



What a Year! *by Reyna Bishop, Board President*

By any measure, the past year has been an incredible one! In September of 2013, Wheatsville opened the doors of the South Lamar location and in the year since **we have increased our ownership by 35%** (from just over 11,000 to 15,000). That means more than 4,000 new cooperators both benefiting from access to our goods and services and contributing to our

cooperative economy. It also means that **Wheatsville is able to support more local farmers and food producers**, we are able to better impact cooperative businesses both in Austin and across the country, and we are able to affect people's daily lives through our treatment of both customers and staff as the important and valued people that they are. In essence, this added scale has allowed Wheatsville further its Ends Policies in a way that hasn't been possible until now.

In the face of a growing organization, the Board recognizes that it too must grow and change in order to be ready to help lead the Cooperative as it continues along its current trajectory of growth. The Board continues to work hard to support our incredible Chief Executive Grocer, Dan Gilotte, as he grows into a role that is demanding and challenging in very different ways than the role of General Manager of a single store. Part of the way that we support both Dan's and our own development is through very intentional strategic learning. Although our meetings are often packed, the Board schedules time each month for this learning. Over the past couple of years, our Strategic Learning discussions have been, in large part, about expansion. This year, the Board agreed that our learning should be more forward looking, and we created a learning plan that would allow us to explore our Ends more deeply. While simple on their surface, the Ends policies can be interpreted and fulfilled in a myriad of ways and we have tried to explore each in order to better understand and to plan in a strategic way. Below are a couple of examples of our learning discussions:

A thriving community centered on hospitality, kindness, and generosity:

We started the year exploring "happiness" and found an incredible document describing how the country of Bhutan measures and actively pursues what it calls GNP (Gross National Happiness). The leaders of this country have recognized that GNP (Gross National Product) is not, in fact, the only measure of a country's success. They realize that things like faith, stewardship of nature, community, etc are equally important and the research and polling to do among their citizenry around these factors deeply inform national policy.

This was fascinating to discuss because Wheatsville is similarly devoted to being a business that has what you would call a triple bottom line, meaning that we invest not just in things that will maximize profit, but also in policies that value people and that protect the community and environment in which it operates.

A robust cooperative economy:

As Doug describes in his "Why Co-op" article, the Board learned more about the work of Cooperation Texas (an organization that helps workers organize to form worker co-ops) and Austin Cooperative Business Association (ACBA). During our discussions with these organizations, we thought deeply about how we can cooperate with other cooperatives in order to help each other and grow the cooperative community in Austin and beyond. We also used our Fall Owner Gathering in October as an opportunity to engage with city council and mayoral candidates to learn more about their position on cooperatives. One of the goals we set for ourselves this year was to explore cooperative advocacy. Engaging with these candidates and inviting them to interact with our owners felt really exciting and important as a first step toward meeting this goal.

Easy access to sustainable, healthy food solutions:

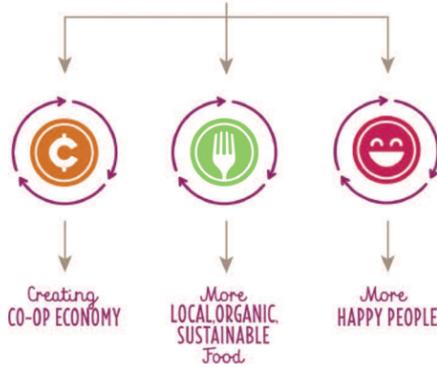
Our learning this year focused on the word "access". Access can mean different things to different people.

Certainly, location affects people's access to food and by opening a second location in South Austin we are able to reach more people. Access is also very much affected by transportation, by cost, and by cultural factors. We read and discussed an article called "If They Only Knew: The Unbearable Whiteness of Alternative Food" by Julie Guthman. The article was thought provoking and certainly challenged deeply held beliefs held by some of us. While not all directors agreed with every statement in the article, the points have certainly made us explore ways of becoming a more inclusive and diverse organization.

There's not always a direct action (or even an aha! moment) resulting from these strategic discussions. The impact is much more subtle. As we have these learning conversations, we are all influenced by the varied opinions and viewpoints in the room and the impact is often imperceptible. We all recognize,

however, that in order for us to stay relevant and to affect the transformation of society that is intrinsic to our Ends, we have to keep learning and exploring.

