



# REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

## Executive Compensation Review

**Date:** May 12, 2022

**To:** Board of Directors, Toronto Parking Authority

**From:** President, Toronto Parking Authority

**Wards:** All

### **REASON FOR CONFIDENTIAL INFORMATION**

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This report deals with personal matters about an identifiable person.

### **SUMMARY**

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This report includes an update on an executive compensation benchmarking review conducted by a third party. Arlene Yam Fritz, Vice President, Human Resources will provide a review of this assessment to the Board at its meeting of May 27, 2022. The update will require a closed session discussion, as it deals with personal matters about identifiable persons.

### **RECOMMENDATIONS**

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The President, Toronto Parking Authority recommends that:

1. The Board of Directors, Toronto Parking Authority, receive this report for information.
2. City Council direct that the confidential information contained in Confidential Attachment 1 remain confidential in its entirety, as it deals with personal matters about identifiable persons.

### **FINANCIAL IMPACT**

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There is no financial impact resulting from this report.

## DECISION HISTORY

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Toronto City Council at its meeting on August 25, 26, 27 and 28, 2014 considered Item EX44.8, "Executive Compensation Policy at City Agencies and Corporations", requesting City agency and corporation Boards to develop a comprehensive senior executive compensation policy, independent of management, applying the guiding principles and practices set out in Attachment 1 to the report (August 6, 2014) from the City Manager and the City Solicitor.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.ex44.8>

## COMMENTS

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The Vice President, Human Resources, will provide a confidential presentation to the Board of Directors of the Toronto Parking Authority (TPA) to review a compensation benchmarking assessment that was commissioned by Management.

During the past year, TPA has established a new vision for the organization that is focused on becoming the world's best provider of parking, bike share and last mile mobility solutions for our customers, our partners and our city. Achieving this vision will require that TPA change its value proposition to create a seamless customer experience that delivers on choice, ease and speed through the city. This new vision will be enabled by a new set of strategic priorities that focus on Building a Great Place to Work, Executional Excellence, Financial Sustainability and Growth, Customer Experience, and Innovation with our City Partners and Strategic Vendors.

The leadership capabilities and skill sets required to deliver our new vision are presently deficient; tracing in large part to significant management churn since 2017 which was further exacerbated by the deleterious effects of the pandemic. Compounding the TPA's talent acquisition challenges is our currently uncompetitive compensation envelope versus market comparators. For example, over the past three months alone, the TPA has been unsuccessful in closing three critical Associate Director and Director roles due to our uncompetitive compensation. This trend will continue as the marketplace for talent becomes more competitive throughout 2022.

As background, since 2009, Executive salary ranges at the TPA have been tied to increases with our collective bargaining contracts. Furthermore, the TPA has not completed an executive compensation benchmarking review since 2012. Not surprisingly, salary ranges for executives and senior leaders have fallen materially behind market rates and impacted our ability to attract and retain high performing leaders.

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comply with Council's request, TPA developed a senior executive compensation policy and engaged a third party in 2016 to conduct an executive compensation benchmarking review. The 2016 executive compensation benchmarking review was completed but not actioned by the Board. There has been no further work on this matter since that time.

In Q4 2021, and in recognition of the significant talent challenges facing the TPA, the President directed that a compensation benchmarking review for Vice-President and Director positions be completed to assess TPA's competitiveness in order to inform future fact-based decision making. Coincidentally, in January 2022, the City initiated a similar benchmarking study for Senior Executive positions at the City, its Agencies and Boards.

## **CONTACT**

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## **SIGNATURE**

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W. Scott Collier  
President, Toronto Parking Authority

## **ATTACHMENTS**

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Confidential Attachment 1 - Executive Compensation