

May 11, 2017

File No:9625-08 CEO Salary

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

Dear Christina Zacharuk:

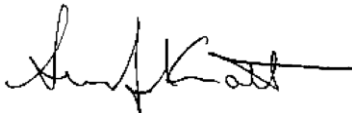
**Re: Royal BC Museum Corporation
Executive Compensation Disclosure – 2016/17**

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, 2016 – March 31, 2017.

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,

A handwritten signature in black ink, appearing to read "Susan Knott", with a long horizontal flourish extending to the right.

Susan Knott
Chair, Board of Directors

**STATEMENT OF EXECUTIVE COMPENSATION
ROYAL BC MUSEUM
April 2017**

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 (2016/17) – Royal BC Museum

2016/17 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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Royal BC Museum

Summary Compensation Table at 2017

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2016/2017 Total Compensation	Previous Two Years Totals Total Compensation	
							2015/2016	2014/2015
Jack C Lohman, Chief Executive Officer	\$ 161,246	-	\$ 17,659	\$ 16,801	-	\$ 195,706	\$ 194,775	\$ 197,331

Summary Other Compensation Table at 2017

Name And Position	All Other Compensation	Severance	Vacation payout	Leave payout	Vehicle / Transportation Allowance	Perquisites / other Allowances	Other
Jack C Lohman, Chief Executive Officer	-	-	-	-	-	-	-

Notes

Jack C Lohman, Chief Executive Officer

General Note: Professor Lohman has a service contract with the Royal BC Museum Foundation (non-public sector organization) and received \$64,999.92+GST for services rendered in 2016/17. An amount paid for services rendered was reported in 2015/16, 2014/15 and 2013/14. It was not reported in 2012/13 as external contracts did not require reporting at that time. This amount is not paid by the Royal BC Museum, nor is it part of his employment contract.