

May 27, 2013

Public Sector Employers' Council
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 2012 / 2013

Please find attached the Vancouver Coastal Health Authority's (VCH) Statement of Executive compensation for the fiscal year 2012/13. This report is provided in compliance with section 14.8(3) 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.

As the Board Chair for VCH, I am fully aware of VCH's Executive compensation practices and related performance measures.

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

Sincerely,



Kip Woodward
Board Chair, VCH



Part 1 - 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, including non-union, management and executive roles within healthcare.

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 the 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.

HEABC conducts a compensation survey on behalf of health employers. The survey collects compensation information from employers in the health, public and private sectors. The survey data is used to support recommendations to the Public Sector Employer's Council (PSEC) for approved salary ranges. PSEC approves salary ranges based on a guidelines set by the Government and the recommendations from HEABC.

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.

The salary ranges in effect for 2012/13 have been in effect since April 1, 2009. On September 13, 2012, the Ministry froze salary increases for management staff with the exception of promotions and acting assignments greater than 6 weeks.

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 compensation plans must be approved by the VCH Board of Directors and Minister of Health, prior to seeking approval from the Minister of Finance.

Compensation Guidelines. Common guidelines help to establish consistency in compensation practices across health employers.

VCH uses the guidelines to guide its administrative practices as well as the framework for employment contracts.

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.

Benefits

VCH's Senior Executive benefit package includes: MSP, sick leave, group life insurance and AD&D (five times annual salary), dependant life, extended health plan (including Vision care), long term disability, dental plan and enrolment in the Municipal Pension Plan. Our benefit package is comparable with other health sector employers in BC.

Perquisites

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

Summary Compensation Table at FISCAL, 2013

Name and Position (a)	Salary (b)	Bonus and / or Incentive Plan Compensation (c)	Benefits (d)	Pension (e)	All Other Compensation (expanded below)	2012/13 Total	Previous Two Years Totals	
							2011 / 12	2010 / 11
David Ostrow, President & CEO	\$ 352,763	\$ -	\$ 6,776	\$ 34,524	\$ 28,922	\$ 422,985	\$ 439,433	\$ 396,245
Duncan Campbell, CFO & VP Sys Devel & Perform	\$ 271,511	\$ -	\$ 14,779	\$ 26,705	\$ 34,208	\$ 347,203	\$ 346,417	\$ 334,812
Mary Ackenhuisen, COO - Vancouver Acute	\$ 271,462	\$ -	\$ 14,007	\$ 26,705	\$ 27,456	\$ 339,630	\$ 339,707	\$ 304,877
Jeff Coleman, VP, Regl Programs & Serv Integr	\$ 271,604	\$ -	\$ 14,587	\$ 24,277	\$ 3,600	\$ 314,068	\$ 315,343	\$ 300,982
Patrick O'Connor, VP, Medicine, Quality & Safety	\$ 268,466	\$ -	\$ 14,769	\$ 23,997	\$ -	\$ 307,232	\$ 309,893	\$ 304,055
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ATTENTION - Crown Agency Policy changes are being implemented. They may not be reflected in the 2012/13 executive compensation disclosure.

Notes:

David Ostrow: The 2012 reimbursement of Pension Contributions was paid in the 2013/14 fiscal year. As a result there is no reimbursement of Pension Contributions in the 2012/13 executive compensation disclosure.

Duncan Campbell: The \$27,248 included in Other is Additional Responsibility Pay.

Mary Ackenhusen: \$27,248 of the amount included in Other is Additional Responsibility Pay.