

Executive Compensation at PRHC

LAST REVISED: January 2025

Peterborough Regional Health Centre (PRHC) provides an overview of the executive compensation framework for its designated executives, as well as full contractual details for its President & CEO.

The hospital benchmarks executive compensation against Ontario hospitals of similar size and complexity, as well as compensation in the Ontario hospital sector and broader public sector. A third party is used to conduct the benchmarking and job evaluation process.

Compensation Philosophy

PRHC is committed to strong organizational performance and to being a workplace where people can thrive. We believe that a holistic approach to compensation will support retention and high performance as we work to provide the best possible healthcare to the people we serve and advance the hospital's strategic priorities.

PRHC's compensation program is committed to:

- The principles of competitiveness, affordability, sustainability, equity, fiscal responsibility, and defensibility to stakeholders
- Rewards that are tied to the achievement of stated goals, including those arising from the Strategic Plan, Annual Operating Plan, and Quality Improvement Plan

The Role of the Board of Directors

The Board establishes the overall executive compensation framework, which sets the parameters for compensation for the CEO, Chief of Staff, and members of the Senior Leadership Team. The salary structure is anchored at the market 50th percentile base salary compared to the Broader Public Sector. The base salary range minimum is set at 90 per cent of the midpoint and the maximum at 110 per cent of the midpoint.

The CEO and Chief of Staff are directly accountable to the hospital's Board of Directors. Each year, the Executive Committee of the Board determines the total annual compensation for the CEO and Chief of Staff by evaluating their performance against stated objectives. The committee brings its performance evaluations and compensation recommendations to the full Board for approval.

The Board also oversees a 360-degree evaluation process for the CEO and Chief of Staff. These will occur a minimum of two times during a five-year term and include the solicitation of feedback from superiors, subordinates, peers and external stakeholders.

From time to time, the Board of Directors will engage a third-party consultant to undertake a review of the executive compensation framework.

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The Role of the CEO

All Vice Presidents are directly accountable to the CEO. The CEO determines each VP's annual compensation within the framework established by the Board of Directors. Each year, the CEO evaluates VP performance against stated objectives, including:

1. A minimum of two goals related to the VP's defined portfolio
2. A minimum of two goals related to major cross-corporate projects
3. A minimum of two goals related to the Quality Improvement Plan
4. Professional development goals

The CEO also oversees a 360-degree evaluation process for VPs. These occur bi-annually and include the solicitation of feedback from superiors, subordinates and peers.

Compensation

Total compensation for PRHC executives includes the following elements:

- **Base Compensation:** The amount paid to the executive each year after removing amounts for Automobile Allowance (if applicable) and Benefits Package
- **Compensation At Risk:** Two per cent of each executive's base compensation, which is withheld pending the achievement of specified goals and objectives
- **Benefits Package:** The same standard benefits package that is provided to all salaried employees of PRHC, which includes short-term disability benefits, long-term disability benefits, group life insurance, dental benefits and extended health insurance
- **Automobile Allowance (President & CEO only):** An annual allowance provided to support vehicle acquisition and operating costs for business-related travel

The compensation framework for Vice Presidents establishes a minimum annual base compensation of \$225,000 and a maximum annual base compensation of \$275,000. Vice Presidents are positioned at an appropriate salary within this framework.

Full contractual details for the President and CEO are provided on the following page.

Note that compensation outcomes may not align exactly with figures provided annually through the Ministry of Finance salary disclosure ("Sunshine List"). These amounts can differ for several reasons, for example:

- Annual salary disclosure is based on the calendar year (January 1 – December 31), while PRHC compensation is based on the fiscal year (April 1 – March 31)
- Some fiscal years have one additional pay period
- The amount of Compensation At Risk paid to the executive is based on performance and may not be consistent from year to year

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Summary of Contractual Terms and Conditions for Lynn Mikula as of January 1, 2025

Element of Compensation	Description
Base Compensation	\$460,000 annually
Compensation At Risk	Two (2) per cent of base salary withheld (\$9,200); paid based on achievement of pre-determined performance goals
Length of Term	Five (5) years from March 31, 2023 to March 30, 2028
Professional Development	Seminars and professional/college memberships are provided for work-related accountabilities
Automobile Allowance	Allowance to offset the costs of business-related transportation: \$12,000 annually
Vacation/Paid Holidays	Eligible for six (6) weeks' vacation time + non-union paid holidays. Vacation entitlement may not be accumulated but must, with respect to any completed year, be taken within the twelve (12) months following the end of such year unless otherwise approved by the Chair of the Board of Directors.
Extended Health Care	The extended health package that is made available to all PRHC leadership. The cost is split between the employee (25 per cent) and the hospital (75 per cent).
Dental	The package that is made available to all PRHC leadership. The cost is split between the employee (25 per cent) and the hospital (75 per cent).
Semi-private Hospitalization	The benefit that is provided to all employees, paid by the hospital.
Sick Leave	The sick leave benefit that is provided to all employees.
Enhanced Long Term Disability	An income-replacement benefit provided to all PRHC leadership. The hospital pays the basic benefit, and the employee pays the enhanced benefit.
Healthcare of Ontario Pension Plan (HOOPP)	The standard pension plan available to all full-time employees and provided through HOOPP. Employee and hospital contributions are calculated by HOOPP according to a standard formula.
Termination	Five-year fixed term with a six-month renewal window. If the executive is terminated without cause, an allowance is provided to compensate for bridging to new employment. Accrued wages will be provided to the date of termination and a notice period of 16 months, plus one month per year of service, to a maximum total notice period of 18 months.

Unless otherwise required, the above summary is reviewed annually and adjusted at the beginning of each fiscal year.