

June 7, 2019

File No:9625-08 ECD

Christina Zacharuk
President and Chief Executive Officer
Public Sector Employers' Council Secretariat
2nd Floor, 880 Douglas Street
Victoria, BC V8W 2B7

Dear Christina Zacharuk:

**Re: Royal BC Museum Corporation
Executive Compensation Disclosure – 2018/19**

This letter is to confirm that the Board of Directors of the Royal BC Museum Corporation is aware and has approved the compensation information in the executive compensation disclosure report for the Royal BC Museum Corporation.

The compensation information being disclosed is accurate and includes all compensation paid by the employer, foundations, subsidiaries, or any other organization related to or associated with the employer during the period of April 1, 2018 – March 31, 2019.

This attestation verifies that the compensation provided was within the approved compensation plan and complies with the Public Sector Employers' Council Secretariat guidelines.

Yours sincerely,



Raymond Protti
Chair, Board of Directors

STATEMENT OF EXECUTIVE COMPENSATION ROYAL BC MUSEUM

Royal BC Museum (RBCM) - Compensation Philosophy

The RBCM's Management Compensation Program is based on a process which recognizes these fundamental determinants of salary:

- a. the duties to be performed;
- b. the employee's performance/potential; and
- c. salaries paid for comparable positions in the external job market.

Subject to the legislative and fiscal constraints placed upon it, it is the objective of the Board of Directors of the Royal BC Museum to pay its Chief Executive Officer a salary that is sufficiently competitive in the job market, recognizing the Chief Executive Officer's responsibility for managing \$72 million of building assets and a further \$56 million in contents (exclusive of collections) and \$150 million of insured artifacts representing the history of the Province of British Columbia.

Responsibility for Determining Compensation

The responsibility for determining base salary compensation for the Chief Executive Officer rests with the Board of Directors pursuant to the *Museum Act*. The base salary is set within the maximum total compensation guidelines as established by Cabinet and Treasury Board and was approved by the then Minister (2007).

Compensation Principles

The Royal BC Museum Compensation Program introduces contemporary compensation practices to support the following principles:

- Financial expenditures for management salaries will be controlled and managed through an approved financial control model, as approved by the RBCM Board of Directors;
- The overall salaries are controlled through the annual budget process;
- Funding for management salaries will be found from within the overall annual salary budget;

Taxpayer Accountability Principles

The Royal BC Museum Compensation Program recognizes the following Taxpayer Accountability Principles:

| | |
|-----------------|---|
| Efficiency: | Strengthen cost management capabilities and foster a culture of cost-consciousness at all levels of public sector organizations. |
| Accountability: | Transparently manage responsibilities according to a set of common public sector principles in the best interest of the citizens of the province. |
| Appropriate: | Comply with a rigorous, standardized approach to performance management and employee compensation which reflects appropriate compensation for work. |
| Service: | Maintain a clear focus on positive outcomes for citizens of BC by delivering cost-efficient, effective, value-for-money public services and programs. |
| Respect: | Engage in equitable, compassionate, respectful and effective communications. |
| Integrity: | Make decisions and take actions that are transparent, ethical and free from conflict of interest. |

STATEMENT OF EXECUTIVE COMPENSATION (2017/18) – Royal BC Museum

2018/19 Compensation Discussion

Total compensation includes both cash, and non-cash, compensation.

CASH COMPENSATION

Salary ranges have been established for the following employee groups:

- Chief Executive Officer: set and approved by Board of Directors and Public Sector Employer's Council
- Vice-Presidents: set and approved at Band 6 by Public Service Agency
- Department Heads: set and approved at Band 4 by Public Service Agency
- Staff: set and approved in line with BCGEU Master Agreement and Public Service Job Evaluation Plan

NON-CASH COMPENSATION

Non-cash compensation includes the following statutory and non-statutory benefits:

