. Also, well versed in the various financing programs that are available.

Member Relations is a role that is time consuming, but important to help keep us promoting ourselves.

This is just a small sample. Everyone regardless of where they are or what their role is, contributes to help TVC function as good as it can.

I would like to congratulate everyone that achieved milestones this year, we are so glad that you have chosen to work with TVC and hope you will for a long time. The two 25-year awards are significant, congratulations to Chris and Lyle.

Also, I would like to acknowledge 4 retirements that took place in this fiscal year:

- Dave Wright retired from our Miniota HABS after 12 years with TVC, he started with us in the Russell HABS
- Adam Stefanishyn retired from the Russell Agro, after 13 years of service.

- Calvin Matiowsky retired earlier this month, 33 years of service with TVC, all in the food store. His knowledge and experience will be hard to replace, we will miss that.
- John Bonnell will be retiring at the end of this month after 30 years with TVC, John will be missed by all of us. He has helped guide the Co-op through many changes over the years. He is the “go to” person when something comes up.

Congratulation’s to all of you and Thank you.

We will have as many as 200 people work for us during the busy times. We rely heavily on seasonal staff and many of them commit to us spring and fall. Our regular compliment will generally be 140 – 150 staff.

Our wages last year were \$6.3 million, it is said that every dollar goes around 7 times. That equates to \$44.1 million back into our communities. We are proud to be a major employer and supporter in SW MB.

Our team members continue to work hard to serve our members/customers as best as they can. They all represent TVC very well. Thanks to all of you for the great job you do.

Our directors do an outstanding job guiding the Co-op through the changes and into the future. Just when we think we have a plan in place, things change, and decisions have to be made. The directors are quick to adapt when required, it contributes to our success.

Something that never changes though is that they have the best interests of the Co-op and members in mind.

Thanks to all of you, I enjoy working with you.

Before I end my report

I would like to say that I am proud of the role that TVC has taken on during Covid-19. We will continue to wear masks in our locations to help set an example. We take this seriously and look forward to Covid-19 ending at some time in the future, we will do our part to help.

We had a situation where we had to close/clean a Gas Bar for a day and clean a food store which delayed opening. it was an inconvenience but was worth the effort. I believe this reinforced the idea that Covid-19 can be here.

Some may not agree but, our priority is that all our people stay safe at work and keep their families safe as well. TVC will follow the guidelines as set by the Health Authority and enforce them where we can.

Thank you all for your support!

Dwayne Moncur, General Manager