

Palomar Pomerado Health
BOARD OF DIRECTORS
SPECIAL BOARD MEETING
ANNUAL CEO EVALUATION
Pomerado Hospital, Cafe Conference Room, Poway
Tuesday, March 27, 2007

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
CALL TO ORDER	4:35 pm Quorum comprised Directors Bassett, Greer, Krider (arrived at 4:45 pm), Larson, Powers and Rivera. <i>Regrets from Director Kleiter.</i>		
NOTICE OF MEETING	Notice of Meeting was mailed consistent with legal requirements		
PUBLIC COMMENTS	None		
ADJOURNMENT TO CLOSED SESSION pursuant to Government Code Section 54957: Public Employee Performance Evaluation: Chief Executive Officer.	4:40 pm	MOTION: by Rivera, 2 nd by Bassett and carried to adjourn to closed session All in favor. None opposed. Motion carried.	
OPEN SESSION RESUMED	5:50 p.m. Upon finalization of the Annual Board CEO Evaluation for FY 2006, and with regard to the continued excellent work that Mr. Michael Covert had undertaken on behalf of PPH during the past fiscal year, the following was agreed by the Board: <ol style="list-style-type: none"> 1. That the CEO's contract be extended for an additional two years ie., four years from April 1, 2007); 2. That effective April 1, 2007, the CEO's base salary be increased from \$518,440 (from 42% percentile for FY 2006) to \$528,000 (50% percentile for FY 2007); 3. That the CEO receive a performance based bonus of \$82,950 (subjective component) plus \$77,766 (objective 	MOTION: by Krider, 2 nd by Bassett and carried that: <ol style="list-style-type: none"> 1. That the CEO's contract be extended for an additional two years ie., four years from April 1, 2007); 2. That effective April 1, 2007, the CEO's base salary be increased from \$518,440 (from 42% percentile for FY 2006) to \$528,000 (to 50% percentile for FY 2007); 3. That the CEO receive a performance based bonus of \$82,950 (subjective component) plus \$77,766 (objective component), totaling \$160,716, for total bonus and base pay level of 	

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
	<p>component) totaling \$160,716, for total bonus and base pay level of \$679,156 for FY 2006.</p> <p>4. That the CEO receive such bonus of \$160,716 at his discretion to be directed in the form of cash, or part cash and part pension contribution, this Board proposal being based upon pension contribution legal language, otherwise the CEO shall take the full bonus in the form of cash only.</p> <p>5. That the CEO receive a 5% automatic adjustment to base salary for the next two years commencing April 1, 2008 and April 1, 2009 for FYs 2007 and 2008, with base salary re-adjustment subject to Board discretion in 2010.</p> <p>6. Should there be interest on the part of both the Board and the CEO to renegotiate a new contract prior to conclusion of the current contract, this would occur through the relevant Board Committee process, including revision of the CEO evaluation system.</p>	<p>\$679,156 for FY 2006.</p> <p>4. That the CEO receive such bonus of \$160,716 at his discretion to be directed in the form of cash, or part cash and part pension contribution, this Board proposal being based upon pension contribution legal language, otherwise the CEO shall take the full bonus in the form of cash only.</p> <p>5. That the CEO receive a 5% automatic adjustment to base salary for the next two years commencing April 1, 2008 and April 1, 2009 for FYs 2007 and FY 2008, with base salary re-adjustment subject to Board discretion in 2010.</p> <p>6. Should there be interest on the part of both the Board and the CEO to renegotiate a new contract prior to conclusion of the current contract, this would occur through the relevant Board Committee process, including revision of the CEO evaluation system.</p> <p>All in favor. None opposed. Motion carried.</p>	

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
FINAL ADJOURNMENT	6:00 p.m.		
SIGNATURES <ul style="list-style-type: none"> <li data-bbox="268 313 506 337">▪ Board Secretary <li data-bbox="268 435 506 459">▪ Board Assistant 	<hr style="width: 50%; margin-left: 0;"/> Linda C. Greer, R.N. <hr style="width: 50%; margin-left: 0;"/> Christine D. Meaney		