

DATE: January 31, 2017

TO: Board of Trustees

FROM: Governance and Evaluation Committee – Trustees Ken Gibson, Chair; Nathan Ip and Bridget Stirling

SUBJECT: Review of Trustee Remuneration

ORIGINATOR: Karen Mills, Director Board and Superintendent Relations

RESOURCE STAFF: Shirley Juneau

REFERENCE: Governance and Evaluation Committee Terms of Reference
[Trustees' Handbook](#), Section 11 – Trustee Remuneration and Allowances

ISSUE

The total remuneration of a Trustee has been frozen since the 2010–2011 fiscal year. Prior to any significant changes to remuneration, the Administration needs to conduct and present to the Board surveys to compare the Trustee's total remuneration package to other remuneration packages provided to other publically elected officials in Alberta.

BACKGROUND

The Governance and Evaluation Committee is required by their Terms of Reference to undertake a review of Trustee remuneration. Following Board direction, an external consultant was engaged to do this work.

The primary purpose of Trustee remuneration is to recognize the importance of the publicly elected office of Trustee for Edmonton Public Schools and to attract and retain quality individuals to this valuable public service.

The role of Trustee is complex and requires a broad range of knowledge and skills. Trustees help shape the future of local communities by governing the education of young people through school boards. It's up to school boards to ensure all children in the community receive a quality education. Specific school board responsibilities include:

- Communicating, informing and involving parents, staff, and the community-at-large in school board decisions and activities.
- Adopting an annual budget that achieves jurisdiction priorities.
- Setting goals and priorities for the jurisdiction that achieve provincial education standards, meet the needs of students and reflect the community's wishes.
- Making and enforcing policies that set out standards and expectations regarding the actions of administration, teachers, and students.
- Lobbying the municipal and provincial governments on education issues of importance to the jurisdiction.
- Adjudicating policy or decision appeals.

- Hiring and evaluating the superintendent.

Trustees do not represent any one school, neighbourhood or community. Rather, they make decisions based on the needs of the entire jurisdiction. As elected officials, Trustees have these roles:

- Communicators: Trustees ensure the community has a say in what children learn by communicating effectively with stakeholders and ensuring their concerns and wishes are heard.
- Planners: Trustees develop plans to deal with student needs and to actively participate in the economic and social strength of local communities.
- Policy makers: Trustees create policies to guide administration and staff. They also evaluate the impact of these policies and make adjustments where necessary.
- Advocates: Trustees address and seek resolution of public education issues of importance to students, parents, and the community at large.
- Educators: Trustees play a key role in developing tomorrow's citizens because they have the ability to make independent decisions that impact the direction and quality of public education.
- Adjudicators: Trustees hear and make judgments concerning local education decisions, procedures or policies that individuals, groups or the public feel are unfair or improper.
- Lobbyists: Trustees communicate with municipal and provincial governments to ensure those who influence funding and other resources hear the voice of the local community.
- Legislators: Trustees make decisions that have the status and impact of law—for example, decisions governing and enforcing the conduct of students and staff.
- Politicians: Trustees are elected every four years to govern the local public education system on behalf of the community. The democratic process ensures the public is engaged in the public education system.

In 2012–2013, the Board Chair and Vice-Chair remuneration was adjusted to reflect the additional responsibilities and time commitments of these roles. Their remuneration has been frozen since then.

RELATED FACTS

- The remuneration package offered for Trustees is comprised of per annum honoraria, per diem honoraria, an advance on vehicle expenses, optional group benefits coverage and deferred remuneration for transition from the role of Trustee.
- For the purposes of and in accordance with the *Income Tax Act*, total annual remuneration is comprised of two-thirds honorarium and one-third general expense allowance. The one-third general expense allowance is non-taxable and is intended to cover all incidental expenses that Trustees may be expected to incur in carrying out their responsibilities.

RECOMMENDATION

That the proposed changes to Trustee remuneration be approved.

OPTIONS

Based on the information provided in this report, the following options are considered most appropriate:

1. Accept the recommended changes to Trustee remuneration.
2. Amend the proposed changes to Trustee remuneration.
3. Do not change Trustee remuneration.

CONSIDERATIONS and ANALYSIS

In conducting this analysis, we reviewed the annual Alberta School Boards Association (ASBA) 2016 Trustee Remuneration Report. We used the ASBA information on the districts with 35,000+ students.

Their report analyzed three school boards, but we felt it was important to focus on the four major school boards in the two major cities: the Edmonton Public School Board, the Edmonton Catholic School Board, the Calgary Board of Education and the Calgary Roman Catholic Separate School District.

The breakdown of the four districts in terms of size was as follows:

School District	# of Trustees	# of schools	# of students	Trustee to student ratio
Calgary Board of Education	7	220	116,391	1:16,627
Edmonton Catholic School Board	7	88	40,211	1:5,744
Calgary Roman Catholic Separate School District	7	105	53,598	1:7,657
Edmonton Public School Board	9	202	92,950	1:10,328
Average	8	154	75,788	1:10,089

We then looked at the annual honorariums for each of these districts.

School District	Chair	Vice Chair	Trustee
Calgary Board of Education	\$55,000	\$50,000	\$45,000
Edmonton Catholic School Board	\$50,000	\$44,000	\$40,000
Calgary Roman Catholic Separate School District	\$38,670	\$34,720	\$30,775
Edmonton Public School Board	\$43,655	\$36,985	\$30,315
Average	\$46,831	\$41,426	\$36,523

Based on both district size and the average annual honorarium across the four districts, it would appear that the Edmonton Public School Board Trustees are at the low end of the scale. This is especially pronounced at the Trustee level, with the board chair and vice chair only slightly below the average.

If we were only to consider the comparison with the Calgary Board of Education, then all levels of the board are well below their levels. However, the Edmonton Public School Board has nine trustees covering 202 schools, while the Calgary Board of Education has seven trustees covering 220 schools.

If we look at total annual honorariums for the district and on a per student basis, we get a slightly different view.

School District	# of Trustees	# of schools	Total honorariums	Per student
Calgary Board of Education	7	220	\$330,000	\$2.84
Edmonton Catholic School Board	7	88	\$294,000	\$7.31
Calgary Roman Catholic Separate School District	7	105	\$227,265	\$4.24
Edmonton Public School Board	9	202	\$292,845	\$3.15
Average	8	154	\$286,028	\$4.39

It is difficult to determine a common comparison of other compensation between these four metro school districts. Several provide group benefits and professional development recoverable expenses. Almost all cover the costs to attend events, conferences, etc.

Based strictly on annual honorarium, there is a case to be made that the basic Edmonton Public School Board Trustee honorarium should be increased. The additional fees paid to the Board Chair and the Vice Chair are closer to the average, but could still be considered below market.

Recommendations:

1. Effective upon the swearing in of the new board on October 16, 2017, Trustee remuneration increases to the equivalent of the current average of the four metro boards:

	Chair	Vice Chair	Trustee
<i>Current</i>	<i>\$43,655</i>	<i>\$36,985</i>	<i>\$30,315</i>
Proposed (effective October 16, 2017)	\$46,831	\$41,426	\$36,523

2. Tie future increases to the Edmonton Metropolitan Area COLA, a stable external measure, rather than rely on Trustee recommendations.

NEXT STEPS

If approved, the change to Trustee remuneration would come into effect when the new Board is sworn in following the October 16, 2017 election.

KM:km