

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: December 14, 2011

SUBJECT: COMMISSION GOVERNANCE

ACTION ITEM

RECOMMENDATION

It is recommended that the Commission:

- (1) endorse the following principles:
 - a) the establishment of a job description for citizen appointments to the Commission (Board member) as set out in this report;
 - b) that the remuneration and term schedules for citizen appointments to the Commission be consistent with the remuneration and term schedule currently in use by the Toronto Hydro Corporation;
 - c) that the skill set and experience requirements for citizen Board members of the Toronto Transit Commission be consistent with the requirements as set out in this report; and
 - d) that the recruitment process be consistent with Type 1 process (Advertised Recruitment) as set out in the City of Toronto's Public Appointments Policy, with the option of using a search consultant to augment the applicant pool.
- (2) Forward this report to the City of Toronto, City Manager, for consideration relating to the public appointment of citizens to the Board of the Toronto Transit Commission.

BACKGROUND

At its meeting on May 11, 2011 the Commission endorsed the concept of private citizen appointments to the Commission in response to City Council's April 12/13, 2011 adoption of EX4.7: Amendments to Public Appointments Policy. In addition, City Council at the April 12/13, 2011 meeting in consideration of EX4.6: Managing Through Agencies and Corporations adopted that the City Manager continue to review agency governance structures focusing on key opportunities for improvement, the implementation of accountability mechanisms and a review of human resources practices. This report examines in further detail the governance requirements of the TTC and sets out specific recommended criteria for citizen board member appointments that best fulfil those requirements.

DISCUSSION

The appointment of Commissioners to serve on the Board of the Toronto Transit Commission is established by City Council. The Commission has previously endorsed the concept of citizen representation on the Commission and this report provides further information relating to the general responsibilities, remuneration and skill set required relating to citizen appointments. Although the requirements relating to citizen appointments will be determined by City Council, this report provides a general framework for Commission-specific requirements for Council's consideration.

Job Description

The job description as set out below addresses the key elements of General Accountability, Duties and Responsibilities, Qualifications (including skills, knowledge and experience) and serves as an appropriate advertisement for interested private citizen candidates as well as a recruitment tool for identifying the most suitable candidates for appointment to the position of TTC Commissioner.

Commission/Board Responsibilities:

The Toronto Transit Commission is a City board and a body corporate. Subject to certain statutory exceptions, the *City of Toronto Act, 2006*, provides the TTC with the exclusive jurisdiction to establish, operate and maintain a local passenger transportation system within the City of Toronto.

The Board of the Toronto Transit Commission (*i.e.* Commission) is responsible for overseeing and supervising the management of the business and affairs of the Toronto Transit Commission, including the following specific activities:

- establishing and approving transit fare policies and transit fares;
- establishing and approving both operating and capital budgets;
- developing transit service levels and requirements;
- approving Corporate Policies relating to the operations of the TTC and its employees;
- regulating the use of the TTC local passenger transportation system;
- directing labour and employee relations matters;
- providing oversight in relation to the establishment, operation and maintenance of the TTC transit system; and
- establishing good governance and best practices to be followed in the operation of the TTC transit system;

Remuneration and Term of Citizen Appointments

For the purpose of determining appropriate remuneration and term for citizen appointments to the Toronto Transit Commission, comparisons were drawn from the current roster of City agencies and corporations in which citizens currently serve on the boards of directors. In consideration of such factors as agency profile, size, member expertise and qualifications the Toronto Transit Commission appears to most closely compare to Toronto Hydro Corporation (“THC”). The following is a summary of the current remuneration and term schedules of appointments currently in use for citizen members of THC and recommended herewith for future citizen appointments to the Toronto Transit Commission:

Citizen Member Remuneration				Citizen Chair Remuneration	
Annual Retainer	Meeting Fee	Committee Fee	Maximum	Annual Retainer	Meeting Fee
\$12,500	\$1,000	\$1,000	No \$ max	\$75,000	Nil

* Term of office: Two years with a renewal term of two years (without recruitment, with full recruitment every four years).

In accordance with the City of Toronto’s Remuneration Policy for City Agencies and Corporations, members of City Council who are appointed to the Toronto Transit Commission are not entitled to receive any remuneration beyond their regular salary as members of Council.

Skills and Experience

In addition to the general eligibility requirements set out in the City of Toronto Public Appointments Policy, it is preferred that citizen board members on the Toronto Transit Commission collectively represent a range of expertise including:

- legal education/training;
- financial management/accounting experience;
- corporate governance;
- customer service experience;
- engineering and/or large construction project experience;
- public transportation or rail service experience; and
- safety experience within an industrial environment.

It is also preferred that each citizen appointment have the designation of Chartered Director (C.Dir.) or certification from the Institute of Corporate Directors (ICD.D) and have previous experience as a member of a Board of Directors.

Recruitment Process

In order to ensure that the citizen appointments to the Commission provide expertise in the areas noted above, it is further recommended that the recruitment process be consistent with a Type 1 process (Advertising Recruitment) of the City of Toronto's Public Appointments Policy together with the use of a search consultant. Specifically, a search consultant should be engaged to provide the names of interested candidates that meet the established qualifications.

JUSTIFICATION

The endorsement of the recommendations as set out in this report help to establish criteria for public/citizen representation on the Commission and ensures that the citizen representatives have the appropriate skill level to meet the needs of the Toronto Transit Commission.

December 2, 2011

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