

COMMUNITY LIVING BRITISH COLUMBIA
EXECUTIVE COMPENSATION REPORTING

For the fiscal year ending March 31, 2008

SUMMARY COMPENSATION TABLE

Name Position Title	Salary	Incentive Plan	Pension Contribution	All Other Compensation	Total
Rick Mowles <i>Chief Executive Officer</i>	172,000	21,500	16,749	14,945	225,194
Brian Bergland <i>Chief Information Officer</i>	202,368 (a)	-	-	-	202,368
Richard Hunter <i>VP Corporate Services</i>	131,328	12,312	12,633	10,045	166,318
Doug Woollard <i>VP Community Planning & Development</i>	131,200	12,423	12,620	10,358	166,602
Elaine Murray <i>VP Quality Services</i>	129,261	11,540	-	4,996	145,797

Note: (a) Contracted through a management company

CLBC's Compensation Philosophy

CLBC has a performance-based rewards program. At CLBC's inception in July 2005, compensation was based on a structure proposed by the Ministry of Children and Family Development (MCFD) and approved by PSEC. *Appendix A* outlines the basis for MCFD's recommended structure.

There are three components to the current PSEC approved CLBC excluded compensation model: base salary, at-risk incentive payments and the Government benefits package.

- **Base Pay** – is established at hire based on a candidate's entry level competency and market conditions; and can vary from 80 to 90 per cent of the position range. The incumbent progresses year over year through to the 100 per cent level of the range based on experience and demonstrated on the job competency.
- **Benefits** – parallel the benefits package offered to senior level public service positions. The CEO package is equivalent to that of a deputy minister and includes a vehicle allowance.
- **At-risk Incentive** – is tied to position level as outlined in *Appendix A*. The CEO has the potential to earn up to 15%; Vice-Presidents up to 10%; and senior directors up to 5% of base salary as a performance incentive in any given fiscal year. Incentive payments are awarded following an annual review process conducted in May/June.

Currently, both salary increases and incentive payments are tied to performance as measured by the achievement of goals set out in an executive's annual performance plan. The annual performance plan is established at the beginning of the fiscal year and is directly linked to the CLBC Operational Plan formulated jointly by the Board and senior management team. Weights are assigned to goals to differentiate goals by organisational priority and thereby obtain an adjusted performance rating.

Incentive Plan Performance Measurement

CLBC's CEO and NEOs incentive plan performance targets and measures are captured in the organization's Operational Plan which is derived from the Strategic and Service Plan initiatives. All three documents are accessible to the public on CLBC's web site.

The main categories within the Operational Plan are as follows:

1. Transformation and Organizational Development
2. Community Supports and Services
3. Services for Children
4. Safeguards
5. Policy/Program Development
6. Community Involvement and Partnerships
7. Governance, Financial & Information Management
8. Communication

Operational goals within each category are assigned to CLBC executives and performance measures are assigned to each operational goal. The executive's progress towards the achievement of stated goals is regularly monitored throughout the year and assessed at fiscal year-end. The annual review provides the basis for the performance incentive calculation.

Vacation Entitlements

Vacation leaves for executive positions at CLBC vary and were negotiated at hire based on the amount of leave the incumbent had in his/her former position prior to joining CLBC. There is no relationship between vacation leave and the organization's compensation philosophy except insofar as a hiring incentive is concerned.

Position	Vacation Entitlement
CEO	210 hours (30 days)
VP, Community Planning & Development	210 hours (30 days)
VP, Quality Services	140 hours (20 days)
VP, Corporate Services	210 hours (30 days)
Chief Information Officer	N/A – Contracted Resource in 2007/08

CLBC BASE SALARY AND INCENTIVE COMPENSATION

In April 2004, PSEC approved a Compensation Plan developed by MCFD respecting base salary and variable/at-risk compensation (incentive) for differing levels of the organization outlined in Table 1 below:

Table 1—PSEC Recommendations for Base Salary and Incentive Compensation

Position	Cash Compensation (not including benefits)¹	Variable or At Risk Compensation
CEO	\$131,328 to \$172,500 ²	Up to 15% of Base Salary
VP/CFO/COO	\$110,316 to \$131,328	Up to 10% of Base Salary
Senior Corporate Director	\$ 94,556 to \$115,569	Up to 5% of Base Salary

In making the above recommendations regarding executive compensation, MCFD selected key characteristics of CLBC and from those characteristics, selected examples against which to benchmark the corresponding CLBC position as follows:

Characteristic	CLBC Benchmark
Scope of financial responsibility, i.e. size of operating budget	• \$600 million/year
Complexity of services/business lines	• Moderately Complex <i>as a result of service contracts, volume of vendors, pressures on both the supply and demand side of service delivery</i>
Operational responsibility	• Operational <i>including policy and program</i>
Relative Stability of Operating Environment	• Significant change anticipated

MCFD then adapted the levels to account for Sectoral and government comparators as follows:

- A report prepared for MCFD in March 2003 by Western Compensation and Benefits Consultants
- Blue book comparators for ministries with similar budgets to CLBC and the corresponding public sector compensation for deputies in those ministries
- Regional Health Authorities with budgets comparable to CLBC and compensation packages for their senior-most staff
- Other inter-provincial data where available specifically for Community Living Services agencies

¹ As at March 31, 2008

² MCFD proposed maximum for CEO