

PFC Board of Directors Meeting Minutes – November 20, 2008

Location: Menlo Innovations, 410 N. Fourth Avenue, Kerrytown Shopping Center third floor

Attendance

Board Members: Anjanette Bunce, Co-President; Chris Good, Co-President; Laura Trumbull, Vice President; Joan Bailey, Secretary; Daniel Soebbing, Treasurer; Linda Diane Feldt; Pete Schermerhorn.

Ken Charboneau, PFC General Manager

Rusty Brach, PFC Finance Manager

John Austin, Board administrative assistant, recording minutes

Call to order - at 6:30PM by Anjanette.

Agenda Review - *Consent Agenda* changes: *Minutes 10/16/08 board meeting* and *G.9.4 draft* were removed for discussion later in the meeting; *Expansion Comm. Minutes* were unavailable and will be considered in December. The *Expansion check-in and update* discussion will involve confidential issues so was removed from the regular agenda for consideration in executive session.

There were no *Member Comments*.

Announcements, Info-sharing, Future Scanning - Pete reminded Directors that discussion and decision would be needed soon if the Board wishes to propose any bylaw revisions to the Membership for consideration in the upcoming PFC election.

Consent Agenda - *L.3 Financial Planning & Budgeting* and *L.4.9 Current Ratio GM* monitoring reports; *Development Committee Minutes 10-21-08*; and *GM Evaluation Committee Minutes 11-3-08*. All Directors having reviewed and understood these materials, Laura moved approval of the revised Consent Agenda, Dan supported, passed 7-0.

Report from the General Manager - Ken expanded on the regular written report and other materials (proposed PFC 2009 budget, 3rd quarter balance sheet, and report on PFC outreach events) he supplied for the meeting and answered questions from Directors. Rusty was also present to address questions on financial matters.

In response to a question from Pete, Ken clarified that the across-the-board Staff raises scheduled for January do not apply to the Board's administrative assistant as evaluation and compensation for that position are the responsibility of the Board. Dan asked about committing to raises at a time when PFC is struggling with low profit margins. Ken felt that the steady increases in performance and sales justified the raises and he expressed confidence in the Staff's ability to turn the situation around and meet 2009 targets. Linda Diane asked about Staff retention rates, noting that across-the-board raises should be expected to yield improvement in that area. Ken agreed and said that retention rates would be included in an upcoming monitoring report.

Rusty pointed out that sales have been strong and observed that Ann Arbor seems somewhat insulated from the downturn in the broader economy. Chris noted that with empty stores seemingly everywhere PFC seems to be doing well. Pete commented that co-ops seem to do alright in recessions.

Annual Meeting - After discussion the Board tentatively selected April 12 for the annual meeting of the Membership, with April 26 as back-up. The Member Linkage Committee will explore options and possible locations.

2009 CDS use proposal – Directors debated participating in CBLD 09 (Cooperative Board Leadership Development), *Cooperative Development Service's* yearly program of training and consultation. The cost would be \$1295 per quarter. PFC still has 12 hours of consultation time remaining from their 2007 enrollment. After vigorous discussion the Board decided to use their remaining consultant hours, pay by the hour for more time if needed, and not sign up for the program for 2009. The vote was 1 in favor of

participation, 4 opposed, with 2 abstentions. It was agreed that the Board could be more proactive next year in arranging its own training as well as pursuing collaboration with other co-op boards in Michigan.

2009 Board Budget – The Board reviewed the revised draft presented by Dan. It was decided that there would be less need for legal services next year and that without CBLD participation the Training/Planning amount could be smaller. These two items were reduced from \$1000 to \$500 and from \$10,000 to \$7500 respectively. After further discussion, Laura moved approval of the budget as revised in discussion, Dan supported, passed 7-0.