As we move through another election cycle and head into the holidays and toward a new year, we realize that there is still much left to learn and there will be a new group of directors joining us who will join us on this path of discovery. This Board is incredibly lucky to have an amazing pool of smart, talented, and engaged owners to step up to help continue the good work of this organization. What a year this has been and we look forward to many more incredible years!



Wheatsville Ends Policies

Wheatsville will be at the forefront of a transformed society that has:

- A thriving community centered on hospitality, kindness, and generosity
- A robust cooperative economy
- Easy access to sustainable, healthy food solutions



2014 Fall Owner Gathering and Co-op Fair *by Kitten Holloway, Board Member & 2014 FOG Committee Chair*

Thanks to all of you who attended the Annual Fall Owner Gathering held at Fiesta Gardens on October 12th!

In support of Wheatsville's Ends Policies, this year's theme focused on a 'cooperative economy'

and the question 'Why Coop?' Wheatsville partnered with the **Austin Cooperative Business Association (ACBA)** to bring owners a diverse presentation of cooperatives in Austin. **Brian Donovan**, Executive Director of ACBA, organized an afternoon of tabling featuring 20 different Austin cooperatives that provided information on their products and services to approximately 125 participants attending the event.

Wheatsville and ACBA sponsored a forum for Austin Mayoral and City Council Candidates to talk about how they would support the cooperative economy in Austin. Seven of eight mayoral candidates and a number of city council candidates from Districts 5 and 9, where our Wheatsville stores are located, spoke to their understanding of cooperatives; and how they would support cooperatives in Austin. In addition, panelists **Nikki Marin- Baena of Cooperation Texas**, **Jake Carter from Moontower Community Ag Co-op** and our own **Dan Gilotte, Chief Executive Grocer of Wheatsville**, addressed another focus of our Wheatsville Ends Policies, 'easy access to sustainable, healthy food solutions'. Our enthusiastic and knowledgeable panelists generated several questions and comments from the audience on this topic. The highlight of our FOG Program featured **Carlos Pérez de Alejo, Co-Director of Cooperation Texas**, who gave a thought-provoking presentation that illustrated 'why coops' are a viable option for the growth of the local economy; and the added benefit they

bring to the community as a whole because of the values upon which cooperatives are built and operate. And to demonstrate just how serious Wheatsville is about contributing to a 'robust cooperative economy', our

Chief Executive Grocer, Dan Gilotte, provided insight on the further development of Wheatsville's 'Big Direction' as we move forward to replicate the success of our South Lamar Store! The event also featured children's activities provided by **Growin' Together** and a performance by **Laura Freeman**, singer-song writer of children's songs.

Wheatsville's Fall Owner Gathering is that time of the year where all of us as owners of a cooperative have the opportunity to celebrate the principles and values of cooperatives and the impact we are making on our local community. Each year we strive to create a program that brings a meaningful message about what it means 'to be at the forefront of a transformed society that has:

- a thriving community centered on hospitality, kindness, and generosity
- a robust cooperative economy, and
- easy access to sustainable, health food solutions.



photo Madeline Detelich/Brian Donovan

If you missed this year's event, we hope you will join us next year as we collaborate with our family of cooperatives in Austin; and as we move forward with Wheatsville's Big Direction to create ...More Co-op Economy, More Local/Organic/Sustainable Food, AND More Happy People!

Thank you, Wheatsville Owners, for your support and contribution to Wheatsville's Big Direction and to Austin's family of cooperatives!



