

Toronto Hydro Executive Compensation

Date:	October 22, 2012
To:	Executive Committee
From:	City Manager
Wards:	City-Wide
Reference Number:	

SUMMARY

This report transmits correspondence from Toronto Hydro on their executive compensation policies and practices as the employer. The Toronto Hydro report explains the methodology used to determine compensation.

RECOMMENDATIONS

The City Manager recommends that:

1. City Council receive for information the report from Toronto Hydro regarding Toronto Hydro executive compensation policies and practices, being Attachment 1 to this report.

Financial Impact

There are no financial impacts arising from this report.

Decision History

EX21.2 "Toronto Hydro Corporation – Annual General Meeting and Audited Financial Statements 2011" was considered by City Council at its July 2012 meeting.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.EX21.2>

City Council adopted the item as amended and requested:

"...the Toronto Hydro Corporation Board of Directors to report to the November 5, 2012 meeting of the Executive Committee on options for capping executive salaries, bonuses, retirement allowances, and other perquisites of office and request the Chair of Toronto Hydro Corporation Board of Directors to present the current policy for executive compensation."

City Council has recently considered matters that included information on the compensation of Toronto Hydro executives.

EX21.19 "Executive Compensation 2011 for City Agencies and Corporations" was considered and adopted, as amended, at the July 2012 City Council meeting. The effect of the City Council decision was to establish a protocol for annual monitoring of executive compensation and reporting once per term to City Council. City Council also requested that city agencies and corporations also ensure that variable pay does not exceed 25% of the base salary and is well documented in regard to individual and corporate objectives. The compensation of Toronto Hydro's senior executives is included in the report.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.EX21.19>

The compensation of Toronto Hydro executives was disclosed in annual reporting (EX21.2), as required pursuant to the *Business Corporations Act* (Ontario), and considered by City Council at its July 2012 meeting.

COMMENTS

Toronto Hydro has prepared a summary of its executive compensation policies and practices for the City's Executive Committee in response to the request from City Council. The summary report from Toronto Hydro is attached to this report as Attachment 1.

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SIGNATURE

Joseph P. Pennachetti
City Manager

ATTACHMENTS

Attachment 1 Report from Toronto Hydro Corporation to City of Toronto Executive
Committee November 5, 2012