

Incentive Plan

Most employees working for a responsible corporation will have a Job Description that will define the work that is expected of them by the corporation. This enables their employer to measure their performance against the Job Description. In addition to the work expected of an employee, a Job Description will define a range of measurements that can be used to determine how an employee is performing his job. This allows the employer to justify promotions and raises.

Work performed that is above and beyond the Job Description normally results in a review grading that leads to advancement. Creating “Cost Savings Measures” are commonly expected from staff and management employees.

A Bonus plan is not uncommon and is publicly noted to all employees and management. An outside contractor (PCM), however, would not define a Bonus Plan for their employees without the consent and concurrence of their employers (our Mutual Corporations). It would not require a consent if the Bonus was paid by PCM, but, the money is paid by us and as such, should be agreed to by our Boards.

All costs to the Mutuals by PCM should be open and reviewed by the Mutual Boards of Directors. The Bonus plan that PCM has had in effect for almost 10 years, has only recently been exposed to the Directors.

This is not the way to do business.

PCM’s plan to forget the past and just go forward from this point is not in our best interest. It is critical that we have a complete history of this plan from its inception, including;

1. How much we spent yearly.
2. The justification for the bonus.
3. To whom the bonus was paid.

This is crucial to enable our Boards to understand how this could happen without their knowledge and to provide insight into other *hidden* costs of which they might not currently be aware.

The General Manager noted that he has terminated the Bonus Plan for Third Mutual, but it is not clear what his intent is for GRF and United.

Ask Your Nominees!

Elections are coming and it is time to think of the questions we should ask the nominees to ascertain their priorities. We know the General Manager’s priorities are: 1). PCM, 2). PCM Employees and then 3). The Owners.

By their actions, it appears that most current, and past, Board members have the same priorities. They do not have the backbone to stand up and question the GM, which results in defaulting to the same priorities as his.

(Continued on page 4)