WHEATSVILLE ANNUAL REPORT – FISCAL YEAR 2013-2014



Annual Financial Report

prepared by Dan Gillotte, Chief Executive Grocer

Fiscal Year Ending 6/1/14 (FYE 6/1/14) is an unusual financial year for your co-op. It represents the culmination of years of work and planning and a manifestation of a dream of our co-op for decades. It also shows the largest sales we've ever achieved by far, our largest sales growth ever in fact, AND spoiler alert also has us losing money for the first time in many years. But, don't worry. As we explore this

amazing year via our financial report, you will hopefully understand that these negative numbers are OK and are in fact less loss than we planned. Our income statement and balance sheet accompany this report, and the financial results shown here have been audited and approved by the accounting firm Wegner CPAs LLP.

beautiful, well functioning store that has exceeded first year financial projections for sales and bottom line. Most stores lose money the first 1-3 years [after a new store or renovation because of higher expenses and paying for the new equipment, etc... [so this year's loss is to be expected]. [Thus far] Wheatville has managed its cash very well such that they are well positioned to take advantage of future growth opportunities should they arise."

Because there were no net earnings this year we will not be distributing Patronage Rebates. Instead, by investing in our new store, we have helped address our top two customer complaints - parking and location. We are using the remainder of the co-op's collective resources to further Wheatville's BIG Direction and better accomplish our cooperative goals. We will continue to offer 10% OFF one entire shop during Owner Appreciation Days (four times per year), weekly Owner Deals and great prices on your favorite products.

One final note on our revenues and expenses – we know that our charitable giving is important to you, so we did NOT reduce our powerful and major giving even though we had planned this loss and we ended up donating over \$76,000 to local community groups that you care about and that support our Ends.

Wheatville Co-op

Income Statement Compared to Business Plan Fiscal Year Ending June 1, 2014

	ACTUALS	PLAN
SALES	\$25,912,516	\$26,943,611
Cost of Goods Sold	\$16,225,159	\$16,624,208
Gross Profit Margin	\$9,687,358	\$10,319,403
Personnel Expense	\$6,492,973	\$6,779,959
Depreciation & Amortization	\$598,092	\$716,182
Other Operating Expenses	\$2,599,515	\$2,586,620
Interest on Bank Loan	\$148,134	\$270,000
Other Non-Operating Expenses		
less Non-Operating Revenues	\$37,256	\$142,319
Net Income before Income Taxes	-\$188,613	-\$175,677
Provision for Taxes	-\$37,855	\$0
Net Income <Loss>	-\$150,758	-\$175,677

Income Statement

The income statement, sometimes referred to as a P & L or profit and loss statement, is a summary of revenues and expenses. It shows the financial progress of a company over a period of time. In this case, it shows Wheatville's revenues and expenses for the fiscal year ending June 1, 2014.

Wheatville's sales grew to \$25,912,516, a 40% increase over the previous year, and included a full year of Guadalupe sales and about 8 months of sales at South Lamar. We had planned sales of \$26,943,611 but didn't get there mostly due to the opening of South Lamar being delayed from June to September. I'm extremely pleased and delighted about the way that opening at South Lamar has allowed us to bring millions more dollars into the cooperative economy!

Our Cost of Goods Sold (COGS) is the amount of money we spend on merchandise in an accounting period. It is the biggest single expense category at the co-op, with a little over 62¢ (62.62%) of each dollar spent by consumers at the co-op going to pay for inventory, which includes products from local and national vendors.

After cost of sales, our next biggest expense category is personnel. We spent 25.06¢ of every dollar taken in at the registers on personnel expenses including wages, benefits and payroll taxes. This amounted to \$6,492,973, an increase of 43.44% over the previous year as we added nearly 100 good co-op jobs to the economy. We know that paying our staff well is an important value of our owners and I am proud to say that we continued to do that in this fiscal year. We also continued to have strong staff benefits in this past year.

Wheatville continues to hold the cost of healthcare at a reasonable level. The world of insurance is a daunting one but we continue to offer an excellent and affordable plan for our staff members who work 30+ hours per week. We also offer many other staff benefits which we are proud of including a staff discount, a bike-to-work benefit and other insurance. All of these costs show up in the personnel expense line.

Our loss for the year was -\$150,758 (0.58% of sales). We had planned a loss of -\$175,677 (0.65%). It's typical for businesses to lose money in their first year or two (or even 3, sometimes) after a major expansion. After our renovation of Guadalupe in 2009 we defied the trends of our sister co-ops and had no such loss, but the second store project did have negative net earnings for the first year. The good news on this is that the loss was less than planned, and our cash position remains strong, as planned. A year or two of loss for a business like ours isn't a cause for great concern as long as we are financially healthy enough to continue to operate our business appropriately.

