



School District No. 20 (Kootenay-Columbia)

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September 13, 2013

Lee Doney
Interim President and CEO
Public Sector Employers' Council Secretariat
PO Box 9400 Stn Prov Govt
Victoria, BC V8V 9V1

Dear Mr. Doney:

Please find attached the required Public Sector Executive Compensation Disclosure Report for fiscal 2012-2013 (year ending June 30, 2013) for School District No. 20 (Kootenay-Columbia).

This letter confirms that the Board of Education of School District No. 20 (Kootenay-Columbia) is aware of the total compensation paid to executive staff during the 2012-2013 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.

Sincerely,

A handwritten signature in black ink that reads 'D. Ganzert'.

Darrel Ganzert
Chairperson, Board of Education

pc: Trustees



School District No. 20 (Kootenay-Columbia) Public Sector Executive Compensation Report September, 2013

The Public Sector Employers Act (PSEA) requires public sector organizations to disclose the major elements of executive compensation. This includes base salary, benefits (including taxable benefits), employer pension contributions, and performance payments. The enhanced disclosure requirements apply to chief executive officers and the next four highest ranking executives where these positions hold an annual base salary of \$125,000 or more. The Board of Education is required to submit and post such a disclosure report. At the current time the only executive or exempt base salaries above the threshold of \$125,000 is our chief executive officer – Superintendent of Schools.

Exempt staff compensation is based on an objective to attract and retain qualified, experienced, motivated, and high-potential employees who are committed to the Board’s overarching desire of “supporting the journey of all learners”.

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 districts 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.

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, they are accountable to our public and therefore ensure that they 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.

Compensation provided comes in the form of:

Cash compensation

- Annual base salary
The salary structure for the position of Superintendent of Schools (and other management positions) is a single rate structure, based on the premise that, at the outset of the employment relationship, the individual must be fully competent in all aspects of the position in order to effectively fulfill the duties and responsibilities of Superintendent.
- Vehicle allowance
Due to the numerous schools and work sites in the district and the need to visit these, the Board provides an annual vehicle allowance to the Superintendent and some 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

- Health and welfare benefits

Provided are: 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

Exempt staff is enrolled in either the Teachers Pension Plan or the Municipal Pension Plan.

- Paid time off

Executive staff has an annual vacation entitlement of 30 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.

Summary Compensation Table: Fiscal 2012-2013 (year ending June 30, 2013)

Summary Compensation Table

| Name and Position (a) | Salary (b) | Bonus and / or Incentive Plan Compensation (c) | Benefits (d) | Pension (e) | All Other Compensation (expanded below) | 2012/13 Total | Previous Two Years Totals | |
|--------------------------------------|---------------|---|-----------------|----------------|--|------------------|------------------------------|--------------|
| | | | | | | | 2011 / 12 | 2010 / 11 |
| Gregory Luterbach, Superintendent | \$ 125,700 | \$ - | \$ 11,542 | \$ 18,187 | \$ 10,630 | \$ 166,059 | \$ 152,209 | n/a |

Summary Other Compensation Table

| Name and Position (a) | All Other Compensation | Severance (f) | Vacation payout (g) | Leave payout (h) | Vehicle / Transportation Allowance (i) | Perquisites / other Allowances (j) | Other (k) |
|--------------------------------------|---------------------------|------------------|---------------------------|------------------------|---|--|--------------|
| Gregory Luterbach, Superintendent | \$ - | \$ - | \$ 4,810 | \$ - | \$ 5,820 | \$ - | \$ - |

Employer paid benefits (column d above) details

| | |
|----------------------------|--------------|
| CPP | \$ 2,356.20 |
| EI | \$ 1,129.05 |
| Group Life | \$ 750.96 |
| AD&D | \$ 53.49 |
| WCB | \$ 434.78 |
| MSP | \$ 1,571.00 |
| Dental | \$ 1,768.92 |
| EHB | \$ 1,292.28 |
| BC Teachers Regulation Fee | \$ 80.00 |
| LTD repayment | \$ 2,105.16 |
| Total | \$ 11,541.84 |