

SPECIAL MEETING OF THE BOARD
AGENDA

Date: Monday, February 26, 2018
Time: 7:00 pm
Location: Catholic Education Centre - Board Room
802 Drury Lane
Burlington, Ontario

Pages

1. Call to Order
 - 1.1 Opening Prayer (P. Dawson)
2. Declarations of Conflict of Interest
3. Approval of the Agenda
4. Action Items
 - 4.1 Executive Compensation (D. Rabenda) 1 - 4
5. Resolution re Absentees
6. Adjournment and Closing Prayer (D. Rabenda)

ACTION REPORT

ITEM 4.1

EXECUTIVE COMPENSATION

PURPOSE:

To seek approval through Board motion to submit to the Ministry of Education, a summary of the feedback received through the Executive Compensation Stakeholder Feedback Process as well as a proposed Executive Compensation Program.

BACKGROUND INFORMATION:

In 2014, the Government of Ontario began the process of developing public sector compensation frameworks to ensure a transparent and consistent approach to executive compensation within the broader public sector. This approach applies to all Ontario public sector designated employers, such as school boards, universities, colleges and hospitals, including the Halton Catholic District School Board (HCDSB).

Regular updates were provided to Trustees through OCSTA memos forwarded by the Chair. Staff also provided an update and documentation during a session on June 6, 2017, as well as at the Special In-Camera Board meeting on September 26, 2017.

The initial submission of the Executive Compensation Program was approved by the Board of Trustees at its Special In-Camera Board meeting on September 26, 2017. The Board-approved plan of 2.6% on the 2016 - 2017 pay envelope was then submitted to the Ministry of Education for review and approval on September 29, 2017. The aforementioned two steps were conducted pursuant to the *Broader Public Sector Executive Compensation Act, 2014* (BPSECA) and its Ontario Regulation 304/16 – *Broader Public Sector Executive Compensation Framework*.

The Board's September 29, 2017 submission of the Executive Compensation Program was approved by the Ministry of Education on November 2, 2017. On November 6, 2017, the Board then provided the Ministry of Education with the required 48 hours notice that its Executive Compensation Program would be posted on the Board's website as of November 8, 2017.

The HCDSB Executive Compensation Program was posted on the Board's public-facing website for public consultation for a 30-day period. The information actually remained online for a total of 34 days, beginning on Wednesday, November 8, 2017, and ending on Tuesday, December 12, 2017.

The HCDSB Executive Compensation Program was featured prominently in the sliding news on the landing page of the Board's website, with a link to a dedicated webpage which included an FAQ and a link to provide input.

Webpage analytics indicated a total of 417 page views. At least 238 individuals (unique page views) visited the HCDSB Executive Compensation webpage, and spent on average just over two (2) minutes on the webpage.

All input from stakeholders went to a designated email address: Chair@hcdsb.org. A total of eight (8) pieces of correspondence offering feedback was received on the proposed HCDSB Executive Compensation Program.

Highlights of email submissions from stakeholders were as follows:

- With the proposed rate, HCDSB executives will be compensated at a lower rate/level than other school districts.
- HCDSB will have difficulty attracting and retaining executive talent because salaries will not be competitive.
- Other employee groups have had salary increases and yet executive salaries have been frozen for almost six (6) years.

By way of next steps, the Board was to consider and address the input received from the public feedback, make any changes to the proposed program and then submit a summary of public feedback plus the proposed program to the Ministry of Education for approval.

Due to requests for clarification by a number of Trustees about the Executive Compensation Program, the Director of Education and Chair of the Board arranged for legal counsel to provide an in-service which was arranged for January 25, 2018.

Following the January 25, 2018 Executive Compensation Program in-service led by lawyer, Eric Roher of Borden Ladner Gervais LLB, Trustees asked the Chair of the Board to develop a motion for the Board of Trustees for the February 6, 2018 Regular In-Camera Board meeting, to reflect an amendment to the maximum rate of increase from 2.6% to 5% of the pay envelope.

At the February 6, 2018 Regular Board meeting, an amended motion passed but the main motion failed because the language of the motion included the term 'rescind', which would require 2/3 majority vote.

COMMENTARY:

The motion that was presented on February 6, 2018 should not have been a motion to rescind the resolution adopted at the Special Board Meeting on September 26, 2017. According to section 10.24 of the Board by-laws, "a motion to rescind is not in order if the previous resolution has been acted upon and cannot be reversed."

The resolution that was passed on September 26, 2017 was that the Board submit the proposed HCDSB Executive Compensation Program to the Ministry of Education for approval. This action was taken on September 29, 2017, and therefore cannot be reversed.

The correct process is to amend the maximum rate of increase in the proposed HCDSB Executive Compensation Program, and submit the revised program to the Ministry of Education.

Further, the resolution presented to the Board of Trustees on February 6, 2018 included authorization for staff to submit the results of the Executive Compensation Stakeholder Feedback Process, as well as the proposed Executive Compensation Program to the Ministry of Education. By defeating the entire motion, this action could not take place and the requirements of the Directive are still outstanding.

CONCLUSION:

In order to meet Ministry of Education requirements and complete the Directive outlined in the Executive Compensation process, this matter is once again placed before the Board of Trustees for consideration.

RECOMMENDATION:

RESOLUTION:

Moved by:
Seconded by:

WHEREAS, on September 26, 2017 the Halton Catholic District School Board voted to submit the proposed HCDSB Executive Compensation Program to the Ministry of Education with a proposed maximum rate of increase of 2.6% of the 2016-17 pay envelope;

WHEREAS, on November 2, 2017, the Halton Catholic District School Board received approval from the Ministry of Education to post the proposed HCDSB Executive Compensation Program on the Board's public website;

WHEREAS, in accordance with the Broader Public Sector Executive Compensation Act, 2014, and Ontario Regulation 304/16, the Halton Catholic District School Board posted its proposed Executive Compensation Program on the public website for a period of one month (November 8 to December 12, 2017) and provided a mechanism to receive stakeholder feedback on the proposed Executive Compensation Program;

WHEREAS, stakeholder feedback was not in support of the Board's proposed Executive Compensation Program;

WHEREAS, the Ministry of Education directive provides in section 5.3 that after the public consultation, "the designated employer is responsible for addressing relevant feedback in its proposed executive compensation program";

WHEREAS, the Ministry of Education directive provides in section 5.4 that "the designated employer must submit its proposed executive compensation program to its overseeing Ministry along with the summaries of the public feedback received and any changes to the program since the government completed its review in step two."

BE IT RESOLVED, that the Halton Catholic District School Board authorize staff to provide the Ministry of Education with a summary of the feedback received through the Executive Compensation Stakeholder Feedback Process;

THAT, the Halton Catholic District School Board submit to the Ministry of Education a revised Executive Compensation Program reflecting an amendment to the proposed maximum rate of increase to 5% of the 2016-2017 pay envelope.

THAT, the Halton Catholic District School Board develop and approve salary grids for Superintendents and Director of Education based on the Mercer/Ministry of Education approved Executive Compensation Framework at Level 4.

THAT, the Executive Compensation Program designate a certain portion of its funding envelope for the purpose of awarding executives who achieve specific measurable strategic objectives as prescribed by the Board's Strategic Plan.

**REPORT SUBMITTED AND
APPROVED BY:**

DIANE RABENDA
CHAIR OF THE BOARD