

BOARD OF DIRECTORS REPORT

TO THE 75nd ANNUAL MEETING

It is my pleasure to report to you the activities of the Board and our Co-op in 2019.

Rob Schiefele, Linda Clark and I attended the 91st Annual Meeting of FCL held in Saskatoon February 29th to March 2nd, 2020. Days 1 and 2 were information sharing with the business units' leadership team and senior management while the third day was the AGM. I was the District 13 resolutions committee chair in 2019 and will continue in that role for 2020.

In 2019 FCL had a good year. FCL returned \$649 million in patronage refunds to their member retailers. The FCL refinery in Regina usually determines the kind of year FCL will have, but we are able to handle many more years of growth for the local retailers. Unfortunately, FCL is in a lock-out situation at the refinery (due predominantly to rising pension costs and an attempt to reduce them significantly). Management continues to run the refinery to date.

The June district meeting was held in Flin Flon and the entire Board hosted a delegation from across our district.

In November, Rob, Linda and I attended the Regional Fall Conference in Saskatoon. We attended professional development courses as well as the conference itself.

During 2019 your board met for:

- 9 Regular meetings to deal with regular business of the Coop
- 6 Special meetings - Budget, Business Plan, Manager's Appraisal, Facilities Tour and a Planning Session.
- Various board members met to deal with issues as part of their committee requirements.

In 2019, your Coop was able to pay back its members a total of \$325,368. This includes payments for estates, age, and move aways. We had a net loss from 2019 operations, before our patronage allocations of \$1,330,796; however, in 2019 we managed to allocate \$177,473 to our reserves.

Our new Store (which opened April 27th, 2018) has had its first full year of operations. We are incredibly proud of the sales we are able to generate, as well as the work of our management and staff, particularly during the COVID pandemic in early 2020. We are also pursuing options for our Main Street location and look to have it filled shortly.

At this time I would like to introduce your Board of Directors and the Committees they serve on:

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| Rob Schiefele (Vice-President) | - Executive, Property, Industrial Relations & Social Media |
| Linda Clark (Secretary) | - Executive, Industrial Relations, Member Relations & Social Media |
| Erhart Dzuibak | - Property & Finance |
| Del Ward | - Finance & Member Relations |
| Dennis Whitbread | - Member Relations & Industrial Relations |
| Richard Dansereau | - Finance, Property & Social Media |
| David Kendall (President) | - Member of all Committees |
| Tom Therien | - General Manager |
| Sharon Alford | - FCL District 13 Director and President of FCL |

This year there were openings for two positions for a three year term (which have been filled by acclamation by the incumbents).

On behalf of the Board, I would like to thank our Management Team and Staff for their hard work over the past year.

I would like to take this opportunity to thank your Board of Directors for their support over the past year and the work they do on their various committees.

On behalf of the Board, I would like to thank our valued customers and members of North of 53 Co-op for their continued patronage over the past year.

Respectfully submitted

David Kendall, President