

## **School District No 58 (Nicola-Similkameen) Public Sector Executive Compensation Report For the year ended June 30, 2009**

The Board of Education of School District No 58 has adopted a strategy that has enabled the district to attract and retain qualified, high-performing employees, who are committed to the delivery of quality public education programs to students in our district. The development and maintenance of the framework for executive and exempt staff compensation is both defensible and competitive.

The Board's compensation philosophy is based upon a set of principles that guide development and maintenance. The core of the philosophy focuses on the traditional, quantifiable elements such as salary and benefits (compensation), but also includes elements such as learning and career development, work challenge, and a supportive culture within the district.

The Board's compensation philosophy is based on attracting and retaining qualified, experienced, and motivated, employees who are committed to the goal of delivering a high-quality public education experience to our students.

One of the keys to the compensation philosophy is the need to maintain a level of competitiveness with the external labour market. "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 this group of employees and the destination sector for these employees.

The following considerations are taken into account when reviewing the relevant labour market:

- Degree of recruitment from other employers
- 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 and in particular School District 58, the relevant labour market is:

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

The Board's takes into consideration the relevant labour market for compensation comparison purposes, links pay ranges to neutral, relevant factors such as required skill level, required competencies, job content, required qualifications, and considers the ways in which performance 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 at a minimum, the 90<sup>th</sup> percentile of the relevant comparator labour market. While our district is not as isolated as some districts, it is in a rural setting and does require the senior staff to travel a significant distance between two communities regardless of weather or other conditions, most of which is after their normal working hours.

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

The 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 90<sup>th</sup> percentile of the comparator labour market. The base salary recognizes the length of service within the district as well as within the education sector. As such, it is designed specifically for each senior staff member and may take up to three years for the employee to reach the top of the salary level.

- 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 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.

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

- Health and welfare benefits, such as basic medical, extended medical, dental, group life, employee and family assistance program, consistent with such benefits as offered in the K-12 sector
- Pension benefits — executive staff members are enrolled in either the Teachers Pension Plan or the Municipal Pension Plan.
- Retirement Benefits - in addition, upon retirement executive staff are eligible to receive a retirement allowance based on .33 of a day's pay for each month of service with the district to a maximum of 110 days.
- Paid time off, including an annual vacation entitlement of 40 days. Pursuant to the *Public Sector Employers Act*, carry forward of unused accumulated vacation is not permitted. The individual employment contract allows for carry forward of unused accumulated vacation 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.

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

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, and other relevant public sector employers.

The salary structure for the position of Superintendent of Schools (and other management positions) is based on placement that reflects labour market competitiveness and internal equity. The maximum point on the pay band 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 pay band reflective of the required competence, qualifications, and experience.

The decision whether to grant a salary increase is at the sole discretion of the Board. In determining whether a salary increase is warranted, the Board considers factors such 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.

The Board's compensation philosophy and approach is based on the understanding that legal and regulatory mandates are a baseline for implementing any compensation plan or practice and 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, and
- the *Public Education Negotiating Framework Compensation Plan – Exempt Staff (2006-2010)*.

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 2008-09 (year ending June 30, 2009)**

<b>Name and Principal Position (a)</b>	<b>Salary (\$) (b)</b>	<b>Bonus (\$) (c)</b>	<b>Incentive Plan Compensation Paid (\$) (d)</b>	<b>Pension (\$) (e)</b>	<b>All Other Compensation (\$) (f)*</b>	<b>Total (\$) (g)</b>	<b>Previous 2 Years Totals (h)**</b>
<b>Byron Robbie, Superintendent</b>	<b>\$125,882</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,849</b>	<b>\$14,385</b>	<b>\$157,116</b>	<b>2007/08=\$147,347</b>

Notes:

\*This amount includes vehicle allowance of \$6,600, employer-paid CPP and EI benefits premiums, and employer-paid health and welfare benefits premiums.

\*\*The first reporting year was fiscal 2007-2008..