



**BOARD OF EDUCATION  
SCHOOL DISTRICT NO. 67 (OKANAGAN SKAHA)**

425 Jermyn Avenue  
Penticton, BC, Canada V2A 1Z4

Telephone: (250) 770-7700

Fax: (250) 770-7722

Website: [www.sd67.bc.ca](http://www.sd67.bc.ca)

**Office of the Chairman of the Board**

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File No.: 20500-20

OPR: SECTR

September 5, 2012

Paul Straszak  
President and CEO  
Public Sector Employers' Council  
PO Box 9400 Stn Prov Govt  
Victoria, BC  
V8V 9V1

Dear Mr. Straszak:

**Re: *Public Sector Executive Compensation Report***

This will confirm that the Board of Education of School District No. 67 (Okanagan Skaha) is aware of the total compensation paid to executive staff during the 2011-12 fiscal year and further, that we verify the amount of compensation paid was within the compensation plan as approved by the Board and as reported in the Summary Compensation Table .

Yours truly,

A handwritten signature in cursive script that reads "Ginny Manning".

Ginny Manning  
Chair  
Board of Education

GM:da



## **Public Sector Executive Compensation Report School District No. 67 (Okanagan Skaha)**

The Board of Education encourages and adopts practices that enable the district to attract, retain, incent, and reward qualified, high-performing employees who are critical to the delivery of quality public education programs to students in School District No. 67 (Okanagan Skaha).

A key component of this approach is the development and maintenance of a framework for executive and exempt staff compensation that is rational, defensible, competitive and able to be effectively administered.

### **Compensation Philosophy**

Inherent in the Board's compensation philosophy are the following objectives:

- To attract and retain qualified, experienced, motivated, and high-potential employees who are committed to the Board's overarching goal of delivering a high-quality public education experience to our students.
- To support employees through the provision of meaningful career growth and development opportunities, and a performance-based organizational culture.

### **Labour Market Comparators**

Key to the compensation philosophy is the need to maintain a meaningful level of competitiveness with the external labour market. Consistent with industry standards, "labour market" is defined in the British Columbia Public School Employers' Association (BCPSEA) sectoral exempt compensation management plan (Policy 95-06, *Compensation and Employment Standards for School District Employees Not Subject to a Collective Agreement*) as:

- The recruitment pool for these employees
- The destination sector for these employees.

The following considerations guide articulation of the relevant labour market:

- Degree of recruitment from these jurisdictions
- Transferability of skills
- Comparability of qualifications and experience
- Comparability of authority and consequence of error.

For executive and exempt staff positions in the BC K-12 public education sector, the relevant labour market is:

1. Other BC school districts (primary labour market)
2. Other Canadian school districts (To the extent that BC school boards recruit from and lose employees to these jurisdictions, this segment of the labour market is weighted to Alberta and Ontario (and to a lesser extent, Saskatchewan) consistent with the industry-standard definition of labour market.)
3. Other public sector organizations
4. Selected private sector organizations.

The Board's approach includes:

- Consideration of the relevant labour market for compensation comparison purposes.
- Linking pay ranges to neutral, relevant factors (e.g., required skill level, required competencies, job content, required qualifications).
- Ensuring appropriate relationships exist between positions in the district's compensation hierarchy.

In balancing external competitiveness with internal equity, the Board typically has determined that the reference point for executive and exempt total compensation is the 50<sup>th</sup> percentile comparator of B.C. school districts in the 6,000 to 10,000 student population range.

The Board's total compensation package for executive staff is comprised of the following elements.

### Cash compensation

Total cash compensation includes annual base salary and monthly vehicle allowance.

- Annual base salary

Annual base salary is considered in the context of the total compensation package. Generally, base salary is targeted at the 50<sup>th</sup> percentile of the comparator labour market. The base salary structure is a four step pay band with a range spread of 15% from the minimum to the maximum of the range and 5.0% between steps in the structure.

- Vehicle allowance

Due to the need to visit schools and other district worksites, the Board provides a monthly vehicle allowance to the Superintendent and other senior management positions. The monthly vehicle allowance is set at a level competitive with the vehicle allowances provided to Superintendents and other senior managers in districts of similar size and geography.

### Non-cash compensation

The non-cash elements of the total compensation package include:

- **Health and welfare benefits**, such as basic medical, extended medical, dental, group life, short-term and long-term disability, employee and family assistance program, etc. consistent with such benefits as offered in the K-12 sector generally.
- **Pension benefits** — executive staff not receiving pension are enrolled in either the Teachers Pension Plan or the Municipal Pension Plan.

In addition, upon retirement, a retirement allowance of one week's pay for each year of service to a maximum of 20 years service is provided.

- **Paid time off**, including an annual vacation entitlement of 35 days. Pursuant to the *Public Sector Employers Act*, carry forward of unused accumulated vacation is not permitted. If, however, the individual employment contract does allow for carry forward of unused accumulated vacation, then such vacation may be carried forward for one year only and at the end of that year, the unused accumulated vacation must be used in full, paid out, or a combination of the two.

## Compensation Administration

The Board engages in consistent and ongoing administration of the compensation structure to ensure that reality matches philosophy and that equity is maintained. An ongoing system of compensation review ensures that total compensation levels are benchmarked externally against the appropriate labour market and internally against appropriate job evaluation criteria.

The Board works with BCPSEA to obtain information and advice relating to the executive and exempt compensation structures. In addition, the Board utilizes the BCPSEA *Report on Total Compensation Paid to Exempt Employees* — the results of BCPSEA's triennial survey of total compensation paid to exempt benchmark positions in BC public school districts as well as school districts in Alberta, Saskatchewan, and Ontario, and other relevant public sector employers.

## Accountability

Underlying the Board's compensation philosophy and approach is the understanding that legal and regulatory mandates are considered a baseline for implementing any compensation plan or practice. Compensation administration in the K-12 public education sector operates within the following context:

- The *Public Sector Employers Act*, which establishes the legislative policy framework for exempt staff compensation administration in the public sector
- The BCPSEA exempt staff compensation management plan (Policy 95-06, *Compensation and Employment Standards for School District Employees Not Subject to a Collective Agreement*), which is an approved compensation plan under the legislation.

Under the current compensation administration system in the K-12 sector:

- The Board of Education is solely responsible for the establishment and maintenance of compensation levels for the position of Superintendent of Schools. As elected school trustees, we are accountable to our public and therefore ensure that we adhere to proper human resources practices with respect to executive and exempt staff compensation.
- The Board must submit proposed compensation adjustments for all other executive and exempt positions in the district to BCPSEA for review and approval prior to implementation.

**Summary Compensation Table: Fiscal 2011-2012 (year ending June 30, 2012)**

Name and Principal Position (a)	Salary (\$) (b)	Bonus (\$) (c)	Incentive Plan Compensation Paid (\$) (d)	Pension (\$) (e)	All Other Compensation (\$) (f)*	Total (\$) (g)	Previous 2 Years Totals (h)**
Wendy Hyer Superintendent	135,188	0.00	0.00	19,296.87	15,111.74	169,596.61	2009-2010: \$156,440 2010-2011: \$168,944.66

Notes:

\*This amount includes vehicle allowance/lease of \$7,800, payout of unused accumulated vacation of \$0.00, employer-paid CPP and EI benefits premiums, and employer-paid health and welfare benefits premiums.