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|--|--------------------------------|
| Statutory Holidays | Short-Term Illness and Injury |
| Vacation | Long-Term Disability |
| Maternity, Parental and PreAdoption Leave Allowances | Medical Services Plan |
| Group Life Insurance | Extended Health and Dental |
| Parking | Employee and Family Assistance |
| Canada Pension | Health Spending Account |
| Employment Insurance | Employer Pension |
| Workers' Compensation | |

For the 2018/19 the following positions are being reported as having a base salary of \$125,000 or greater:

Chief Executive Officer, Professor Jack Lohman
Deputy CEO and Vice President Collections, Research and International Programs, Joanne Orr
Chief Financial Officer and Vice President Corporate Finance, Melissa Sands
Vice President, Advancement, Mischelle vanThiel

This Statement of Executive Compensation has been prepared in accordance with the guidelines as established by the Public Sector Employers Council and the *Public Sector Employers Act* and the reporting requirements contained in the *Financial Information Act*.

Contact:

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| Karen Fudge-Jensen, CEC-ACC Head of Human Resources and Volunteer Services Royal BC Museum (250)886-0945 e-mail: k.fudgejensen@royalbcmuseum.bc.ca | Melissa Sands, CPA, CA Chief Financial Officer and Vice President Corporate Finance Royal BC Museum (778)679-8580 e-mail: msands@royalbcmuseum.bc.ca |
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EXECUTIVE COMPENSATION DISCLOSURE

Royal BC Museum

Summary Compensation Table at 2019

| Name and Position | Salary | Holdback/Bonus/ Incentive Plan Compensation | Benefits | Pension | All Other Compensation (expanded below) | 2018/2019 Total Compensation | Previous Two Years Totals Total Compensation | |
|---|------------|---|-----------|-----------|--|------------------------------------|---|------------|
| | | | | | | | 2017/2018 | 2016/2017 |
| Jack C Lohman, Chief Executive Officer | \$ 172,047 | - | \$ 18,258 | \$ 16,947 | - | \$ 207,252 | \$ 217,102 | \$ 195,706 |
| Joanne Orr, Deputy CEO and Vice President, Collections Research and International Programs | \$ 48,592 | - | \$ 7,343 | \$ 4,786 | \$ 25,000 | \$ 85,721 | | |
| Melissa Sands, Chief Financial Officer and Vice President of Corporate Finance | \$ 135,877 | - | \$ 17,755 | \$ 16,950 | \$ 26,908 | \$ 197,490 | | |
| Mischelle vanThiel, Vice President, Advancement | \$ 46,787 | - | \$ 6,337 | \$ 4,609 | - | \$ 57,733 | | |
| Angela Williams, Deputy CEO and Vice President, Collections Research and International Programs | \$ 135,876 | - | \$ 17,755 | \$ 16,950 | \$ 47,537 | \$ 218,118 | | |

EXECUTIVE COMPENSATION DISCLOSURE

Notes

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| Jack C Lohman, Chief Executive Officer | General Note: Professor Lohman has a service contract with the Royal BC Museum Foundation (non-public sector organization) and receives \$65,000+GST for services rendered in 2018/19. |
| Joanne Orr, Deputy CEO and Vice President, Collections Research and International Programs | General Note: New to disclosure - hired November 12, 2018 Other Note: Relocation Allowance |
| Melissa Sands, Chief Financial Officer and Vice President of Corporate Finance | General Note: New to disclosure as position classified to level with salary above \$125k Other Note: Retroactive salary due to reclassification and salary increase April 2017, paid in 2018. |
| Mischelle vanThiel, Vice President, Advancement | General Note: New to disclosure - hired December 18, 2018. |
| Angela Williams, Deputy CEO and Vice President, Collections Research and International Programs | General Note: New to disclosure as position classified to level with salary over \$125k Annual salary includes amount paid to Angela Williams for paid absence prior to retirement. Retirement Allowance paid to Angela from April 1, 2019 - April 30, 2019 is \$11,637 (2019/20) Other Note: Retroactive salary due to reclassification of position and salary increase to April 2017, paid in 2018 (\$26,908) and Retirement Allowance paid from February 5, 2019 - March 31, 2019 (\$20,629) |