



STAFF REPORT ACTION REQUIRED

Timing of Reporting on Executive Compensation Policies at City Agencies and Corporations

Date:	April 8, 2015
To:	Executive Committee
From:	City Manager
Wards:	All
Reference Number:	

SUMMARY

In August 2014, City Council directed City agency and corporation Boards to approve a senior executive compensation policy by April 1, 2015 (excluding restricted Boards). The purpose of this report is to inform Executive Committee that Boards are progressing on this key initiative, however additional time is required for completion and final reporting. City staff are advising Boards that approvals and reporting to the City Manager are required by October 30, 2015.

RECOMMENDATIONS

The City Manager recommends that:

1. Executive Committee receive this report for information.

Financial Impact

There is no financial impact as a result of this report. However, changes to agencies and corporations will result in consistent compensation policies across the City. The Deputy City Manager and Chief Financial Officer has reviewed this report.

DECISION HISTORY

In August 2015, City Council adopted [EX44.8](#), Executive Compensation Policy at City Agencies and Corporations, which required City Boards to approve a senior executive

compensation policy by April 1, 2015 (excluding restricted Boards), and forward it to the City Manager for report to City Council, through the Executive Committee.

ISSUE BACKGROUND

EX44.8 requests Boards of City agencies and corporations to develop a senior executive compensation policy by April 1, 2015, if not already established, with a review every four years. Policies are to adhere to Council provided guiding principles which include requirements to set a base salary range using a relative comparator analysis, places a 25 percent limit on variable, incentive, and/or merit pay, limits employer pension contributions to 1.0 time the employee contribution, and requires a review of senior executive benefits.

The policy would apply to new senior executive employment contracts and to existing contracts, if any, which permit compensation adjustments, either during an existing term or under renewal.

COMMENTS

Boards of City agencies and corporations have advised the City Manager of progress made to-date on senior executive compensation policy reviews. Some have submitted approved policies to the City Manager, while others are still mid-review. City staff are providing assistance to agencies and corporations that require additional direction or support. All submitted policies will be reviewed by City staff prior to reporting to Executive Committee to assess accordance with Council directed objectives.

Some agencies and corporations require additional time to meet the Council request, including addressing the provided guiding principles, conducting additional benchmarking analysis and to obtain Board approvals. City staff are advising Boards that reports to the City Manager are required by October 30, 2015.

CONTACT

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SIGNATURE

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