

May 8, 2015

Christina Zacharuk
Interim President & CEO of PSEC Secretariat
2nd Floor, 880 Douglas Street
PO Box 9400, Stn Prov Govt
Victoria, BC V8W 9V1

RE: Public Sector Employers Act – Section 14.8(3)
Public Sector Executive Compensation Reporting Form 2014 / 2015

Please find attached the Vancouver Coastal Health Authority's (VCH) Statement of Executive compensation for the fiscal year 2014/15. This report is provided in compliance with section 14.893) of the *Public Sector Employers Act* and in the form and manner established by the Public Sector Employers' Council (PSEC) per the Public Sector Executive Compensation Reporting Guidelines.

The report that follows is in two parts. Part One is a narrative discussion of VCH's compensation philosophy, policies and practices. Part Two is the Summary Compensation Table for VCH.

The board is aware of the executive compensation paid in the prior fiscal year. 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 or after the term of employment. The board verifies that compensation provided was within approved compensation plans and complies with the Public Sector Executive Compensation reporting guidelines.

If you have any questions or require clarification, please contact Ms. Debbie Blaney, Executive Director, Management Talent Acquisition, Recruitment Services and Compensation/Classification, Employee Engagement, VCH at 604-875-4592.

Sincerely,



Kip Woodward
Board Chair, VCH



Framework for Total Compensation

Compensation Plan

VCH is an employer member of the Health Employers' Association of BC (HEABC) and bases its compensation practices on HEABC's Compensation Reference Plan. The Plan has been developed pursuant to the statutory requirements of the Public Sector Employers' Act and is applied across the employer members of HEABC for all excluded VCH employees.

Job Evaluation. A common Job Evaluation Plan for health employers to assess the level of responsibility, skills and qualifications required of a job. The evaluation determines the appropriate salary range that is set for a job.

VCH reviews job evaluations with HEABC to ensure consistency of application across the province.

Salary Ranges. Health employers use salary ranges for their assigned Employer group. Each range has a minimum and maximum amount. Individual salaries are set between these two limits. The salary ranges are used to set compensation for all excluded roles up to, but excluding, the Chief Executive Officer.

Effective September 13, 2012, VCH Excluded Range 9 and above positions were captured by the salary freeze as per PSEC's directions. Effective April 1, 2013, non-management positions in Ranges 1 to 7 were unfrozen, as well as designated non-management positions in Range 8.

The salary ranges do not include a range for the Chief Executive Officer. The total compensation allowable for the Chief Executive Officer is established by the Ministry of Finance as part of a Province-wide Public Sector CEO Compensation initiative. Any amendments to existing CEO or new hire compensation plans must be approved by the Chair of the VCH Board of Directors and Minister of Health, prior to seeking approval from the Minister of Finance.

Compensation practices. VCH establishes individual compensation rates within the limits of the approved salary ranges. Annual salary adjustments are provided based on performance and available room on the specific salary range.

- Currently, staff in positions that are not frozen are eligible for performance based anniversary increases.
- Compression adjustments for clinical management employees were frozen effective September 13, 2012.

Terms & Conditions

Standardized Provincial Terms & Conditions and compensation guidelines were implemented effective January 1, 2015 to establish consistency in compensation practices across BC health employers.

The Terms and Conditions of employment of VCH Executives are outlined in an individual employment contract. All employment contracts are filed with the Public Sector Employers' Council Secretariat and made available for disclosure at the Corporate Office.

- VCH reimburses individuals for reasonable business expenses, supported by receipts.
- The Chief Executive Officer and designated Senior Executives are provided with a car allowance.

Benefits:

Standardized Provincial Benefit Plans for all excluded employees including executive staff were implemented effective January 1, 2015, which include MSP, sick leave, group life insurance and AD&D, dependant life, extended health plan, long term disability, dental plan and enrolment in the Municipal Pension Plan.

Notes:

David Ostrow, President & CEO	<ul style="list-style-type: none"> - Dr. Ostrow resigned effective April 11, 2014 - The \$57,180 Perquisites/other allowances is retirement allowance.
Mary Ackenhusen, President & CEO	<ul style="list-style-type: none"> - Mary Ackenhusen was promoted from COO-Vancouver to President & CEO effective April 14, 2014. - Commencing in 2014/15, 10% of Mary Ackenhusen's Annualized Base Salary is held back and paid out if targets are achieved.
Jeff Coleman, VP, Regl Programs & Serv Integr	<ul style="list-style-type: none"> - Dr. Coleman is no longer a NEO effective May 26, 2014. He remains employed by VCH and is seconded to a position with the Ministry of Health. The compensation and benefits disclosed for Dr. Coleman are up to May 26, 2014 only. - Dr. Coleman is a part time practicing physician on contract with Providence Health Care (PHC), an affiliate. The compensation Dr. Coleman receives under this contract is not included in the above disclosed compensation.
Patrick O'Connor, VP, Medicine, Quality & Safety	<ul style="list-style-type: none"> - Dr. O'Connor is a practicing physician with earnings paid by MSP and disclosed through the FIA requirements.
Glen Copping, CFO & VP Sys Devel & Perform	
Vivian Eliopoulos, COO - Vancouver Acute	<ul style="list-style-type: none"> - Vivian Eliopoulos replaced Mary Ackenhusen as an NEO effective April 14, 2014. Compensation reported for 2014/15 includes amounts prior to April 14, 2014 as follows: <li style="padding-left: 20px;">Salary - \$14,883.75 <li style="padding-left: 20px;">Pension - \$1,268.68 <li style="padding-left: 20px;">Benefits - \$654.71
Laura Case, COO - Vancouver Community	<ul style="list-style-type: none"> - Laura Case became an NEO, replacing Jeff Coleman although not in the same role, effective April 14, 2014. Compensation reported for 2014/15 includes amounts prior to April 14, 2014 as follows: <li style="padding-left: 20px;">Salary - \$12,636.23 <li style="padding-left: 20px;">Pension - \$1,077.18 <li style="padding-left: 20px;">Benefits - \$1,038.73
<p>Certain employees with ten or twenty years of service and having reached a certain age are entitled to receive special payments upon retirement or as specified by collective agreements. These payments are based upon accumulated sick leave credits and entitlements for each year of service. Credits are paid out at the time of leaving the workforce if the person leaves on or after age 55 upon retirement, termination, death or disability. No payout is made in the event that the employee is dismissed with just cause.</p>	