

May 16, 2016

Christina Zacharuk,  
President and Chief Executive Officer  
Public Sector Employers' Council Secretariat  
PO Box 9400 STN PROV GOVT  
Victoria, British Columbia V8W 9V1

Dear Ms. Zacharuk:

**Re: Public Sector Executive Compensation Reporting Guidelines – Bill 33  
2015/16 Statement of Executive Compensation for BC Transit**

---

As requested, please find attached a completed copy of the 2015/16 statement of Executive Compensation for BC Transit as set out in the *Public Sector Employers Act*.

Included in this report is a detailed breakdown of all compensation provided to the Named Executive Officers (NEO) at BC Transit: Manuel Achadinha, President and Chief Executive Officer; and Brian Anderson, Vice President Operations and Chief Operating Officer; along with the other four senior leaders at BC Transit.

An explanation of BC Transit's executive compensation plan is included, along with discussion, analysis and philosophy. The Compensation Table detailing Executive compensation as outlined in the Public Sector Executive Compensation Reporting Guidelines is also attached.

As the Chair for BC Transit, I confirm that the Board is aware of the executive compensation earned in fiscal year 2015/16, and verify that the compensation provided falls within approved BC Transit compensation plans.

If you have any questions regarding this statement, please contact Greg Conner, Executive Director, Human Resources and Corporate Secretary at (250) 995-5724 for clarification on any of the information provided.

Sincerely,



Kevin Mahoney, Chair  
BC Transit Board of Directors

Attachments: BC Transit Compensation Philosophy  
Summary Compensation Table at Fiscal 2016  
Summary Other Compensation Table at Fiscal 2016  
Compensation Notes

## BC Transit Compensation Philosophy

BC Transit has a mandate to maximize the efficient and cost effective use of resources in the provision of safe, innovative and customer-oriented services to meet present and evolving market demands. BC Transit plans and delivers Transit services that meet local land use and growth priorities, while furthering the development of safe, healthy communities and a sustainable environment. Compensation is an important tool used by BC Transit to attract, motivate and retain employees with the requisite skills, experience and commitment necessary to achieve the organization's strategic and business goals.

The goal of BC Transit is to provide a competitive, fair, equitable, and performance based total compensation program for its employees with a focus on pay for performance. Compensation programs are designed to attract, retain and motivate employees while encouraging a results-oriented system where pay is linked to successful performance and the demonstration of leadership behaviors in support of the Corporation's strategic goals and organizational priorities. BC Transit has aligned its compensation structure for its executive with the Province and uses relevant public sector market comparisons for both new hires and existing employees for all exempt employee bands. The compensation structure for all levels of exempt employees reporting to the CEO has been reviewed and approved by PSEC.

The following principles guide compensation at BC Transit:

- **Focus on Business:** All components of compensation programs must be consistent with BC Transit's strategic goals and organizational objectives, while reflecting the financial realities and service delivery requirements of the Corporation.
- **Performance and Differentiation:** Performance will be measured annually through the performance goals and management assessment system, which is directly linked to the three year business strategy and the annual operating plan through key performance indicators determined by the BC Transit Board of Directors. 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.
- **External Market Competitiveness:** Exempt positions will be compensated at a level comparable to Province and other Crown corporations with similar roles and of similar size and complexity, and with consideration given to the broader relevant Canadian market.
- **Internal Equity and Transparency:** Salary ranges will be consistent with the relative internal value of each BC Transit position. Internal values are determined by an ongoing job evaluation analysis of the responsibilities and accountabilities of positions. 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.
- **Governance and Accountability:** The compensation program and structure is approved by the BC Transit Board of Directors. Annual remuneration for the CEO is governed by the Board and based on the achievement of specified performance objectives and achievements. Compensation decisions are objective and based upon a clear and well documented business rationale that demonstrates the appropriate expenditure of public funds.

---

## **Selection of Comparison Organizations**

The comparison organizations for benchmarking purposes are selected by the Chief Executive Officer and the Executive Director, Human Resources and Corporate Secretary, with input from BC Transit's Board Chair. The primary comparator organizations, in order, are as follows:

- BC Public Service
- Crown Corporations of a similar size
- Translink
- Private sector comparisons as required

The BC Public Service will be used as one of the primary benchmarking comparators for those positions of a corporate services nature, which do not necessarily have a transportation component to their work, and are easily transferable to other organizations.





**Notes:**

Manuel Achadinha, President & CEO	Increase in compensation due to a vacation payout. Other compensation (column K) represents a taxable benefit for a dependent bus pass.
Brian Anderson, VP Operations & Chief Operating Officer	Increase in compensation due to full year taxable benefit on automobile lease and a vacation payout. Other compensation (column K) represents a taxable benefit for a dependent bus pass
Erinn Pinkerton, Executive Director, Business Development	Full year in Executive Director Business Development position.
Aaron Lamb, Executive Director, Asset Management	Increase in compensation due to a vacation payout.
Greg Conner, Executive Director, Human Resources and Corporate Secretary	Full year in Executive Director Human Resources and Corporate Secretary position. Other compensation (column K) represents a taxable benefit for a dependent bus pass.
Alan Thomas, Executive Director, Finance & Chief Financial Officer	Started with BC Transit August 24-2015. Other compensation (column K) represents a taxable benefit for a dependent bus pass.