We asked, Dave Blackburn of the National Co-op Grocers Association Development Co-op to comment on our financial condition post-opening of our Lamar store and this is what he said,

"The NCGA Development Cooperative worked very closely with Wheatville throughout the development of the South Lamar store, both in the physical store development and financial planning. The South Lamar store has performed very well on both fronts. The Wheatville team has put together a

Balance Sheet

A balance sheet is like a snapshot of the financial condition of a business at a specific moment in time, typically the close of an accounting period. The balance sheet is one way to assess the financial strength or health of a business. Our balance sheet continues to show us on a strong financial footing. It's important especially now that we are using our financial strength to operate 2 stores!

The total assets of Wheatville Food Co-op as of June 1, 2014 are an incredible **\$10,237,633**. Of that **\$2,407,649** is considered "current" meaning it is relatively liquid. This includes cash and cash equivalents, inventory, etc. One measure of a business' financial health is called the "current ratio". This measures the ability of a business to pay off its financial obligations in a timely manner. It compares the current assets of the business to its current liabilities. Our current ratio is 1.34 to 1, a solid showing.

Our overall member equity, the amount of the co-op's assets that is owned by the members, is \$4,374,141. This equity includes \$940,956 in member capital paid in by our owners, \$1,746,100 in investor shares, and \$1,043,125 in retained patronage. (This is the portion of patronage allocations not paid out in rebates since 2005). The rest of our equity consists of retained earnings, the amount of money we have earned and saved over the history of Wheatville's life.

Since the renovation of Guadalupe in 2009, we have had a commercial loan from National Co-op Bank. Last year we "rolled" that loan up into a new loan which included funding for the opening of South Lamar. This loan shows up on the balance sheet as Long-Term Debt, less Current Portion and Current Portion of Long-Term Debt.

Overall, I am proud to report that the CPA-audited balance sheet shows Wheatville to be a healthy business on a good footing, especially considering the huge transformation we orchestrated this year!

We'll monitor our financial position closely in this crucial second year as a multi-store business, and we will work diligently to ensure our co-op's financial health and future. Thank YOU for your incredible support and thanks also to the hard work of our board and staff.

Wheatville Co-op FYE14 - FYE13 Balance Sheet Comparison June 1, 2014 vs June 2, 2013

	06/01/14	06/02/13	Year-to-Year Difference
ASSETS			
CURRENT ASSETS			
Cash	\$1,265,104	\$1,899,366	(\$634,262)
Accounts Receivable	\$53,874	\$33,080	\$20,794
Inventory	\$884,496	\$456,890	\$427,606
Prepaid Expenses	\$204,175	\$54,861	\$149,314
Total Current Assets	\$2,407,649	\$2,444,197	(\$36,548)
FIXED ASSETS			
Property & Equipment	\$7,497,607	\$4,385,449	\$3,112,158
OTHER ASSETS			
Equity & Deposits in Cooperatives	\$332,377	\$216,455	\$115,922
TOTAL ASSETS	\$10,237,633	\$7,046,101	\$3,191,532
LIABILITIES & EQUITY			
CURRENT LIABILITIES			
Accounts Payable	\$830,725	\$895,307	(\$64,582)
Accrued Expenses	\$476,045	\$491,477	(\$15,432)
Patronage Dividends Payable	\$0	\$33,683	(\$33,683)
Investor Shares Dividends Payable	\$58,302	\$28,458	\$29,844
Current Portion of Long-Term Debt	\$426,906	\$0	\$426,906
Total Current Liabilities	\$1,791,978	\$1,448,925	\$343,053
LONG-TERM LIABILITIES			
Long-Term Debt less Current Portion	\$3,987,514	\$1,713,047	\$2,274,467
Deferred Taxes	\$84,000	\$31,000	\$53,000
Total Long-Term Liabilities	\$4,071,514	\$1,744,047	\$2,327,467
TOTAL LIABILITIES	\$5,863,492	\$3,192,972	\$2,670,520
OWNERS' EQUITY			
Investor Shares	\$1,746,100	\$1,177,100	\$569,000
Membership Capital	\$940,956	\$771,291	\$169,665
Retained Patronage	\$1,043,125	\$1,052,748	(\$9,623)
Retained Earnings	\$643,960	\$851,990	(\$208,030)
Total Owners' Equity	\$4,374,141	\$3,853,129	\$521,012
TOTAL LIABILITIES & EQUITY	\$10,237,633	\$7,046,101	\$3,191,532



