

B.C. Pavilion Corporation
Public Sector Executive Compensation Reporting
March 31, 2019

June 12, 2019

Christina Zacharuk
President & CEO
Public Sector Employers' Council Secretariat
Suite 210, 880 Douglas Street
Victoria, B.C. V8W 2B7

Dear Ms. Zacharuk;

Re: Public Sector Executive Compensation – March 31, 2019

I am pleased to present the Public Sector Executive Compensation schedule for the B.C. Pavilion Corporation (PavCo) for the Year Ended March 31, 2019.

Effective December 31, 2018, the past practice of retaining a percentage of an executive's salary to be paid as an annual lump sum "holdback" was eliminated for executives of PavCo, as well as other executives in the public sector. All executives who were eligible for holdback up until that time were paid the balance of any remaining obligations owing to them during the 2018/19 fiscal year.

I confirm that the Board of PavCo is aware of the compensation paid to the Executive for the year ended March 31, 2019. 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. It also includes the value of any pre or post-employment payments made during the 12 month period before or after the term of employment. I also confirm that the compensation paid to the Executive was within the approved compensation plan for PavCo.

Sincerely,

B.C. Pavilion Corporation



Ian Aikenhead, Q.C.
Chair – Board of Directors

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Discussion and Analysis

B.C. Pavilion Corporation (PavCo) operates BC Place Stadium and Vancouver Convention Centre. PavCo's primary mandate is to increase economic benefit to British Columbia through the operation of the province's premier event facilities: BC Place Stadium and the Vancouver Convention Centre. These world-class venues attract thousands of people every year to our province, providing economic support to our hotel and tourism industries, as well as restaurants and other retail. Further, our venues serve as a gathering place for British Columbians from all walks of life, and visitors from around the world.

Together, BC Place Stadium and the Vancouver Convention Centre provide significant employment and economic benefits to British Columbia and Metro Vancouver. These world-class facilities generated nearly \$500 million in economic benefit during the fiscal year 2018/19 for the Province.

PavCo's commitment to deliver inspiring and sustainable experiences for its clients, guests and community requires dedicated, qualified, performance focused employees who recognize PavCo as an employer of choice. Our work environment is founded on passion, respect, collaboration, innovation, responsibility, and excellence in everything we do. Our employees are empowered to respond to today's priorities through operational excellence, and to tomorrow's opportunities through service innovation.

PavCo's future success depends on talented, motivated people who understand our customers and our business, have the intuition to make effective decisions, are efficient at executing, and can bring creative new ideas forward for future consideration.

Objectives of the Compensation Program

The objectives of PavCo's Total Compensation Strategy are to:

- Competitively attract, motivate, develop and retain passionate customer-focused individuals with the depth of skills, knowledge and competencies required to achieve PavCo's strategic and operational priorities and support the long-term goals of government;
- Inspire and support high performance, accountability and fiscal responsibility;
- Link rewards to organization and individual performance;
- Create a solid relationship with employees that is built on trust, fair treatment, and mutual respect;
- Complement the intrinsic value of our innovative and team-based work environment;

PavCo's Total Compensation Strategy is underpinned by four core principles; performance, differentiation, accountability, and transparency.

PavCo has adopted a hybrid approach to ensuring total compensation is competitive within the guidelines set out by the Public Secretariat Employers' Council ("PSEC"). This approach recognizes two distinct comparator groups, or benchmark categories, reflecting the specific competitive labour markets that compete for PavCo's labour. For the most part, PavCo's competitive practices reflect that of the Public Sector (including B.C. Public Sector organizations and other provincial jurisdictions were appropriate). For a few unique, specialized, and/or hard-

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to-hire positions, PavCo's competitive practices reflect a blend of Public and Private Sector practices.

Compensation for the CEO is set by the Board of Directors at market value and approved by the shareholder. Compensation for Executive Officers is determined by the CEO within guidelines including salary ranges and is approved by PSEC, as set out in the Compensation Program.

Form of Compensation

In the fiscal year 2018/19 total Compensation at PavCo consisted of base salary, holdbacks and benefits.

1. Base Salary – PavCo has 11 salary bands below the CEO currently approved by PSEC. Positions are evaluated using a Job Evaluation System and are benchmarked and rated on 11 different factors that take into account knowledge & skill, effort, responsibility and working conditions. These include areas such as complexity/judgment, education, experience, initiative, physical/mental demands, result of errors, contacts and character/scope of supervision. Base salary adjustments are considered on an annual basis, based on performance, taking into consideration competitive market data, and always dependent on government guidelines, affordability, and the annual salary budget as determined by corporate performance
2. Holdbacks – A percentage of salary is held back annually and paid based on individual and/or corporate performance. Maximum payment is capped at 100% of target regardless of performance. The percentage of salary that is held back is job dependent. A minimum threshold of corporate performance needs to be achieved before the payment of any portion of the hold back salary program is triggered. Only individuals who fully meet or exceed performance expectations are eligible to receive the salary holdback associated with their job.
 - Note that during the fiscal year 2018/19, the past practice of retaining a percentage of an employee's salary to be paid as an annual lump sum "holdback" was eliminated for employees of PavCo, as well as other employees in the public sector. Eligible employees were paid out all remaining holdback obligations during that fiscal year.
3. Benefits – PavCo offers a standard benefit package including MSP, Extended Health, Dental, Life Insurance, Short Term and Long Term Disability, Vacation and Pension Plan. Benefits, where applicable, are extended to employees' dependents.