2009 Board Budget

Legal Services	\$500	
Training / Planning	\$7,500	
Elections & Meetings	\$2,600	(\$600 Annual Meeting, \$2000 Director cards)
Member Linkage / Survey	\$1,500	
Board Indemnification	\$4,423	
Misc. Board expenses	\$500	
Financial review / Audit	\$7,000	(Wegner quote: approximately \$6,400)
Administration	\$5,000	(Board administrative assistant)
Total	\$29,023	

Use of remaining CDS contract hours - Ideas were discussed for use of the remaining twelve hours. Chris suggested that Marshall Kovitz (PFC's *Cooperative Development Services* liaison) could provide guidance to the GM Evaluation Committee. Anjanette noted that Marshall's own co-op (La Montanita in Albuquerque) has a very active member linkage/outreach program and suggested that his input would also be valuable to the Member Linkage Committee. During January through March the Development Committee will make plans for using the available hours during the 2009/10 Board year.

Minutes 10/16/08 board meeting & G.9.4 draft (pulled from the Consent Agenda) - Anjanette explained that the G.9.4 draft was simply a restatement of that section of the 9/16 Governance Committee minutes in proposal form. Laura moved approval, Dan supported, approved 7-0.

After discussion of the rules of parliamentary procedure, the 10/16/08 board meeting minutes were corrected to show that G.9.4 had been approved. Chris then moved approval of the minutes as revised, Laura supported, passed 7-0.

Expansion Committee Charter - A draft was not available and this discussion was postponed.

Website discussion - Anjanette clarified that this was to be a discussion of a possible *Board* website.

Directors offered ideas in free form discussion, among them:

- Need to define the intended audience – Members, general public, etc.
- Should be continually updated – Board work, committee activities, etc.
- Include a section highlighting other co-ops (not just food co-ops) with links to their sites.
- Is it primarily for Board use or to facilitate Member linkage? Define percentage of effort to each.
- Include wiki's for big projects and Board history.
- Include blogs, forums, interactive formats.

It was decided to form an ad hoc committee for exploration. Anjanette will form the committee and it will draft a charter for consideration at the January meeting. Linda Diane, Dan, Pete, and Laura expressed interest in participating.

G.5 Committee Principles - Directors discussed the need for committee charters, and other issues. The Governance Committee will present a revised draft for consideration at the December meeting.

Candidate recruitment – Some names of possible candidates for the upcoming PFC election were offered. Directors will e-mail other suggestions to Laura. Chris asked that candidates interested in appointment to

Joan's position be asked to supply a brief statement. All Directors will continue personal outreach to potential candidates.

Looking Ahead - Anjanette reviewed upcoming commitments on the Board Calendar:

- G & M self-monitoring surveys still need to be completed by some Directors.
- G.1, G.8, and M.1 surveys need to be completed by all Directors; Anjanette, Pete, and Joan, respectively, were assigned to do the summaries. John will post the new surveys.
- The Board will be reviewing the Ends policy monitoring reports from Ken at the December meeting.
- *Revisit Board Goals & Priorities* and *Board calendar 6-month check-in* are also scheduled for December.

Anjanette also said that she's received several inquiries from Boards at other Michigan co-ops about having regional get-togethers to discuss training, planning, and problem solving. Directors supported further investigation of such possibilities by Anjanette.

Task List Review - The Board's new TASK LIST-CURRENT may be viewed on line at <http://groups.google.com/group/pfcbod-archive> under "Files".

Future Meetings - December 17 or 18 (to be determined), 6:30PM, at Menlo Innovations, 410 N. Fourth Avenue.

Attendance - Laura moved approval of Joan's absence from the October 16 meeting, Dan supported, passed 6-0 with Joan abstaining.

Meeting Evaluation - Positives: good meeting; good facilitation; dealt effectively with agenda changes and extended discussions. Changes for the future: prompt feedback to President on first draft of meeting agendas; item materials on time; better preparation; meeting felt a little disjointed.

Executive session - At 8:40 Dan moved that the Board convene in executive session to discuss real estate matters, Joan supported, approved 7-0.

Adjournment - The Board emerged from executive session at 8:50 and the meeting was adjourned by Anjanette.

Materials considered by the Board at this meeting may be viewed on line at: <http://groups.google.com/group/pfcbod-archive> under "Discussions".

Respectfully submitted by Joan Bailey, Board Secretary