

PRESIDENT/CEO EXECUTIVE COMPENSATION COMMITTEE MEETING MINUTES

Wednesday, September 9, 2020

Gulf Coast Medical Center, Medical Office Building Boardroom, 13685 Doctor's Way,
Fort Myers, FL 33912

Teleconference 1-415-655-0002 Access Code 479 493 525

MEMBERS PRESENT:

David Collins, Board Chair, Committee Chair

Therese Everly, Board Vice Chair

Donna Clarke, Board Treasurer

Diane Champion, Board Secretary

OTHERS PRESENT:

George Knott, Board Deputy Counsel

Mike Wukitsch, Chief Human Resources Officer

Larry Antonucci, M.D., President/CEO

Alison Thureau, System Director HR Total Rewards

The President/CEO Executive Compensation Committee Meeting was called to order at 9:30 a.m. by David Collins, Board Chair.

PUBLIC INPUT

Chair David Collins read the Public Input Statement.

MINUTES 8/6/20

Therese Everly, Board Vice Chair asked that the minutes dated August 6, 2020 be changed to include the following on agenda item "Follow up of additional information needed for board consideration of extension to President/CEO Contract"; In addition, the committee discussed the deletion of the annual adjustment to base pay not tied to performance, and country club membership dues. Both were supported by the findings in the Gallagher report.

A motion was made by Donna Clarke to approve the minutes dated August 6, 2020 as amended. The motion was seconded by Therese Everly and carried with no opposition.

PRESIDENT/CEO PERFORMANCE EVALUATION TOOL

Mike Wukitsch, Chief Human Resources Officer and Alison Thureau System Director Total Rewards, presented the committee with four examples of differing performance review types. Discussion ensued about qualitative vs quantitative performance measures. George Knott, Deputy Board Counsel explained to Committee members how the President's base pay would be adjusted, per the contract.

- a. If six or more members of the Board determine the President's performance did not meet expectations, he will not be entitled to an adjustment of base.

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- b. Unless 4.2(c) applies, if six or more members of the Board determine that the President's performance meets or exceeds expectations, his then existing base salary shall be adjusted to meet the 50th percentile of his peer group.
- c. If six or more members of the Board determine that the President's performance exceeds expectations his then existing Base Salary shall be adjusted to meet the 52nd percentile of his peer group.

George Knott stated that the adjustments are fixed by the contract. Both Mike Wukitsch and George Knott stressed that base pay adjustments are designed to stay competitive within the industry, not to be confused with incentives.

Consensus after discussion was to align the evaluation tool language to closely reflect contract terms, using a scale of "does not meet", "meets" and "exceeds". The Committee members liked a three-part process combining a quantitative section, with a scorecard section, and an overall rating to help Board members form their evaluations. Mike Wukitsch will come back to the committee with a simplified, goals vs. performance tool for the next committee meeting.

NEXT STEPS RECOMMENDATIONS TO FULL BOARD

None at this time.

NEXT REGULAR MEETING

The next President/CEO Executive Compensation Committee Meeting will be held on October 6, 2020 at 1:00 p.m.

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Physical Location: Gulf Coast Medical Center, Medical Office Building Boardroom, 13685 Doctor's Way, Fort Myers, FL 33912

ADJOURNMENT

The President/CEO Executive Compensation Committee Meeting adjourned at 11:00 a.m. by David Collins, Board Chair.

Minutes were recorded by Kathy J. Hagen/Assistant to the Board

Signed by: **David Collins**

Committee Chair

Date: **10/6/20**