Progress on Wheatville's BIG Direction!

by Dan Gillette, Chief Executive Grocer



- ✓ More Local/ Organic/ Sustainable Food!
- ✓ More Co-op Economy!
- ✓ More Happy People!
- ✓ A momentous, history making, record-breaking, amazing, holy-smokes! year for your co-op!

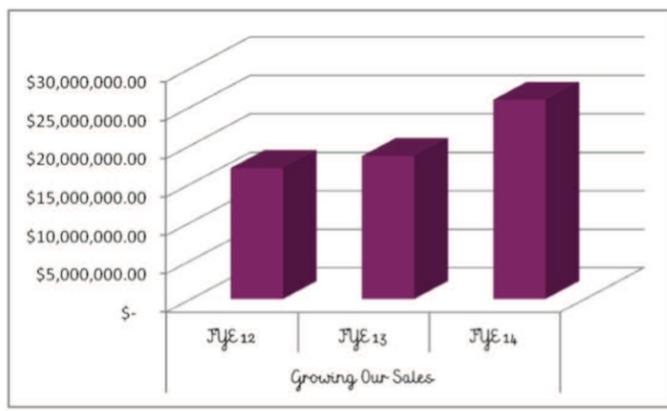


I'm so pleased to be able to report on our progress this past year on creating the kind of world we want through our co-op. September 21, 2013 was the day when Wheatville took the most concrete steps yet to make Wheatville's BIG Direction a reality. By opening our second store at 4001 South Lamar we brought our cooperative spirit to the people of South Austin. Happily, these folks have responded with tremendous enthusiasm and the store in '04 has been an even bigger hit than we anticipated!

While we know we have more to do in order to achieve all we want to with our co-op, our fiscal year ending June 2014 will be seen as a year of major accomplishments. Let's take a look at a few things we did:

We grew the Co-op Economy!

- FYE 2014 sales: \$25,912,516, a **39.23%** increase over FYE 2013
- We added **87 new co-op jobs** bringing our total staff to **235**



We created more Local/ Organic/ Sustainable Food!

Local and Organic Produce Purchases			
	FYE 2013	FYE 2014	Percent increase
total	\$1,666,096.00	\$2,571,094.53	
local	\$ 307,289.11	\$ 399,487.68	30.00%
local organic	\$ 154,016.03	\$ 210,088.13	36.4%
organic	\$1,328,161.00	\$2,136,792.20	60.88%

- Some examples: In the produce department, we increased operational spending with **local farmers by 30%** & with **organic farmers by a whopping 60.88%**.
- In non-produce areas, we sold: **45.36% more local products** than last year & **32.56% more organic products**.
- We increased the amount of humanely raised/ sustainably harvested meat & seafood.

	FYE '12 Sales	FYE '13 Sales	FYE '14 Sales
Total Sustainable Meat	\$485,742.62	\$625,369.81	\$954,266.13
% increase over previous		28.74%	52.59%

We created More Happy People in Austin!

- We gave more through our operations, increasing Community Action Wednesday 1% of Sales donations by **36.67%**.
- We increased the number of members of the co-op by **increasing ownership by 19.8%**.
- Adding our South Lamar location enabled us to have a 40.74% increase in transactions. That ends up being about 8,000 more shoppers choosing co-op each week and having our positive friendliness and hospitality extended to them when they shop!

Our co-op has known several years of strong growth in many areas, but we've never grown and had as much impact as we did this year with the opening of our second store at 4001 South Lamar. Thank you for your support to help us with this amazing accomplishment! I'm so proud of us!

