

May 1, 2016

PSEC Secretariat
2nd Floor, 880 Douglas Street
Victoria, BC
V8W 2B7

Attention: Christina Zacharuk, President and CEO

Dear Ms. Zacharuk:

Re: 2015/16 Executive Compensation Disclosure – Columbia Basin Trust

Enclosed please find the Executive Compensation Disclosure report for Columbia Basin Trust (Trust) for fiscal year 2015/16.

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 February 2016.

Sincerely,



Rick Jensen
Chair, Board of Directors

COMPENSATION PHILOSOPHY

INTRODUCTION

This policy regarding the establishment and adjustment of salary levels shall apply to all employees of the Trust, subject to the provisions of specific employment contracts, Public Sector Employer's Council (PSEC) approvals and guidelines and budget approvals.

POLICY

1. CORE PRINCIPLES

The following core principles guide the design, implementation and administration of the Trust compensation philosophy:

- *Performance*: Compensation programs support and promote a performance based (merit) organizational culture. All salary increases are merit based.
- *Differentiation*: Differentiation of salary is supported where there are differences in the scope of the position and/or due to superior individual performance.
- *Accountability*: Compensation decisions are objective and based upon a clear and well documented business rationale.
- *Transparency*: Compensation programs are designed, managed and communicated in a manner that ensures the program is clearly understood by employees and the public while protecting individual personal information.

2. MARKET COMPARATOR GROUP(s)

The Trust's job rate (100%) reflects the target level of compensation for each position and is set at the market average level of compensation (P50) for comparable positions. The comparator group selected includes all sectors in the BC job market excluding Metro Vancouver.

Salary ranges for each position correspond to a point range distribution reflected for each of the 11 salary bands. Each band has a salary range between (85%) minimum and (100%) maximum. There is an ability to pay up to (10%) above the job rate maximum for special cases (e.g. exceptional performance or market conditions). The Trust does not offer bonus, incentive, holdback or any other related compensation.

3. BENCHMARKING

The Trust evaluates and compensates positions using a point Job Evaluation Factor Plan and jobs are placed into one of 11 salary grades based on the point ratings. The Compensation Plan is approved by the Public Sector Employer's Council.

4. CURRENT COMPENSATION INFORMATION

There are 11 salary ranges. The lowest minimum (85%) salary range starts at \$28,500 and the highest maximum (100%) salary range is \$132,900.

JG	Minimum (85%)	Maximum (100%)
JG12	113,000	132,900
JG11	97,800	115,100
JG10	86,800	102,100
JG9	77,400	91,000
JG8	67,900	79,900
JG7	59,800	70,400
JG6	51,800	60,900
JG5	45,200	53,200
JG4	38,700	45,500
JG3	33,600	39,500
JG2	28,500	33,500

5. ELEMENTS OF TRUST COMPENSATION PLAN

1. Base Pay

2. Leave and Statutory Holidays:

a. *Statutory Holidays: The Trust observes the following 12 statutory holidays:*

- New Year's Day
- Family Day
- Good Friday
- Easter Monday
- Victoria Day
- Canada Day
- BC Day
- Labour Day
- Thanksgiving Day
- Remembrance Day
- Christmas Day
- Boxing Day.

b. *Vacation*

Employees will earn vacation based on total years of service to the Trust to a maximum of 35 days per year. This accrual will continue to end of employment or until otherwise amended by mutual agreement.

c. *Special Leave*

Eight days per year, not cumulative, for family emergencies or unplanned obligations.

d. *Sick Leave*

Eight days per year cumulative to a maximum of 85 days.

e. *Flex Days*

Management roles only. Maximum of seven days per year, not cumulative.

3. Benefits include:

- MSP
- Extended Health
- Dental
- Life
- Dependent Life
- Accidental Death and Dismemberment
- Short Term Disability
- Long Term Disability
- Health Spending Account
- Employee Family Assistance Program
- Healthy Active Employee Policy
- Long Service Awards.

4. Pension:

A defined benefit pension plan through the Public Service Pension Plan (PSPP) is available to all Trust employees.

Employees hired prior to June 30, 2012 were provided the option to receive a (20%) benefit allowance to cover pension and benefits and not subscribe to the pension and benefits plans. Employees that elected to join PSPP continue to receive a reduced benefit allowance to pay for their benefit premiums.

Executive Compensation for 2015/16						Prior Years Info	
Name	Base Salary	Benefits*	Pension	Other**	Total 2015/16	Total 2014/15	Total 2013/14
N. Muth	183,750	22,555	19,280	250	225,835	225,444	225,407
J. Strilaeff	150,000	33,966	-	500	184,466	184,012	183,911

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

**Other refers to benefits accessed under Healthy Active Employee Policy and the Long Service Award.

** N. Muth \$250 - 10 year service

** J. Strilaeff \$250 - 10 year service, \$250 Healthy Active Employee