



Statement of Executive Compensation

For the Fiscal Year Ending December 31, 2008

Introduction

BC Assessment is a provincial Crown corporation with a mandate to create uniform assessments which can be relied upon to build sustainable flourishing communities. The Board of Directors provides strategic direction, policy leadership and performance monitoring. All operational matters are the responsibility of the Chief Executive Officer.

BC Assessment establishes and maintains uniform real property assessments throughout the province, using current market data as a guide. After determining the correct classification, actual value and tax exemption status of approximately 1.92 million properties across the province, BC Assessment provides taxing authorities with an assessment roll, which lists all properties, names of the owners and the taxable values of the land and any improvements (buildings). The corporation sends an assessment notice to each person named in the assessment roll. For some properties, the assessment roll contains values that are determined in accordance with regulations and Board-approved prescribed rates and manuals. Examples include farm land and major industrial property manuals.

The real estate market creates the value that BC Assessment reports to taxing authorities and property owners. Taxing authorities determine the amount of revenue required to pay for public services, set their property tax rate and apply the rate to the assessed value of properties.

BC Assessment employs approximately 677 employees in 19 offices throughout British Columbia. The organization currently consists of 10 regions, with 18 areas and assessment offices located throughout the province and a head office in Victoria.

On March 31, 2008, the Chief Executive Officer, Doug Rundell, retired. During the interim period from April 1, 2008 to May 22, 2008 David Highfield served as Acting Chief Executive Officer. Connie Fair was appointed to the position on a permanent basis effective May 23, 2008.

Compensation Discussion and Analysis

Compensation Objectives

Under Section 13 of the *Assessment Authority Act*, the Board of Directors is responsible for the appointment of the Chief Executive Officer and all other employees and for setting their remuneration. Compensation oversight rests with the Public Sector Employers' Council (PSEC) on behalf of the Minister of Finance and all compensation plans must be approved by the PSEC Secretariat.

BC Assessment has two compensation plans for excluded management employees. The first applies to the Chief Executive Officer and the second applies to all other excluded managers including Executive Directors.

BC Assessment intends to maintain a management compensation program that will help attract the talent necessary to further the strategic objectives of the organization. We will also provide a compensation program that will be sufficiently attractive to provide talented employees with good reason for remaining with BC Assessment and for continuing in their efforts to enhance service to the all of our clients. Our benefits strategy is to provide competitive, cost effective health and welfare benefits that will help to attract and retain qualified employees.

Salary

The goal of the management total compensation program is to target our programs at the median of our defined external salary marketplace. Market conditions are reviewed on a regular basis. The external marketplace includes an appropriate mix of public and private sector organizations and is also sensitive to the property assessment sector in which BC Assessment competes for employees.

Salary levels for the CEO, for executive members and all other excluded employees are determined by the Board with oversight by the PSEC Secretariat.

Health and Welfare Benefits

BC Assessment provides medical, dental, extended health, short-term and long-term disability, and group life insurance benefits. Generally, these benefits are determined through negotiation with the largest employee group (the bargaining unit) and are effected for all excluded employees, including the CEO and executive members.

Pension

BC Assessment is required by statute to be a member of the Public Service Pension Plan and to enrol all eligible employees and make contributions on their behalf. This includes the CEO and all executive members.

Vacations and Other Leaves

Excluded employees receive an annual vacation entitlement based upon years of service, commencing at 20 days in the first year of employment up to the maximum of 35 days after 25 years of employment. In addition to this base entitlement for excluded employees, the CEO is entitled to a further five vacation days per year. All employees are entitled to 11 statutory holidays per year.

Additional paid leave is available to all employees for a variety of purposes such bereavement, maternity/parental or to care for a sick child.

Car Lease

Executive Directors are provided a vehicle allowance or lease arrangement using the Provincial Government's parameters for executive vehicles. The maximum monthly lease payment

exclusive of tax is not to exceed \$455 per month. The executive member may elect to receive a vehicle allowance in lieu of taking a leased vehicle which is equivalent to the average lease and vehicle operating costs of \$580 per month.

Incentive Compensation

All BC Assessment employees, with the exception of the CEO, are eligible to participate in the corporate gainsharing program. This program measures eight different corporate performance targets and provides a monetary incentive of up to 5% of base salary. The purpose of the program is to encourage superior corporate performance for assessment roll quality and stability, employee performance, customer satisfaction and productivity.

