

Armstrong Regional Co-operative 93rd AGM

Minutes of the ARC 93rd AGM held at the Odd Fellows Hall, Armstrong May 6st, 2015. Recorded by M. Beck.

Meeting called to order @ 7:00 pm by President Nairn Von Hahn welcoming all in attendance including: ARC members, staff and GM, board members present and past along with Auditor Dustin Stadnyk.

Notice of meeting: President Von Hahn stated that all requirements were met for the Notice of Meeting and we had a quorum.

Minutes of the 92nd AGM were read. Motion: Gunner/Honeybourne to adopt the minutes CARRIED.

Business Arising: none

Directors Report: President Von Hahn addressed members and guests by thanking them for taking an evening out of their busy lives to get an update on “your business” and welcoming them to the 93rd AGM. She mentioned that we had another successful year and led a round of applause to show appreciation to GM Payne and the ARC staff in attendance. She also thanked the work and dedication of the Board. President Van Hahn explained that the GM and Board looked at several potential opportunities for expansion in our area. She then confirmed the worst kept secret that ARC has just signed a lease for expansion into Vernon alongside a Tim Horton’s operation. Details will be forthcoming as this has just happened. The President also talked about interaction with FCL and getting them to look at a storage and trans loading facility in the Kamloops area. She talked about fuel pricing and supply, underscoring the price drops over the last several months and the consequence to patronage amounts.

She noted that Tappen will be celebrating their 100th year and that part of the celebrations included dinner with Dusty McDonald, chair of the FCL board.

President Von Hahn went on to acknowledge the long time service of Board member Steve Gunner as he was retiring after 18 years.

GM Report: GM Payne welcomed everyone to the AGM citing how interesting a year it has been for ARC. Many changes have taken place on many levels from geo political & global oil price drops to government regulation to physical changes in our facilities. Throughout these changes his staff were instrumental in keeping ARC on an even keel and providing awesome customer service.

Pump pricing has been a challenge this year with significant impacts to sales volumes and profitability. Overall sales were down 1.9% and litres were down 2.3% however this was offset by higher local savings of \$1.2 million. This was, in turn, offset by a diminished FCL patronage refund which meant net savings were down 16.2%. This being said the ARC was pleased to announce a patronage equity rebate of 7% on 2014 purchases.

The Salmon Arm Gas Bar upgrade has now been completed. Upgrades and cleanups are slated at our cardlocks this year. Technology updates are ongoing. The electronic books are up and running as they are being debugged.

GM Payne remarked on the many timeline changes from FCL on the Carseland terminal opening. Meanwhile it is a bit of a juggling act to coordinate supply.

The on-site tank upgrade program continues with a new supplier.

The new member application process has been streamlined. The ARC saw 759 new members sign up last year. It is a goal to educate more people on the benefits of the co-op model. The GM was asked when he thought the new VGB would be ready. He explained there is much to do but thought that early spring 2016 would be likely.

Auditor's Report: Dustin Stadnyk of Rossworn Henderson LLP provided audit services. Dustin acknowledged financials are good and accurate. He reviewed the document highlighting that revenues were down about \$1 million but profitability was up because of margins and expense reductions - much better at collecting Accounts Receivable.

There was a question from Rhonda Burr about data processing fees. These fees are no longer charged by FCL. GM says that this is likely contributing to lower FCL patronage too.

Burr also asked about \$200k of collection fees. These are mostly credit card fees.

Bottom line is overall financials in good shape. Assets up, equity going up. Strong year mitigated by lower patronage from FCL.

Motion to accept auditor's report: Burr/Seed CARRIED

Appointment of Auditor: Motion to maintain Rossworn Henderson LLP Burr/J. Write CARRIED

New Business – Two special resolutions A & B. Qualifications for directors & Nominations of Candidates. Resolutions attached.

Resolution A: 77.4.e. ii) rewording: a former employee of the association with less than one year since their departure. Explanation & Motion provided to AGM by Paterson, 2nd Laird. CARRIED.

Resolution B: Section 80 nomination of candidate for consideration up to one month before AGM. Explanation and Motion provided to AGM by Paterson, 2nd Gunner. CARRIED.

Nominations for directors: two 3 year terms. B. Seed, R. Johnson & K. Thompson let names stand. GM Payne called floor 3 times for nominations. None were forthcoming so ballots were cast to determine election. Results were: Seed and Thompson 3 year terms.

Motion to destroy ballots: Burr/Payne CARRIED.

Milestones: GM Payne acknowledged long time service awards to:

Wes Wilson 5 years

Dana Dimmick 5 years

Dan Williams 10 years

Annetta Burden 10 years

Also the following people were recognized for their long association with the Co-op:

Eric Greenwood of Armstrong, Rosie Williams of Vernon, John Bower of Salmon Arm, Frank Barnard of Blind Bay and Paul Schlitt of Salmon Arm.

Several prize draws were conducted through the meeting.

Motion to Adjourn: Gunner @ 8:10