A Message from the Review Committee

by Steven Tomlinson, Board Treasurer

Statement for Wheatville Food Co-op Fall Owner Gathering on October 12, 2014

The Board of Directors appointed board members Steven Tomlinson (Treasurer), Marcia Erickson, John Vinson and Wheatville owner Annelies Lottmann to serve as the Review Committee for Wheatville's 2014 Annual Report to the Owners. It is the Review Committee's responsibility to ensure that the Annual Report is thorough, accurate and easy for owners to understand. This report is thorough in that it includes all information required by State Law and our Co-op's by-laws. This includes our balance sheet, income statement, total number of shareholders, amount of paid-in capital and so forth.

To check accuracy we interview our accounting team about their review process of the Co-op's financial condition. This year the management of Wheatville Co-op again engaged Wegner LLP, CPAs and Consultants, a professional services firm that specializes in working with cooperative businesses and with whom Wheatville has worked in the past. Wegner LLP reviewed financial statements included in the annual report. Consistent with Board policy, Wegner LLP conducted a full audit of Wheatville in 2014 and a less extensive review in 2013.

The committee spoke with Bruce Mayer, a Wegner CPA, in Austin after his audit of Wheatville this year. His team worked to obtain reasonable assurance that financial statements fairly reflect the financial position of Wheatville. They looked at financial variables and ratios such as gross margin, sales growth and labor as a percentage of sales to confirm they are reasonable for a cooperative grocery store of Wheatville's size. They sampled and tested bank reconciliations, accounts receivable, payable accounts, bank statements for notes payable, fixed assets and depreciation expense as needed to support their opinion. As a result of our conversations with Bruce Mayer about his processes, the Review Committee can report that the review was conducted in a manner consistent with professional accounting standards. In addition, the accountants said they encountered no issues or problems in the course of review. This reflects well on the work of Wheatville Finance Manager John Perkins and his staff.

To further understand the business, the Review Committee interviewed key Wheatville staff members to better understand checks and balances in the financial and accounting processes. Annelies spoke with Ryan Vanstone about the Wheatville point of sale system function and security. Marcia interviewed Tammy Brookshire about check-signing authority. John researched Wheatville's payroll management with Beth Ley. Processes and safeguards were found to be in place in each of these cases.

An important check in the accuracy of Wheatville's reporting is a management practice called Open Book Finance. Sales and labor numbers are scrutinized at weekly meetings open to all staff and thus there is incentive to catch and correct errors early.

Growth in sales and debt as a result of recent expansion adds complexity to Wheatville enterprise. The Board will continue to arrange for independent auditors like Wegner to conduct full annual audits of Wheatville financial statements during this growth period at recommendation of the auditor. Audits will include assessment of accounting policies and internal controls relevant to the preparation of same. The Board continues to monitor Wheatville financial results routinely as part of policy governance as well as creating the Annual Report to Owners.

We hope you find this year's Annual Report easy to understand. Wheatville is in good fiscal health and well-positioned to grow Austin's cooperative economy. The Review Committee commends the 2014 Annual Report to the Owners of Wheatville.

I certify that I am not a principal bookkeeper, accountant or employee of the Co-op. Steven Tomlinson, Treasurer, Wheatville Board of Directors

Board of Directors Code of Conduct by Reyna Bishop, Board President

The Board of Directors has very specific policies that dictate our responsibilities to the Cooperative and outline the ways in which we hold ourselves accountable. These Policies address issues like **Conflict in Interest**, **Confidentiality**, and our **Code of Ethics**. They dictate that the Board must come to meetings prepared to make informed decisions, in good faith, that are in the Cooperative's best interests and that supersede any conflicting loyalty. It states that individual Directors should not attempt to exercise individual authority over the organization, but rather that they speak with one voice and support the legitimacy and authority of the Board's decisions, irrespective of personal position.

At the start of each year, during our Board Orientation, the Board takes time to discuss the Directors Code of Conduct to ensure we all understand the nuances within. Each director signs a Statement of Agreement (code of conduct/conflict of interest disclosure) twice a year (or more frequently as new conflicts arise that need to be disclosed).

