



May 10, 2019

Ms. Christina Zacharuk
President and CEO
PSEC Secretariat
Suite 210, 880 Douglas Street
Victoria, B.C.
V8W 2B7

Dear Ms. Zacharuk,

RE: FY 2019 Executive Compensation Disclosure – Transportation Investment Corporation

Please find attached the Statement of Executive Compensation covering the Fiscal 2019 period for Transportation Investment Corporation (TI Corp).

As per the Public Sector Executive Compensation Disclosure Guidelines, I, the undersigned, hereby attest the following:

- The compensation information disclosed within this report is accurate and includes all compensation paid by TI Corp, foundations, subsidiaries, or any other organization related to or associated with TI Corp. 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.
- The compensation paid in 2018/2019 is within the approved compensation plan and complies with these guidelines.

Yours sincerely,

A handwritten signature in blue ink that reads "Don Fairbairn".

Don Fairbairn
Chair, Board of Directors
Transportation Investment Corporation

Transportation Investment Corporation
Statement of Executive Compensation
Reporting Period: Fiscal Year 2019
(April 2018 – March 31, 2019)

INTRODUCTION

TI Corp is a public Crown corporation created in 2008 under the *Transportation Investment Act*. TI Corp built the new Port Mann Bridge and 37 kilometres of Highway 1 improvements.

In Fiscal 2018, the BC Provincial Government announced that as of September 1, 2017, tolls would no longer be charged on the Port Mann Bridge. During Fiscal 2019, TI Corp continued to collect debt for tolls incurred prior to September 1, 2017, and continues to support the Ministry of Transportation and Infrastructure as needed.

In Fiscal 2019, TI Corp became a subsidiary of BC Transportation Financing Authority with a mandate to provide enhanced oversight, management and delivery of major capital transportation projects.

CORE PRINCIPLES

TI Corp considers the following principles in the design, implementation and administration of its compensation programs:

Performance – Compensation programs support and promote a performance-based organization culture

Differentiation – differentiation of salary is supported where there are differences in the scope of the position within the organization and/or due to superior individual or team contributions

Accountability – Compensation decisions are objective and based upon a clear and well documented business rationale that demonstrates the appropriate expenditure of funds

Transparency – Compensation programs are designed, managed and communicated in a manner that ensures the program is clearly understood by employees and the public while protecting individual personal information

COMPENSATION DISCUSSION AND ANALYSIS

In order to achieve business, operational, and service objectives, TI Corp relies on the contribution of its employees. The compensation program plays a key role in TI Corp's ability to attract, motivate and retain quality employees.

TI Corp's compensation plan has been approved by the Minister of Finance. TI Corp has worked closely with PSEC to develop a compensation plan which closely mirrors the public service compensation plan. It reflects the perspective that total compensation includes base salary, benefits, pension, vacation and perquisites.

The compensation plan provides for participation in both the Public Service Pension Plan and the Public Service Benefits Plan. To ensure the compensation plan remains current, TI Corp reviews the plan annually.

TOTAL COMPENSATION PHILOSOPHY

A key component of an effective compensation philosophy is the need to maintain a meaningful degree of competitiveness with the relevant external labour market. TI Corp must balance public sector and Crown corporation equity and relativity with industry-specific comparability.

Cash Compensation

Cash compensation is comprised of base salary only. TI Corp does not pay short term incentives or bonuses. Base salary pay is generally targeted at the 50th percentile of the composite market, with a minimum and maximum limit in each salary range.

Non-Cash Compensation

TI Corp’s non-cash compensation is comprised of benefits, pension, vacations and perquisites.

Benefits: Benefits are based on government standards and executives receive the same benefits available to other management and exempt employees through the employer paid coverage for extended health and dental, life insurance and long term disability.

Pension: TI Corp provides a joint trustee benefit pension plan which is aligned with other public sector pension plans.

Vacation: TI Corp provides between four to six weeks of vacation each year. Unused vacation may be carried forward to the following calendar year.

Perquisites: Discretionary vehicle allowance is permitted to the CEO.

Base Salary Management

The classification system mirrors that of the BC public service and the base salary for executive employees fits within one of the following two compensation bands.

Classification	Salary Range
President and Chief Executive Officer (CEO)	\$180,000 - \$195,000
Executive Director / Vice President / Chief Financial Officer	\$120,000 - \$155,000

PERFORMANCE EVALUATION AND HOLDBACKS

The Board of Directors is responsible for reviewing the President and CEO’s performance annually, and for approving annual salary increases consistent with PSEC direction.

Transportation Investment 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
Amanda Farrell, President & CEO	\$ 77,618	-	\$ 5,459	\$ 7,616	\$ 3,538	\$ 94,231		
Irene Kerr, President & Chief Executive Officer	\$ 123,435	\$ 8,190	\$ 8,089	\$ 14,079	\$ 29,877	\$ 183,670	\$ 233,378	\$ 232,815
Mario Piscitelli, Executive Director of Finance, CFO	\$ 108,500	-	\$ 8,936	\$ 10,687	\$ 28,000	\$ 156,123	\$ 165,137	\$ 164,460
Sveto Plasvic, Executive Director, Performance Planning and Business Development	\$ 108,500	-	\$ 8,936	\$ 10,687	\$ 28,000	\$ 156,123	\$ 165,137	\$ 164,460

Notes

Amanda Farrell, President & CEO	General Note: Ms. A Farrell was seconded to TI Corp on December 3rd, 2018. Perquisite/Other Allowance Note: Includes a vehicle allowance of \$2,885 and parking of \$653.
Irene Kerr, President & Chief Executive Officer	General Note: Ms Kerr was seconded to BC Infrastructure Benefits Inc. (BCIB) on December 3rd, 2018. Other Note: A Transition Sustainability (TS) payment of \$19,500 was made during the year to ensure continuity through TI Corp's transition. In addition, other includes a vehicle allowance of \$4,640 and a vacation payout of \$5,737.
Mario Piscitelli, Executive Director of Finance, CFO	General Note: Mr Piscitelli was seconded to BCIB on January 1st, 2019. Other Note: A Transition Sustainability (TS) payment of \$28,000 was made during the year to ensure continuity through TI Corp's transition.
Sveto Plasvic, Executive Director, Performance Planning and Business Development	General Note: Mr Plavsic was seconded to BCIB on January 1st, 2019. Other Note: A Transition Sustainability (TS) payment of \$28,000 was made during the year to ensure continuity through TI Corp's transition.