November 12, 2025

Mr. John Davison
President and CEO
Public Sector Employers' Council Secretariat
Suite 201, 880 Douglas Street
Victoria, BC V8W 2B7

Re: SD10 Executive Compensation

Dear Mr. Davison:

This will confirm that the Board of Education of School District No. 10 (Arrow Lakes) is aware of the total compensation paid to executive staff during the 2024-2025 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,

Stephen Gascon
Board Chair

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Public Sector Executive Compensation Disclosure Report 2024-2025
School District No. 10 (Arrow Lakes)

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 delivering quality public education programs to students in School District No. 10 (Arrow Lakes).

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/direction facilitated by the Public Sector Employers' Council Secretariat (PSEC Secretariat) from time to time are the official policy of BCPSEA and any adjustments to exempt staff compensation levels must align with the parameters of the prevailing compensation mandate/direction.

The Board's compensation philosophy is based on a set of principles that guide development, maintenance, and decision-making regarding 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 overarching goal of delivering a high-quality public education experience to BC students.

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 meaningful 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 the 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 executive and exempt staff salary structure was developed on a total compensation basis, consistent with governance and technical best practice, as part of the BCPSEA Sectoral Exempt Staff Compensation Review Project conducted with the approval of the PSEC Secretariat. This comprehensive market review ensured the development of an executive and exempt staff salary structure for each of the province's 60 public school districts in alignment with each district's relevant comparator labour market and internal organizational structure. This 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, required qualifications).

- Ensuring appropriate relationships exist between positions in the district's organizational hierarchy.

- Considering how appropriate organizational and individual performance measures may be linked to the administration of the compensation system.

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

The Board's total compensation package for executive/senior management staff 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.

- **Vehicle provisions**

  Due to the district's diverse geography and the need to visit schools and other district worksites, the Board reimburses the Superintendent for vehicle usage for work purposes up to $500 per month. This reimbursement is 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 generally offered in the K-12 sector.

- **Pension benefits** through either the Teachers' Pension Plan or the Municipal Pension Plan.

- **Paid time off,** including an annual vacation entitlement of 30 for the Secretary-Treasurer or 40 days for the Superintendent. Under the *Public Sector Employers Act*, carry-forward of unused accumulated vacation is not permitted. If, however, the individual employment contract does allow for the carry forward of unused accrued 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 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 on executive and exempt compensation structures and to ensure alignment with the compensation mandates/directions established for the provincial public sector by the PSEC Secretariat.

- **Annual base salary administration**

The salary structure for executive and exempt positions 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 Superintendent only is at the sole discretion of the Board of Education and is the only executive/exempt position for which BCPSEA approval of an increase to any element of the compensation package is not required. In determining whether a salary increase is warranted, the Board considers factors such as performance, competence, external competitiveness, and internal equity, including maintaining appropriate salary differentials throughout the organization. The Board typically utilizes market compensation data and salary/compensation structures developed by BCPSEA for this position and all other positions in the exempt staff structure. Potential 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 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*), an approved compensation plan under the *Public Sector Employers Act*.

- compensation mandates/direction facilitated by the PSEC Secretariat from time to time. Any adjustments to exempt staff compensation levels must align with the parameters of the prevailing compensation mandate/direction.

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

- The Board of Education is solely responsible for establishing and maintaining compensation levels for the position of Superintendent of Schools. As elected school trustees, the Board is accountable to its public and, therefore, ensures that it adheres to proper human resources practices, including statutory requirements with respect to executive and exempt staff compensation.

- proposed salary range placement and compensation adjustments for all other executive and exempt positions in the district must be reviewed and approved by BCPSEA before implementation.

School District 10 (Arrow Lakes)

Summary Compensation Table at 2025

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2024/2025 Total Compensation	Previous Two Years Totals Total Compensation	
							2023/2024	2022/2023
Peter Dubinsky, Superintendent	$ 214,530	-	$ 17,318	$ 24,774	$ 40,245	$ 296,867	$ 244,335	$ 228,959
Michael P McLellan, Secretary-Treasurer & CFO	$ 190,291	-	$ 15,770	$ 17,549	$ 5,530	$ 229,140	$ 215,189	$ 202,795

Summary Other Compensation Table at 2025

Name and Position	All Other Compensation	Severance	Vacation Payout	Paid Leave	Vehicle / Transportation Allowance	Perquisites / Other Allowances	Other
Peter Dubinsky, Superintendent	$ 40,245	-	$ 30,538	-	$ 5,000	-	$ 4,707
Michael P McLellan, Secretary-Treasurer & CFO	$ 5,530	-	-	-	-	-	$ 5,530

Notes

Peter Dubinsky, Superintendent	**General Note:** Mr. Dubinsky received a 6.0% salary increase effective July 1, 2024, in accordance with the K-12 sector-based process for annual, performance-based salary increases for exempt staff. **Other Note:** LTD Disability Supplement.
Michael P McLellan, Secretary-Treasurer & CFO	**General Note:** Mr. McLellan received a 3.0% salary increase effective July 1, 2024, in accordance with the K-12 sector's performance-based salary increases for exempt staff. **Other Note:** LTD Disability Supplement.