Yearly, each individual Director is asked to score him/herself (on a scale of 1 to 5, with 5 being the best) on adherence to each sub-policy. For the majority of sub-policies, this year's Board scored themselves 4.8 or higher, with the lowest score being 4.4. Overall, the Board considers that they are doing a good job adhering to the Code of Conduct Policies. In addition to scoring themselves, the Board also conducts an annual review of these policies to 1) confirm that these are the policies we want and 2) offer suggestions for changes or additions to our current policies. This monitoring occurred in May 2014 and the Board did not propose any revisions at that time.

Policy B5 - Director's Code of Conduct, like all of our policies, can be viewed at any time on the Wheatville website via a link on the Board of Director's page. wheatville.coop/membership/board-of-directors/board-policy-governance



Election Results John W. Vinson, Board Member and Chair, Nomination Committee

The election results are in! Wheatville has two new Directors and four returning incumbent Directors. We've also chosen ten local nonprofit organizations to benefit from our Community Action Wednesdays program, and we made an important

product decision. Thanks to all of our Owners who voted and congratulations to all of our election winners! No matter how you feel about the results of *that other election*, the Wheatville election is a great example of economic democracy in action — the melding of the grocery business with one member, one vote governance. Together we own and control a business with more than \$26 million in sales last year!

As with any properly functioning democracy, elections are a required and critical part of the process. Most co-ops today are guided by the Seven Cooperative Principles laid out by the International Co-operatives Alliance, the basic statements of which were set out by the Rochdale Pioneers in the mid-1800s. The second cooperative principle, and arguably the defining characteristic of a cooperative, is Democratic Member Control, which requires cooperatives to be "democratic organizations controlled by their members—those who buy the goods or use the services of the cooperative—who actively participate in setting policies and making decisions." For Wheatville, this means that each year we depend on those Owners who are willing to give the time and energy required in order to participate in this important way. This year, we received 1,047 ballots from Owners, which is a fair number compared to elections at many other co-ops in the U.S. But considering that we have 16,000 Owners, we can do better. Voting for members of the Board of Directors is the primary representative action Owners get to take.

The 2015 Board

This year, the Nominations Committee and the full Board endorsed eight highly qualified Board candidates for six open positions. We offer our sincere gratitude on behalf of all Wheatville Owners to each of the candidates for their dedication to the future of our co-op.

Congratulations to the following incumbent Board members on their reelection to the Board: **Doug Addison**, who is the current Secretary of Wheatville, has served on the Board since 2010. He is a freelance web developer and also serves on the Board of the Funky Chicken Coop



Doug Addison

Tour. Doug was elected to serve a two-year term. **Reyna Bishop**, our current President, has served on the Board since 2010. She is a clinical research consultant. Reyna has been elected to serve a three-year term.



Reyna Bishop

Kitten Holloway was appointed by the Board to replace Kate Vickery, who left the Board earlier this year. She has now been elected to serve a three-year term. Kitten is a program specialist for the Texas Department of State Health



Kitten Holloway

Services. **Deborah Ingraham** was appointed by the Board to replace Angela Raab, who left the Board earlier this year, and she has now been elected to a three-year term. Deborah is an attorney for the electric co-op trade association Texas Electric Cooperatives.



Deborah Ingraham

Congratulations to the following new members of the Board: **Nada Lulic** was elected to a two-year term. Nada is a freelance human resource consultant. **Allison Maupin** was also elected to a one-year term. Allison is a Front End Clerk at Wheatville Guadalupe and also a music composer and a PhD candidate in physics at UT. We would also like to bid a fond farewell to four recent members of



Nada Lulic

the Board who all served with distinction and who will truly be missed: Steven Tomlinson, our esteemed Treasurer, who has served on the Board since 2009; Kate Vickery, who served on the Board from 2010 until her departure from Austin a few months ago; Christina Fenton, who was elected in 2013 and served until her departure from Austin a few months ago; and Angela Raab, who was elected in 2014 and served until her resignation earlier this year for family reasons.

