

June 19, 2014

File No:9625-08 CEO Salary

Lee Doney  
President and Chief Executive Officer  
Public Sector Employers' Council Secretariat  
2<sup>nd</sup> Floor, 880 Douglas Street  
Victoria, BC V8W 2B7

**BY E-MAIL**

Dear Lee Doney:

**Re: Royal BC Museum Corporation  
Executive Compensation Disclosure – June 2014**

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 dated June 2014.

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. It also includes the value of any pre or post-employment payments made during the 12 month period before the term of employment.

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

Yours truly,



Suromitra Sanatani  
Chair, Board of Directors



**STATEMENT OF EXECUTIVE COMPENSATION  
ROYAL BC MUSEUM  
June 2014**

**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. the 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 RBCM to pay its Chief Executive Officer a salary that is sufficiently competitive in the job market.

**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;
- Compensation decisions should have the flexibility to address market competitiveness;
- Base pay should not exceed the maximum required to build a compensation package to recruit and retain employees as established through market comparison research;
- Compensation program must support the long-term strategy to link pay and performance;
- Market competitiveness should balance with internal relativity; and
- Executive Team has the flexibility to respond to evolving business needs.

## STATEMENT OF EXECUTIVE COMPENSATION (2014) – Royal BC Museum

### 2013/14 Compensation Discussion

The CEO, Professor Jack Lohman, CBE was appointed March 26, 2012.

Summary Compensation Table at FISCAL, 2014								
Name and Position (a)	Salary (b)	Bonus and / or Incentive Plan Compensation (c)	Benefits (d)	Pension (e)	All Other Compensation (expanded below)	2013/14 Total	Previous Two Years Totals	
							2012 / 13 (s)	2011 / 12 (t)
Jack Lohman, CEO	\$ 161,800	\$ -	\$ 20,322	\$ 15,209	\$ 2,520	\$ 199,851	\$ 199,926	\$ 51,225
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Summary Other Compensation Table at FISCAL, 2014								
Name and Position(a)	All Other Compensation	Severance (f)	Vacation payout (g)	Leave payout (h)	Vehicle / Transportation Allowance (i)	Perquisites / other Allowances (j)	Other (k)	
Jack Lohman, CEO	\$ 2,520	\$ -	\$ -	\$ -	\$ -	\$ 2,520		
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Notes:</b>								
Jack Lohman, CEO								

- 2013/14 CEO paid \$65,000 by the Royal BC Museum Foundation, via contract for fundraising services provided
- 2013/14 \$2,520 included in "other compensation" for Income Tax preparation services as per employment letter
- 2012/13 CEO paid \$65,000 by the Royal BC Museum Foundation, via contract for fundraising services provided
- 2012/13 total has been adjusted to reflect \$2,595 for Income Tax preparation services as per employment letter
- 2011/12 total (t) has been adjusted to include \$30,000 signing bonus and \$18,000 for relocation allowance

No other positions in the Royal BC Museum Corporation have a minimum base salary of \$125,000.

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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