



**THE BOARD OF EDUCATION OF
SCHOOL DISTRICT NO. 58 (NICOLA-SIMILKAMEEN)**

ADMINISTRATION OFFICE

**Dr. Robert Peacock, Superintendent of Schools
Kevin Black, C.G.A., Secretary Treasurer**

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December 3, 2012

Public Sector Employers' Council Secretariat
PO Box 9400 Stn Prov Govt
Victoria, BC
V8W 9V1

Dear Mr. Straszak:

This letter is to confirm that the Board of Education of School District No. 58 (Nicola-Similkameen) is aware of the total compensation paid to executive staff during the 2011-2012 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 truly,

A handwritten signature in black ink, appearing to be 'Gordon Comeau', written over a horizontal line.

Gordon Comeau
Board Chair

GC/jy

School District No. 58 (Nicola-Similkameen) Public Sector Executive Compensation Report For the year ended June 30, 2012

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. 58 (Nicola-Similkameen).

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.

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 (compensation), but also more intangible elements such as learning and career development, work challenge, and supportive culture.

The Board's compensation philosophy is based on attracting and retaining qualified, experienced, 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 meaningful 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 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.
- 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 boards 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.

The Board's takes into consideration the relevant labour market for compensation comparison purposes, links pay ranges to neutral, relevant factors (e.g., required skill level, required competencies, job content, required qualifications), ensures appropriate relationships exist between positions in the district's compensation hierarchy, and considers the ways in which

appropriate organizational and individual 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 90th percentile of the relevant comparator labour market. While this 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, with most of the travel taking place after their normal working hours.

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 is considered in the context of the total compensation package. Generally, base salary is targeted at the 90th 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.

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.
- 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. 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.

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 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.

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.

The Board of Education is solely responsible for the establishment and maintenance of compensation levels for the position of Superintendent of Schools. Elected school trustees are accountable to their 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.

Summary Compensation Table: Fiscal 2011-2012 (year ending June 30, 2012)

Name and Principal Position (a)	Salary (\$) (b)	Bonus (\$) (c)	Incentive Plan Compensation Paid (\$) (d)	Pension (\$) (e)	All Other Compensation (\$) (f)*	Total (\$) (g)	Previous 2 Years Totals (h)**
Dr. Robert Peacock Superintendent	\$132,500				\$14,851	\$147,351	2009/10: \$136,517 2010/11: \$147,024

Notes:

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