

June 11, 2012

Public Sector Employer's Council
PO BOX 9400 Stn Prov Govt
Victoria BC
V8W 9V1

Dear Sir/Madame:

Re: Executive Compensation Disclosure

Enclosed please find Columbia Basin Trust's Executive Compensation Disclosure report for fiscal year 2011/12.

I confirm that Columbia Basin Trust's Board of Directors is aware of the executive compensation paid in the prior fiscal year and that all compensation was provided within CBT's approved compensation plan.

Sincerely,



Garry Merkel
Chair
Columbia Basin Trust



**Columbia Basin Trust
Executive Compensation Report
FY2011/12**

CBT uses a Job Evaluation Point Factor Plan with eleven competency experience elements. CBT jobs are placed into twelve salary grades based on the point ratings.

CBT does not provide incentive plan compensation to any positions.

CBT's compensation policy is based on the following principles:

1. All salary increases are merit based.
2. CBT'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)
4. The compensation plan does not include the Chief Executive Officer.

CBT's Chief Executive Officer's salary is set by the CBT Board of Directors considering:

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 CBT 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 CBT 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 CBT Chief Executive Officer's salary must be generally in line with other administrators in the region. Part of the analysis looks at senior administrators for local government, local investment firms and local power companies.

Name and Position	Base Salary	Benefits Allowance	Pension	Other Compensation	Statutory Deductions	TOTAL
Neil Muth President & CEO	\$183,750	18,577	18,165	N/A	3,526	\$224,018
Johnny Strilaeff VP, Investments	\$135,560	27,112*	N/A	250**	3,450	\$166,372

*Effective January 1, 2011, employees that elected to join the Public Sector Pension Plan (PSPP) experienced a one-time decrease to their benefits allowance by the equal amount of the employer's pension contribution. Existing employees that elected to not join the PSPP continue to receive the 20% additional benefits allowance.

**Other compensation includes contributions to CBT's healthy active employee benefit.

Name and Position	2009/10	2010/11	2011/12
Neil Muth President & CEO	\$223,709	\$223,349	\$224,018
Wally Penner VP, Community Partnerships	\$179,089	\$117,403	-
Johnny Strilaeff VP, Investments	\$163,103	\$162,442	\$166,372