



BOARD OF EDUCATION

SCHOOL DISTRICT No. 23
(CENTRAL OKANAGAN)

1940 Underhill Street, Kelowna, B.C. V1X 5X7
Tel. 250-860-8888 Fax 250-860-9799
Website: www.sd23.bc.ca

"Together We Learn"

September 29, 2015

Christina Zacharuk
Interim President and CEO
Public Sector Employers' Council Secretariat
Suite 201, 880 Douglas Street
Victoria, BC V8W 2B7

Dear Ms. Zacharuk:

This will confirm that the Board of Education of School District No. 23 (Central Okanagan) is aware of the total compensation paid to executive staff during the 2014-2015 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 sincerely,

Moyra Baxter
Chairperson

Attachment

pc: Central Okanagan Board of Education Trustees

Board of Education - Trustees

Moyra Baxter
Christopher L. Gorman

Deb Butler
Lee Mossman

Rolli Cacchioni
Lee-Ann Tiede

Julia Fraser

School District No. 23 (Central Okanagan)

2014/2015 Public Sector Executive Compensation Report

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 Central Okanagan School District.

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

The Board's compensation philosophy is based upon a set of principles that guide development, maintenance, and decision-making. At its core, is an integrated view of compensation and rewards - not only traditional, quantifiable elements such as salary and benefits, but also more intangible elements such as career opportunities, learning and career development, work challenge, and a supportive culture. This total rewards model further integrates with plans that establish the Board's overall education, business, and human resources strategies and objectives.

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

- To attract and retain qualified, experienced, motivated, and high-performing employees who are committed to the Board's overarching goal of delivering a high quality public education experience to students.
- To support employees through the provision of meaningful career growth and development opportunities and a supportive 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) sectorial 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; and,
- 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; and,
- 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.
2. Other Canadian school districts.
3. Other public sector organizations.
4. Selected private sector organizations.

The Board's approach includes:

- Considering all components of the total rewards model;
- Considering the relevant labour market for compensation comparison purposes;
- Linking pay ranges to neutral, relevant factors (i.e. required skill level, required competencies, job content, and required qualifications);
- Ensuring appropriate relationships exist between positions in the district's compensation hierarchy;
- Considering the ways in which appropriate organizational and individual performance measures may be linked to the administration of the compensation system; and,
- Ensuring Government-mandated compensation controls are applied.

In balancing external competitiveness and compensation restrictions with internal equity, the Board typically has implemented a compensation model that considers the requirements of the specific position in relation to the overall organization.

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 annual vehicle allowance or leased vehicle.

- ***Annual base salary***

Annual base salary is considered in the context of the total compensation package. Generally, base salary is targeted at the average of the comparative school districts adjusted for government-mandated compensation initiatives.

- ***Vehicle allowance***

Due to the diverse geography of the district and the need to visit schools and other district worksites, the Board provides a monthly vehicle allowance to the Superintendent, Assistant Superintendent and Secretary-Treasurer. The monthly vehicle allowance is set at a level competitive with the vehicle allowances provided to Superintendents, Assistant Superintendents and Secretary-Treasurers.

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 are enrolled in either the Teachers' Pension Plan or the Municipal Pension Plan.
- ***In addition, executive staff receive:***
 - Long Service Recognition: Upon retirement, a payment is based on the following criteria:
 - One week of final compensation for every year employed with School District No. 23 (Central Okanagan) to a maximum of twenty (20) weeks' compensation, provided the employee has reached the age of 55.
 - Paid time off, including an annual vacation entitlement of up to 30 days. Pursuant to the *Public Sector Employers Act*, carry forward of unused accumulated vacation is not permitted.
 - Compensatory time: Up to 5 days of paid time off annually in recognition of attendance at meetings during evenings and weekends.
 - Sick Leave: 18 days per year accumulated to a maximum of 180 days.
 - Professional Development: Payment for professional dues, courses, seminars, workshops and conferences relating to employment.
 - Employee Assistance Program (EPA): Available to all employees of the School District.
 - Leaves: Additional leaves as mutually agreed upon between the employee and the employer.

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. A regular 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.

- *Annual base salary administration*

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 the position.

The decision whether to grant a salary increase is at the sole discretion of the Board, subject to government-imposed compensation restrictions. In determining whether a salary increase is warranted, the Board considers such factors as performance, competence, external competitiveness, and internal equity, including the maintenance of appropriate salary differentials through the organization. Increases are considered within the Board's overall compensation budget.

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; and,
- 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; and,
- 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 2014-2015 (year ending June 30, 2015)

Name and Principal Position	Salary	Bonus / Incentive Plan/ Holdback	Incentive Plan Compensation Paid	Statutory and Health Benefits	Pension	All Other Compensation (expanded below)	Total	Previous 2 Years Totals
Superintendent of Schools Hugh Gloster	\$176,742	-	-	\$11,689	\$27,091	\$1,450	\$216,972	2013-2014 = \$196,749 2012-2013 = \$196,538
Seconded Superintendent Mike Roberts* (retired)	\$68,073	-	-	\$3,070	\$10,980	\$68,043	\$150,166*	2013-2014 = \$188,736 2012-2013 = \$186,526
Secretary-Treasurer Larry Paul	\$136,798	-	-	\$11,159	\$13,977	\$9,580	\$171,514	2013-2014 = \$169,557 2012-2013 = \$168,292
Assistant Superintendent Terry Beaudry	\$134,248	-	-	\$10,462	\$20,449	\$10,052	\$175,211	2013-2014 = \$173,504 2012-2013 = \$171,668

Name and Principal Position	All Other Compensation	Severance	Vacation payout	Leave payout	Vehicle / Transportation Allowance	Perquisites / other Allowances ^	Other
Superintendent of Schools Hugh Gloster	\$1,450	-	-	-	-	\$1,450	-
Seconded Superintendent Mike Roberts	\$68,043	-	\$7,399	-	-	\$1,450	\$59,194#
Secretary-Treasurer Larry Paul	\$9,580	-	-	-	\$8,602	\$978	-
Assistant Superintendent Terry Beaudry	\$10,052	-	-	-	\$8,602	\$1,450	-

NOTES:

* The School District is reimbursed by the Ministry of Education for the employment costs of this employee.

^ Professional Dues

Long Service Recognition Payment