Community ACTION WEDNESDAYS

Community Action Wednesdays

In addition to the six Board positions, the Owners elected 10 community groups to receive donations from Wheatville's Community Action Wednesday program. The program runs from January through October. During this time period, Wheatville donates 1% of Wednesday sales (for the first four consecutive Wednesdays of each month) to the nonprofit chosen for that month. In addition to the 1% donation, Wheatville accepts additional donations from customers in the form of cash, patronage rebate, or bag credit. Wheatville may also sponsor collection drives, and staff will offer volunteer services to the nonprofits within their designated month. During the last fiscal year, Wheatville donated more than \$31,000 of its sales to its Community Action recipients. This amount is 37% higher than the previous year, and next year's amount is expected to be even higher. Our customers donated, at checkout, an additional \$23,000 — up 60% from customer donations during the prior year! The winners from this year's election to receive proceeds from our 2015 Community Action Wednesday program are: **SafePlace, Capital Area Food Bank, People's Community Clinic, Austin Children's Shelter, Meals on Wheels and More, Sustainable Food Center, Austin Pets Alive!, Hospice Austin, Ecology Action, and Urban Roots.**

Eden Foods Petition

It's been a long time since Wheatville has voted on a product removal, but Wheatville's Owners determined that the failure of Eden Foods to provide certain family planning health insurance coverage was important enough to direct management to cease selling its products. The vote was 639 to 338. For more information on the petition see the 2014 Election Edition of the Breeze, page 10.

This year's election process was overseen by the Nominations Committee and our fabulous new Vote Coordinator, Erica Rose. Erica did an excellent job keeping the election running smoothly and managing vote tabulation and other voter awareness efforts. The election followed the process established in the Wheatville Procedures for Co-op Votes (on the Wheatville website).

As set forth in the Procedures, a confirmation meeting open to all owners was held on November 4. At this meeting, it was declared that there were 1047 valid ballots and 33 invalid ballots. Invalid ballots were declared, for example, because of a missing Owner's name, a ballot submitted by a non-owner, or duplicate ballots, etc. Results reported in this article will be formally reported to the Board at the next Board meeting. Acceptance of the results by the Board will constitute certification of the results of the Co-op Vote.

Votes Cast (winners in bold)

Results are scheduled to be certified at the November Board meeting.

Board of Directors Candidates

Reyna Bishop	722
Kitten Holloway	715
Deborah Ingraham	668
Doug Addison	666
Nada Lulic	623
Allison Maupin	604
John Turlington	472
Marshall Reid	347

Community Action Nominees

SafePlace	718
Capital Area Food Bank	655
People's Community Clinic	610
Austin Pets Alive!	593
Hospice Austin	580
Ecology Action	560
Meals on Wheels and More	551
Urban Roots	539
Sustainable Food Center	520
Austin Children's Services	424
Inside Books Project	406
Farmshare Austin	374
Farm & Ranch Freedom Alliance	357
Center for Child Protection	354
Literacy Coalition of Central Texas	279
Any Baby Can	275
Project Transitions	237
Mariposa Pathway	232
Capital Area Dental Foundation	225
Foundation Communities	222
Marbridge Foundation	218
WE VIVA	205
Growing Roots	186
Small Green Tech Academy	184
Mobile Art Program (MAP)	150
Giving Austin Labor Support(GALS)	148
Urban Poultry Assoc. of Texas, Inc.	100
Dub Academy	56

2015 Board Compensation

by Michelle Hernandez, Board Member



Each year, the Board reviews compensation for directors, as outlined in Article 5.11 of our bylaws. This annual review is done to assess whether the existing policy is the policy we want to maintain for the upcoming year. We report our

decision to our members in the Annual Report for full disclosure and process transparency.

Compensation takes into consideration the many hours directors spend in co-op service, including board meetings, committee work, outreach, and other activities. At the review, the board considered how a second store location and continued growth in our membership may impact director duties and if it should impact compensation. The board decided the existing board compensation should remain unchanged. Compensation will remain in the form of a 10% discount on purchases at the co-op, with a \$300 per month stipend for the President and a \$100 per month stipend for all other directors.

Board compensation in this form is fairly common among food co-operatives. Based on research done in 2012 for food co-ops of comparable size, Wheatville is in the middle of the range, with monetary compensation varying from \$300 to \$1800 per year, and discounts varying from 5% to 22%. For those interested in sharing their opinions or learning more about Board work, we reserve at least ten minutes of "open time" every regular monthly meeting to meet with whomever may want to come. You can find more information or sign up for open time and the Board on Wheatville's website.