

May 17, 2018

File No:9625-08 CEO Salary

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

Dear Christina Zacharuk:

**Re: Royal BC Museum Corporation  
Executive Compensation Disclosure – 2017/18**

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, 2017 – March 31, 2018.

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,



Susan Knott  
Chair, Board of Directors

**STATEMENT OF EXECUTIVE COMPENSATION  
ROYAL BC MUSEUM  
May 2018**

**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

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### 2017/18 Compensation Discussion

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

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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Summary Compensation Table at FISCAL 2018

Name and Position	Salary	Holdback/ Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2017/18 Total	Previous Two Years Totals	
							2016/17	2015/16
Jack LOHMAN, CEO	\$171,644		\$17,310	\$18,846	\$9,301	\$217,101	\$195,706	\$194,775

Summary Other Compensation Table at FISCAL 2018

Name and Position	All Other Compensation	Severance	Vacation Payout	Leave Payout	Vehicle / Transportation Allowance	Perquisites / Other Allowances	Other	
Jack LOHMAN, CEO	\$9,301	-	-	-	-	-	-	

Professor Lohman has a service contract with the Royal BC Museum Foundation (non-public sector organization) and received \$65,000+GST for services rendered in 2017/18. Professor Lohman Received retroactive pay in the amount of \$9,301 for increases effective July 2016 and July 2017. This amount is included in the reported salary. Professor Lohman earned but did not use 7 hours of 2017 Annual Leave, which has been carried over to 2018 calendar year under Bill66 for use by December 31, 2018. The accrued value is \$654.