

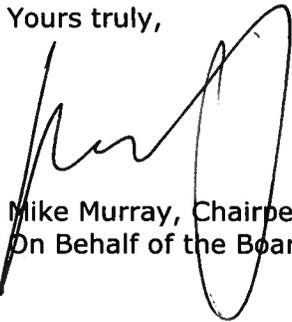
September 19, 2018

Christina Zacharuk
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 .42 (Maple Ridge-Pitt Meadows) is aware of the total compensation paid to executive staff during the 2017-2018 fiscal year and further, that we verify the amount of compensation paid was within the compensation plan as approved by the Board and reported to the Public Sector Employers' Council Secretariat.

Yours truly,



Mike Murray, Chairperson
On Behalf of the Board of Education of School District No. 42 (Maple Ridge-Pitt Meadows)

Public Sector Executive Compensation Report - 2017-18 **The Board of Education of School District No. 42** **(Maple Ridge - Pitt Meadows)**

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. 42 (Maple Ridge - Pitt Meadows).

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 aligns with the statutory system of exempt staff compensation administration in the K-12 public education sector and the British Columbia Public School Employers' Association (BCPSEA) exempt staff compensation management plan (BCPSEA 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 *Public Sector Employers Act*. Compensation mandates adopted by the Public Sector Employers' Council from time to time are the official policy of BCPSEA and any adjustments to exempt staff compensation levels are considered within the context of the applicable compensation mandate.

The Board's compensation philosophy is based upon a set of principles that guide development, maintenance and decision-making with respect to salary structures and total compensation packages and programs.

At its core is an integrated view of compensation and rewards — not only traditional, quantifiable elements such as salary and benefits (compensation), but also more intangible elements such as career opportunities, learning and career development, work challenge, and supportive culture (rewards). The total rewards compensation program further integrates with plans that establish the Board of Education's overall education, business, and human resources strategies and objectives to facilitate the attraction and retention of qualified, experienced, motivated and high-potential employees who are committed to the board's vision for every individual to feel valued and for all learners to reach their potential.

Inherent in the compensation philosophy are the following core principles:

- **Performance:** The compensation structure and administration of the structure supports and promotes meaningful career growth and development opportunities, and a performance-based (merit) organizational culture.
- **Differentiation:** Differentiation of compensation is supported where there are differences in the scope of the position within an organization, and/or due to superior individual/team contributions.
- **Accountability:** Compensation decisions are objective and based upon a clear and well documented rationale that demonstrates the appropriate expenditure of public funds.
- **Transparency:** The compensation program is designed, managed, administered, and communicated in a manner that ensures the program is clearly understood by employees and the public while protecting individual personal information.

Labour Market Comparators

Key to the compensation philosophy is the need to maintain a meaningful level of competitiveness with the relevant external labour market. Consistent with industry standards, "labour market" is defined in the 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/organizations
- Size of the organization, as size drives the span of control and scope of accountability
- Geographic location
- 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 includes:

1. Other BC school districts (primary labour market)
2. Other BC public sector organizations
3. Other Canadian school districts where relevant (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)
4. Selected private sector organizations where relevant.

The Board's approach includes:

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

In balancing external competitiveness with internal equity, the Board typically has determined that the reference point for executive and exempt total compensation is the median of the relevant comparator labour market.

Total Compensation

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 (*or annual*) vehicle allowance.

- **Annual base salary** considered in the context of the total compensation package.
- **Vehicle provisions** - 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 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 employees are enrolled in either the Teachers' Pension Plan or the Municipal Pension Plan.

In addition, upon retirement executive staff are eligible to receive a retirement allowance based on the following criteria:

1. Date of appointment / hire is prior to July 1, 2009
2. Have been employed by School District No. 42 (Maple Ridge – Pitt Meadows) for a minimum of ten (10) years
3. Qualifies for retirement benefits from either the Teachers' Pension Plan or the Municipal Pension Plan

The retirement allowance is calculated on the basis of three (3) percent of the current salary times the number of years of service to a maximum of 100% of the current annual salary.

- **Paid time off**, including an annual vacation plan entitlement of 45 days for Superintendent and 35 days for the other executive/senior employees. 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 of a maximum of 5 days, 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.

In addition, the Board or its designate, at its discretion may grant (excluding the Superintendent) executive/senior employees:

- Five (5) additional paid days off where responsibility requires regular attendance to Board/Committee meeting beyond normal work hours.
- Five (5) additional paid days off for extraordinary circumstances, i.e. strike, involvement with prolonged salary negotiations, lengthy periods of unusual overtime for special projects/circumstances.

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 conducted and managed through BCPSEA and the PSEC Secretariat ensures that total compensation levels are benchmarked externally against the appropriate labour market and internally against appropriate job criteria.

The Board works with BCPSEA to obtain information and advice relating to the executive and exempt compensation structures and to ensure alignment with the compensation mandates established by PSEC.