BC Pavilion Corporation

Summary Compensation Table at 2019

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2018/2019 Total Compensation	Previous Two Years Totals Total Compensation	
							2017/2018	2016/2017
Ken Cretney, President and CEO (Interim)	\$ 247,797	\$ 173,872	\$ 13,254	\$ 24,408	\$ 13,620	\$ 472,951	\$ 372,453	\$ 371,205
Rehana Din, Chief Financial Officer	\$ 194,656	\$ 68,142	\$ 10,514	\$ 19,174	\$ 2,820	\$ 295,306	\$ 243,406	\$ 243,597
Patricia Jelinski, General Manager, BC Place	\$ 155,475	\$ 8,708	\$ 12,103	\$ 15,314	\$ 5,000	\$ 196,600		
Craig Lehto, General Manager	\$ 178,626	\$ 62,530	\$ 13,177	\$ 17,595	\$ 3,049	\$ 274,977	\$ 228,507	\$ 226,029
Nicole Eve Liddell, Vice President, People	\$ 74,088	\$ 19,500	\$ 10,857	\$ 14,561	\$ 115,515	\$ 234,521	\$ 133,288	
Claire Smith, Vice President Sales & Marketing	\$ 159,916	\$ 54,308	\$ 12,790	\$ 15,752	\$ 11,220	\$ 253,986	\$ 219,000	\$ 218,519

Summary Other Compensation Table at 2019

Name And Position	All Other Compensation	Severance	Vacation payout	Leave payout	Vehicle / Transportation Allowance	Perquisites / other Allowances	Other
Ken Cretney, President and CEO (Interim)	\$ 13,620	-	-	-	\$ 10,800	\$ 2,820	-
Rehana Din, Chief Financial Officer	\$ 2,820	-	-	-	-	\$ 2,820	-
Patricia Jelinski, General Manager, BC Place	\$ 5,000	-	-	-	\$ 5,000	-	-
Craig Lehto, General Manager	\$ 3,049	-	-	-	-	\$ 3,049	-
Nicole Eve Liddell, Vice President, People	\$ 115,515	\$ 104,250	-	-	\$ 6,090	\$ 1,175	\$ 4,000
Claire Smith, Vice President Sales & Marketing	\$ 11,220	-	-	-	\$ 8,400	\$ 2,820	-

Notes

Ken Cretney, President and CEO (Interim)	<p>General Note: Effective October 31, 2018, the past practice of retaining a percentage of an executive salary to be paid as an annual lump sum “holdback” was eliminated for executives of PavCo, as well as other executives in the public sector. The annualized base salary for Ken Cretney is \$323,826. The amount reported under holdback includes two payments made during Fiscal Year 2019: an amount of \$100,000 related to Fiscal Year 2018 paid in April 2018, and a second amount of \$73,873 paid in February 2019 related to Fiscal Year 2019 in recognition of the period April 1, 2018 to December 31, 2018. Typically, this line includes one annual holdback amount only. The following year’s total compensation will return to levels approximate to prior years, adjusted for wage rate increases.</p> <p>Perquisite/Other Allowance Note: Parking</p>
Rehana Din, Chief Financial Officer	<p>General Note: Effective October 31, 2018, the past practice of retaining a percentage of an executive salary to be paid as an annual lump sum “holdback” was eliminated for executives of PavCo, as well as other executives in the public sector. The annualized base salary for Rehana Din is \$225,250. The amount reported under holdback includes two payments made during Fiscal Year 2019: an amount of \$42,500 related to Fiscal Year 2018 paid in April 2018, and a second amount of \$25,642 paid in December 2018 related to Fiscal Year 2019 in recognition of the period April 1, 2018 to October 31, 2018. Typically, this line includes one annual holdback amount only. The following year’s total compensation will return to levels approximate to prior years, adjusted for wage rate increases.</p> <p>Perquisite/Other Allowance Note: Parking</p>
Patricia Jelinski, General Manager, BC Place	<p>General Note: Patricia Jelinski commenced employment with PavCo in May 2018, therefore the total reported compensation reflects only a partial year of earnings.</p>
Craig Lehto, General Manager	<p>General Note: Effective October 31, 2018, the past practice of retaining a percentage of an executive salary to be paid as an annual lump sum “holdback” was eliminated for executives of PavCo, as well as other executives in the public sector. The annualized base salary for Craig Lehto is \$206,700. The amount reported under holdback includes two payments made during Fiscal Year 2019: an amount of \$39,000 related to Fiscal Year 2018 paid in April 2018, and a second amount of \$23,530 paid in December 2018 related to Fiscal Year 2019 in recognition of the period April 1, 2018 to October 31, 2018. Typically, this line includes one annual holdback amount only. The following year’s total compensation will return to levels approximate to prior years, adjusted for wage rate increases.</p> <p>Perquisite/Other Allowance Note: Parking</p>
Nicole Eve Liddell, Vice President, People	<p>General Note: PavCo ended Nicole Liddell's employment in August 2018, therefore, the reported compensation reflects total compensation for only a portion of the 2019 Fiscal Year.</p> <p>Perquisite/Other Allowance Note: Parking</p> <p>Other Note: Severance provision</p>
Claire Smith, Vice President Sales & Marketing	<p>General Note: Effective October 31, 2018, the past practice of retaining a percentage of an executive salary to be paid as an annual lump sum “holdback” was eliminated for executives of PavCo, as well as other executives in the public sector. The annualized base salary for Claire Smith is \$180,760. The amount reported under holdback includes two payments made during Fiscal Year 2019: an amount of \$34,300 related to Fiscal Year 2018 paid in April 2018, and a second amount of \$20,008 paid in December 2018 related to Fiscal Year 2019 in recognition of the period April 1, 2018 to October 31, 2018. Typically, this line includes one annual holdback amount only. The following year’s total compensation will return to levels approximate to prior years, adjusted for wage rate increases.</p> <p>Perquisite/Other Allowance Note: Parking</p>