

April 22, 2015

Christina Zacharuk
Interim President and CEO of PSEC Secretariat
2nd Floor, 880 Douglas Street
Victoria, BC
V8W 2B7

Dear Ms. Zacharuk:

Re: Executive Compensation Disclosure

Enclosed please find the Executive Compensation Disclosure report for Columbia Basin Trust (Trust) for fiscal year 2014/15.

I confirm that the Trust's Board of Directors is aware of the executive compensation paid in the prior fiscal year and that all compensation disclosed is accurate. All compensation received was paid through the Trust and no other organization. There were no pre-employment payments made prior to the employment contracts. All compensation provided was within the Trust's approved compensation plan and complies with the Public Sector Executive Compensation Reporting Guidelines dated May 2014.

Sincerely,



Greg Deck
Chair, Board of Directors

Columbia Basin Trust (the "Trust") evaluates and compensates positions using an eleven point Job Evaluation Factor Plan and jobs are placed into twelve salary grades based on the point ratings. All compensation plans applied by the Trust must be approved by the Public Sector Employers' Council. The Trust does not provide incentive plan compensation to any positions.

The Trust's compensation policy for all positions, except for the Chief Executive Officer, is based on the following principles:

1. All salary increases are merit based.
2. The Trust's job rate (the target level of compensation for each position) is set at the market average level of compensation for comparable positions.
3. There is an ability to pay up to 10% above the job rate for special cases (eg. exceptional performance or market conditions).

The Trust also provides the following paid leaves:

1. *Sick Leave and Special Leave*
Eight days of Sick Leave per year (cumulative to a maximum of 85 days) and up to eight days Special Leave per year (not cumulative) are available to all employees to provide protection from loss of income due to illness, injury, emergencies, professional appointments or family obligations.
2. *Flex Days*
Seven days per year of Flex Days (not cumulative) are granted to all managerial staff, with the exception of the Chief Executive Officer, to recognize the additional hours that managers work, for which they are not otherwise compensated.
3. *Vacation*
All employees are provided with annual vacation, in accordance with internal policy, based on total years of service to the Trust, to a maximum of 35 days per year, with the exception of the Chief Executive Officer who receives an accrual of one additional day of vacation entitlement for every full year of service. This accrual will continue to end of employment or until otherwise amended by mutual agreement.

The Trust's Chief Executive Officer's salary is set by the Board of Directors using the following considerations:

1. The individual's track record in business and community development.
2. The difficulty in attracting a quality individual to the Columbia Basin region. The Trust's Chief Executive Officer has an extremely complex job that covers business development, investment management, community development, funding program design and administration, and political, business and community relationship development. The type of individual that the Trust requires is typically someone who has many choices on where they can work. Salary is not the deciding factor but it must be competitive to attract qualified individuals.
3. The Trust's Chief Executive Officer's salary must be generally in line with other administrators in the region. Part of the salary analysis looks at senior administrators for local government, local investment firms and local power companies.



**Columbia Basin Trust
Executive Compensation Report
2014/15**

Executive Compensation for 2014/15						Prior Years Info	
Name	Base Salary	Benefits*	Pension	Other**	Total 2014/15	Total 2013/14	Total 2012/13
N Muth	183,750	22,398	19,296	-	225,444	225,407	225,489
J Strilaeff	150,000	33,762	-	250	184,012	183,911	176,488

*Benefits includes Benefits Allowance plus statutory benefits premiums (EI, CPP, WCB)

**Other refers to benefits accessed under Healthy Active Employee Policy.