



## EXECUTIVE COMPENSATION DISCUSSION & ANALYSIS

Compensation is an important tool used by BC Housing to attract, motivate and retain executives with the requisite skills, experience and commitment necessary to achieve the organization's strategic and business goals. The types and amounts of executive compensation provided are determined by the Board of Directors, with oversight provided by the Public Sector Employers' Council Secretariat. Independent compensation consultants are retained on a bi-annual basis to assist in the determination of executive compensation.

BC Housing's executive compensation program is based on three fairness criteria, including external equity, internal equity and individual equity. External equity is achieved through the organization's compensation philosophy of providing total compensation equal to the median (50<sup>th</sup> percentile) total compensation provided to comparable positions by relevant comparison organizations. Total compensation includes base salary, incentive, perquisites, retirement and other benefits and all forms of paid time off.

Internal equity is maintained by ensuring that the salary ranges are consistent with the relative internal value of each BC Housing position. Internal values are determined by an ongoing job evaluation analysis of the responsibilities and accountabilities of positions.

Individual equity is achieved by ensuring that the actual salary awarded within the respective salary range reflects increasing levels of competence and individual performance. It is BC Housing's belief that an executive's contribution and value increases as his or her competencies grow and performance objectives are achieved.

Executive participate in BC Housing's Variable Incentive Pay ("VIP") Plan. The objective of the plan is to challenge executives to achieve superior corporate/department/individual financial and operational results. The Chief Executive Officer ("CEO") and the Named Executive Officers ("NEOs") are eligible for maximum incentive awards of 35% and 25% of annual salary, respectively.

The performance measures used in the VIP Plan are directly linked to BC Housing's Service Plan. Specific corporate performance targets must be achieved in order for the VIP Plan to be funded and able to pay incentive awards. In addition, assuming the VIP Plan is funded, the allocation of individual awards is determined by an assessment of how the CEO or NEO contributed to the corporate and department results.

The levels of funding of the VIP Plan are determined in accordance with the following criteria:

<b>Level of Performance Relative to Service Plan</b>	<b>Level of Funding of VIP Plan</b>
Modest Stretch (Met Service Plan Targets)	33%
Stretch (Exceeded Service Plan Targets)	67%
Super-Stretch (Far Exceeded Service Plan Targets)	100%

Annual Performance Plans and performance criteria are established for the CEO and the NEOs each year in order to assess his or her performance. Assuming that the VIP Plan is fully funded (i.e.: BC Housing Far Exceeded It's Service Plan Targets), the executive's incentive awards as a percent of his or her respective maximum incentive opportunity would be:

<b>Assessment of Executives' Performance Against Established Criteria</b>	<b>Percent of Maximum Incentive Opportunity Payable</b>
Met Only Some	Nil
Met Most But Not All	70%
Met All	80%
Exceeded	100%

BC Housing's executives participate in the BC Public Service Pension Plan, and are covered by the group life insurance, medical, extended health and long term disability plans provided for employees within BC's Public Service. Vacation provisions are the same as the Public Service.

**From:** Brenda Eaton [mailto:beaton@bchousing.org]  
**Sent:** Friday, June 25, 2010 12:51 PM  
**To:** Draper, Kindree PSEC:EX; Agnes Ross  
**Subject:** RE: further info for HPO/BCH attestation

Dear Kindree Draper:

Further to my earlier e-mail and attachment, *as Board Chair I confirm that the BC Housing board is aware of the executive compensation paid in fiscal 2009-10 and that the compensation provided was within our approved compensation plan.*

**Brenda Eaton**  
**Chair, BC Housing**  
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Public Sector Executive Compensation Reporting Statement of Executive Compensation 2009/2010							
Name	Position	Salary	Incentive Plan Compensation Paid*	Pension	Others**	Total	Previous 2 Years Totals
Shayne Ramsay	CEO	\$221,564	\$74,731	\$22,069	\$23,931	\$342,295	2007/08 = \$331,366 2008/09 = \$367,120 ***
Dan Maxwell	VP, Corporate Services & CFO	\$185,152	\$39,219	\$18,321	\$12,031	\$254,723	2007/08 = \$231,445 2008/09 = \$243,869
Craig Crawford	VP, Development Services	\$169,611	\$34,079	\$16,724	\$10,116	\$230,530	2007/08 = \$214,562 2008/09 = \$222,981
Margaret McNeil	VP, Operations	\$164,311	\$30,951	\$16,180	\$8,614	\$220,056	2007/08 = \$205,163 2008/09 = \$212,752
Michael Blaschuk	VP, Asset Strategies	\$154,379	\$31,019	\$15,160	\$12,762	\$213,320	2008/09 = \$84,061 ****

\* Deferred Variable Incentive Plan payment for 09/10  
\*\* Includes employer's cost of benefits  
\*\*\* Includes vacation payout, retro payment on salary range adjustment for 2007/08 and 2008/09  
\*\*\*\* Partial year commenced October 14, 2008

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Public Sector Executive Compensation Reporting  
Statement of Executive Compensation  
**Homeowner Protection Office**  
**2009/2010**

Name	Position	Salary	Incentive Plan Compensation Paid*	Pension	Others**	Total	Previous 2 Years Totals ****
Kenneth Cameron	CEO	\$168,391	\$24,248	\$14,654	\$4,575	\$211,868	
Robert Maling ***	Chief Operating Officer	\$135,693	\$6,385	\$12,788	\$9,408	\$164,274	

\* Variable Incentive Plan payment for 09/10

\*\* Includes employer's cost of benefits

\*\*\* Includes salary continuation in lieu of notice from August 1, 2009 to March 31, 2010

\*\*\*\* BC Housing assumed the operations of the Homeowner Protection Office on April 1, 2010  
Previous disclosures were made under the auspices of the HPO.