The payment made in March 2008 for the 2007 fiscal year was 3.12% of basic salary.

The CEO is eligible for a re-earnable, non-pensionable salary holdback of up to \$10,000 per year. Targets for the annual performance based incentives and results evaluated through the Board of Directors each year. The customer service and product quality and uniformity targets are identified in the 2007 – 2009 Service Plan.

SUMMARY COMPENSATION TABLE
For the Fiscal Year Ending December 31, 2008

Name and Principal Position	Salary (\$)	Incentive Plan Compensation Paid (\$)	Pension (\$)	All Other Compensation (\$)	Total (\$)	Previous Year Totals
Doug Rundell CEO (retired March 31/08)	\$ 44,080.46	\$ 11,500.00	\$ 3,852.87	Vacation payout: \$ 13,902.29 Retiring Allowance: \$ 56,287.34 CPP: \$ 2,049.30 EI: \$ 839.00 Medical: \$ 324.00 Dental: \$ 295.71 Extended Health: \$ 268.86 Group Life: \$ 281.91 LTD: \$ 1,202.34 Car Allowance/Lease: \$ 1,513.51		
	\$ 44,080.46	\$ 11,500.00	\$ 3,852.87	\$ 76,964.26	\$ 136,397.59	2007 = \$ 230,540.10
Connie Fair Executive Director (now Vice President) <i>Promoted to CEO May 23, 2008</i>	\$ 158,368.81	\$ 4,178.71	\$ 15,336.60	Professional Membership Dues: \$ 850.50 CPP: \$ 2,049.30 EI: \$ 839.00 Medical: \$ 1,296.00 Dental: \$ 1,177.41 Extended Health: \$ 1,077.23 Group Life: \$ 935.32 LTD: \$ 3,930.35 Car Allowance/Lease: \$ 5,745.82		
	\$158,368.81	\$4,178.71	\$15,336.60	\$17,900.93	\$ 195,785.05	2007= \$ 168,816.25
David Highfield Executive Director (now Vice President)	\$ 140,701.57	\$ 4,178.71	\$ 13,562.70	Professional Membership Dues: \$ 850.50 vacation payout: \$ 8,705.25 CPP: \$ 2,049.30 EI: \$ 839.00 Medical: \$ 648.00 Dental: \$ 1,177.41 Extended Health: \$ 1,077.23 Group Life: \$ 827.27 LTD: \$ 3,476.20 Car Allowance/Lease: \$ 6,960.00		
	\$140,701.57	\$4,178.71	\$13,562.70	\$26,610.16	\$ 185,053.14	2007= \$ 174,724.76
Laurie McAmmond Executive Director (now Vice President)	\$ 137,102.72	\$ 4,033.02	\$ 13,197.22	vacation payout: \$ 5,275.91 CPP: \$ 2,049.30 EI: \$ 839.00 Medical: \$ 1,152.00 Dental: \$ 1,177.41 Extended Health: \$ 1,077.23 Group Life: \$ 813.74 LTD: \$ 3,419.58 Car Allowance/Lease: \$ 6,960.00		
	\$137,102.72	\$4,033.02	\$13,197.22	\$22,764.17	\$ 177,097.13	2007= \$ 168,387.48
Bruce Turner Executive Director (now Vice President)	\$ 137,474.17	\$ 4,178.71	\$ 10,626.82	Professional Membership Dues: \$ 1,677.00 vacation payout: \$ 6,331.09 CPP: \$ 2,049.30 EI: \$ 839.00 Medical: \$ 1,296.00 Dental: \$ 1,177.41 Extended Health: \$ 1,077.23 Group Life: \$ 816.70 LTD: \$ 3,430.88 Car Allowance/Lease: \$ 5,636.67		
	\$137,474.17	\$4,178.71	\$10,626.82	\$24,331.28	\$ 176,610.98	2007= \$ 175,691.77
Peter Bretherton Executive Director (now Vice President)	\$ 134,408.16	\$ 3,918.94	\$ 12,922.81	Professional Membership Dues: \$ 850.50 Vacation payout: \$ 5,275.91 CPP: \$ 2,049.30 EI: \$ 839.00 Medical: \$ 648.00 Dental: \$ 1,177.41 Extended Health: \$ 1,077.23 Group Life: \$ 797.98 LTD: \$ 3,356.39 Car Allowance/Lease: \$ 6,960.00		
	\$134,408.16	\$3,918.94	\$12,922.81	\$23,031.72	\$ 174,281.63	