

May 24, 2024

John Davison, President & CEO PSEC Secretariat Suite 210 – 880 Douglas Street Victoria, B.C. V8W 2B7

Dear Mr. Davison,

Re: Public Sector Executive Compensation Disclosure - 2023/24 Statement of Executive Compensation for the British Columbia Family Maintenance Agency

The 2023/24 compensation information for the BC Family Maintenance Agency (BCFMA) has been entered in the Executive Compensation Disclosure module of the Labour Information Gathering and Executive Reporting (LIGER) system as set out in the *Public Sector Employers Act*.

Included in our reporting is a detailed breakdown of all compensation provided to the Chief Executive Officer and the four highest paid decision makers of the Agency, as of the fiscal year ended March 31, 2024. They include Joanne Hanson, Chief Executive Officer; Angela Accettura, Vice-President, Legal Services; Siong Chan, Chief Information Officer; Colin Millar, Vice-President, Operations; and Li Wen, Chief Financial Officer.

The PSEC-approved BCFMA Executive Compensation Governance Framework has been uploaded into the LIGER system.

As Chair of the BCFMA Board of Directors, I confirm that the Board is aware of the executive compensation paid in fiscal year 2023/24 and verify that the compensation provided falls within approved compensation plans. If you have any questions regarding this statement, please contact Joanne Hanson, Chief Executive Officer, BCFMA.

Yours truly,

Richard J.M. Fyfe, KC

Chair, Board of Directors, BCFMA

cc: Victoria Chan, Board Director, BCFMA

Kevin Jardine, Board Director, BCFMA Tracy Porteous, Board Director, BCFMA

Lisa Pryce, Board Director, BCFMA

Joanne Hanson, Chief Executive Officer, BCFMA



British Columbia Family Maintenance Agency Executive Compensation Governance Framework May 2024

Background/Purpose

BCFMA provides a free service available to families in British Columbia who are eligible to receive or pay family support. We offer supports that strengthen families so that they may achieve their full potential and secure the best possible future for their children. BCFMA is central to supporting government's foundational principle of putting people first. By putting people first, BCFMA ensures families receive the support payments to which they are entitled, contributing to financial stability and security for British Columbians.

The <u>Family Maintenance Enforcement Act</u> (FMEA) provides the authority for BCFMA to monitor, facilitate and enforce court ordered maintenance orders and agreements, ensuring that families receive the financial support that they are entitled to under provincial and federal law. The Agency facilitates over \$210 million in support payments annually, which produces better economic circumstances for children and families throughout the province.

Organizational activities align with government's priorities and strategic direction as identified in the <u>BCFMA Mandate Letter</u> and the <u>Ministry of Attorney General Mandate Letter</u>. We support government's main foundational principles through our commitment to promote equity, anti-racism and multiculturalism, to address social and health issues such as poverty and mental health, and to provide services that assist our clients with accessing justice services. Our commitment to lasting and meaningful reconciliation is demonstrated through First Nations-specific community recognition, outreach, and relationship building. Through our partnerships with federal, provincial and community organizations, and by applying a province-wide model approach, we are better able to support B.C.'s underserved populations (women and children, people of colour, ethnic minorities, people with disabilities and those who are economically disadvantaged) as we support the province in meeting <u>TogetherBC</u> targets.

Families affected by separation or divorce benefit from BCFMA's strategic direction as we harmonize services at both the community and provincial levels. We strive for outcomes that support healthy communities in British Columbia, including social, economic, and environmental well-being.

BCFMA's vision is to be a leading family maintenance organization by providing a diverse range of supports and services to ensure healthy and thriving families. Our mission is to provide the highest quality client-centric service, helping families achieve their best

BCFMA

outcomes and future for their children. Goals for our services include being client-centric, inclusive, and able to adapt to meet the diverse needs of our clients. A balanced approach to family support services within the justice and social services environments ensures constant communication and collaboration with all clients to achieve the best outcomes for children and families.

Executive Compensation Philosophy

The BCFMA executive compensation philosophy has been created to comply with the core principles established by the Public Sector Employers' Council Secretariat (PSEC) in their compensation and expense framework guidelines.

The executive compensation philosophy is aligned with the strategic plan and corporate culture of the Crown agency and is instrumental in supporting the achievement of corporate goals and objectives. The philosophy is a fundamental tool that provides a basis for performance management, staffing initiatives, budget allocations, strategic human resource practices and related business operations.

The executive compensation philosophy is intended to maintain consistency and transparency in salary assignments both internally and sectorally. The executive compensation philosophy supports both the business objectives of the BCFMA and the appropriate expenditure of public funds. The philosophy is intended to position the Crown agency as pay competitive, but not as a pay leader.

Application of the Core Principles

The executive compensation philosophy embodies the following four core principles:

1. **Performance** – Compensation supports and promotes a performance-based (merit) organizational culture.

BCFMA executives must meet or exceed their deliverables while supporting corporate expectations for leadership, integrity, teamwork, and related competencies to be eligible for a compensatory increase. Performance is recognized through potential increases on the employee's respective salary range subject to pay guidelines. Performance increments are distinct from cost of living adjustments that may be periodically applied.

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

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The executive classification plan is the primary determinant of relative scope within the organization and the determinant of the appropriate pay level salary range. Differentiation is assessed through significant incremental job responsibilities. Superior individual team contributions are differentiated through salary range allocation.

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

Compensation decisions are based on approved pay guidelines that are subject to public disclosure. Executive leaders that make compensation decisions are expected to accept responsibility for the decisions.