Annual base salary administration

The annual base salary for the Superintendent of Schools is based on placement at the appropriate salary range in the structure reflective of labour market competitiveness and internal equity. Placement and progression through the salary range is dependent upon competency growth and performance. The maximum of the salary range typically represents the job rate for the position, defined as the salary that should be paid to an incumbent who has established him/herself as meeting all the goals and expectations of the position in a fully satisfactory manner. New hires are generally not placed at the job rate on commencement of employment, although due to the key leadership roles and responsibilities, such individuals are generally recruited at a highly competent level and are often placed at the mid- to maximum point in the salary range reflective of the required competence, qualifications, and experience.

The decision whether to grant a salary increase to the position of Superintendent is at the sole discretion of the Board. 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. The Board typically utilizes market compensation data and salary/compensation structures developed by BCPSEA for this position as well as all other positions in the exempt staff structure. Potential increases are considered within the Board's overall compensation budget.

The annual base salary for senior management positions other than the Superintendent of Schools is based on placement at the appropriate salary range in the structure reflective of labour market competitiveness and internal equity. Placement and progression through the salary range is dependent upon BCPSEA and PSEC policy direction. The maximum of the salary range typically represents the job rate for the position, defined as the salary that should be paid to an incumbent who has established him/herself as meeting all the goals and expectations of the position in a fully satisfactory manner. Current BCPSEA and PSEC policy requires that new hires are placed at the lowest level of the salary range on commencement of employment, although due to the key leadership roles and responsibilities, such individuals are generally recruited at a highly competent level.

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 currently 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 *Public Sector Employers Act*.
- Compensation mandates adopted by the Public Sector Employers' Council from time to time. Any adjustments to exempt staff compensation levels are considered within the context of the applicable compensation mandate.

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.
- proposed compensation adjustments for all other executive and exempt positions in the district must be reviewed and approved by BCPSEA and PSEC prior to implementation.

School District 42 (Maple Ridge-Pitt Meadows)

Summary Compensation Table at 2018

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2017/2018 Total Compensation	Previous Two Years Totals Total Compensation	
							2016/2017	2015/2016
Sylvia Russell, Superintendent and Chief Executive Officer	\$ 207,269	-	\$ 15,679	\$ 28,515	\$ 2,000	\$ 253,463	\$ 237,013	\$ 222,662
Flavia M Coughlan, Secretary Treasurer	\$ 152,680	-	\$ 11,864	\$ 15,467	\$ 10,839	\$ 190,850	\$ 198,404	\$ 179,432
Shannon Derinzy, Assistant Superintendent	\$ 130,756	-	\$ 13,303	\$ 18,005	\$ 4,274	\$ 166,338	\$ 163,700	\$ 165,323
Hardeep Dhillon, Deputy Superintendent	\$ 131,910	-	\$ 13,321	\$ 18,158	\$ 12,240	\$ 175,629	\$ 163,700	\$ 164,140
David K Vandergugten, Assistant Superintendent	\$ 130,756	-	\$ 13,304	\$ 18,005	\$ 4,777	\$ 166,842		

Summary Other Compensation Table at 2018

Name And Position	All Other Compensation	Severance	Vacation payout	Leave payout	Vehicle / Transportation Allowance	Perquisites / other Allowances	Other
Sylvia Russell, Superintendent and Chief Executive Officer	\$ 2,000	-	-	-	\$ 2,000	-	-
Flavia M Coughlan, Secretary Treasurer	\$ 10,839	-	\$ 839	-	\$ 10,000	-	-
Shannon Derinzy, Assistant Superintendent	\$ 4,274	-	\$ 4,274	-	-	-	-
Hardeep Dhillon, Deputy Superintendent	\$ 12,240	-	\$ 5,280	-	\$ 6,960	-	-
David K Vandergugten, Assistant Superintendent	\$ 4,777	-	\$ 4,777	-	-	-	-

Notes

Sylvia Russell, Superintendent and Chief Executive Officer	
Flavia M Coughlan, Secretary Treasurer	
Shannon Derinzy, Assistant Superintendent	General Note: July 1 to July 31 2017 - Director of Instruction; August 1 2017 to June 30 2018 - Assistant Superintendent Amounts disclosed are a total paid for both positions. No change in salary, only title change.
Hardeep Dhillon, Deputy Superintendent	General Note: Promoted from Assistant Superintendent to Deputy Superintendent effective June 1 2018. Amounts disclosed are a total paid for both positions. July 1 to July 31 2017 - Director of Instruction - Salary: \$10,561 August 1 2017 to May 31 2018 - Assistant Superintendent - Salary: \$109,579 June 1 to June 30 2018 - Deputy Superintendent - Salary: \$11,770
David K Vandergugten, Assistant Superintendent	General Note: July 1 to July 31 2017 - Director of Instruction; August 1 2017 to June 30 2018 - Assistant Superintendent Amounts disclosed are a total paid for both positions. No change in salary, only title change.