4. **Transparency** – Executive compensation programs are designed, managed and communicated in a manner that ensures the program is clearly understood by BCFMA executives and the public while protecting individual personal information.

A defensible and compliant rationale for placement at a salary level and allocation on the corresponding salary range is available to executives. Total compensation for executive and senior employees is subject to public disclosure. The framework for salary assignment and salary progression must be logical and comprehensible.

Compensation Philosophy Objectives

The following core principles provide a framework for BCFMA to meet its strategic and operational objectives:

- Attract, retain, and motivate employees with the requisite competencies.
- Recognize employees that exceed prescribed performance standards.
- Support internal equity and relativity.
- Compliance with PSEC guidelines.
- Flexibility to adapt to a competitive market for talent.

Comparator Organizations

The executive salary ranges for BCFMA are established through benchmarking with other organizations. The primary comparator organizations in value-weighted order are:

- 1. BC public service as defined by core government.
- 2. Public sector Crown organizations with a compliance role as a component of their mandate. The organizations may include, but are not limited to:

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- BC Financial Services Authority
- Oil and Gas Commission
- BC Assessment Authority
- Industry Training Authority
- Community Living BC
- 3. Municipal and/or Regional government where there is evidence of direct competition for the same employee skill sets.

Where documented cases of significant recruitment and retention challenges are prevalent, comparator organizations may be extended to other provincial jurisdictions and/or the private sector within the geographical area, subject to PSEC approval.

Comparators with other organizations consider total compensation inclusive of such components as base salary; vacation and leave provisions; pension; and health and welfare benefits.

Executive Salary Ranges

All BCFMA position compensation ranges are developed through benchmarking with other organizations and as per consultation with PSEC. Overall, compared to similar jobs in comparator organizations, the long-term corporate objective is for BCFMA to rank in the 40th to 60th percentile for all organizational positions.

The BCFMA executive salary range (not including the Chief Executive Officer), as established through the BCFMA Compensation and Classification Plan benchmarking exercise and updated because of the aging of ranges that occurred during 2023/24, is from \$160,091 to \$211,549. For Vice-Presidents and equivalents, the salary range was aged equivalent to the percentage negotiated (6.75%) with those of unionized employees under the 2022 Shared Recovery Mandate, as of April 2023. The maximum salary is deemed to be a competitive market rate for the work performed. Cumulative increases of >10% per calendar year require PSEC Secretariat approval.

BC Family Maintenance Agency

Summary Compensation Table at 2024

							Previous Two Years Totals Total Compensation	
Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2023/2024 Total Compensation	2022/2023	2021/2022
Joanne Hanson, Chief Executive Officer	\$ 213,519	-	\$ 10,740	\$ 21,102	\$ 13,907	\$ 259,268	\$ 224,279	\$ 223,192
Angela Accettura, Vice-President, Legal Services	\$ 184,981	-	\$ 9,834	\$ 18,221	-	\$ 213,036	\$ 200,007	\$ 197,019
Siong H Chan, Chief Information Officer	\$ 177,632	-	\$ 19,038	\$ 17,497	\$ 1,562	\$ 215,729	\$ 200,862	\$ 191,170
Colin Millar, Vice-President, Operations	\$ 164,613	-	\$ 18,156	\$ 16,214	\$ 6,217	\$ 205,200	\$ 182,087	\$ 168,648
Li Wen, Chief Financial Officer	\$ 162,960	-	\$ 18,549	\$ 16,052	\$ 876	\$ 198,437		

Summary Other Compensation Table at 2024

Name and Position	All Other Compensation	Severance	Vacation Payout	Paid Leave	Vehicle / Transportation Allowance	Perquisites / Other Allowances	Other
Joanne Hanson, Chief Executive Officer	\$ 13,907	-	\$ 13,907	-	-	-	-
Angela Accettura, Vice-President, Legal Services	-	-	-	-	-	-	-
Siong H Chan, Chief Information Officer	\$ 1,562	-	-	-	-	-	\$ 1,562
Colin Millar, Vice-President, Operations	\$ 6,217	-	\$ 6,217	-	_	-	-
Li Wen, Chief Financial Officer	\$ 876	-	-	-	-	-	\$ 876

Notes

Joanne Hanson, Chief Executive Officer	General Note: Joanne Hanson is on secondment from the Public Service Agency. Joanne Hanson received a salary increase of 15% (which included a 6.75% performance-based salary increase, and an additional salary increase of 8.25%, not compounded) effective April 1, 2023.
Angela Accettura, Vice-President, Legal Services	General Note: Angela Accettura received a 6.75% performance-based salary increase effective April 1, 2023.
Siong H Chan, Chief Information Officer	General Note: Siong Chan received a 6.75% performance-based salary increase effective April 1, 2023. Other Note: Includes value of parking provided (included in building lease) - taxable benefit.
Colin Millar, Vice-President, Operations	General Note: Colin Millar received a 6.75% performance-based salary increase effective April 1, 2023. Actual base salary paid in 2023/24 includes a retroactive adjustment for the aging of pay ranges of 2% effective April 1, 2022.
Li Wen, Chief Financial Officer	General Note: Li Wen received a salary increase of 10% (which included a 6.75% performance-based salary increase, and an additional performance-based salary increase of 3.25%, not compounded) effective April 1, 2023. Actual base salary paid in 2023/24 includes a retroactive adjustment for the aging of pay ranges of 2% effective April 1, 2022. Other Note: Includes value of a transit pass - taxable benefit.