

**Long Island Power Authority**

**PERSONNEL AND COMPENSATION COMMITTEE - 2016 REPORT**

The Personnel and Compensation Committee (the “Committee”) of the Long Island Power Authority’s Board of Trustees (the “Board”) has prepared this report related to its obligations pursuant to the Committee’s charter.

Among its responsibilities, the Committee must report its actions and recommendations to the Board on at least an annual basis, addressing how it has discharged its duties and met its responsibilities including any changes to the Committee charter or the staffing and employment policies of the Board. The Committee is also charged with making recommendations to the Board relating to the attraction, appointment, evaluation, retention, compensation, and separation from employment of the Authority’s Chief Executive Officer (“CEO”); overseeing the CEO’s administration of the Authority’s compensation and benefit plans and personnel policies and programs including those related to the attraction, retention, continued development, and separation from employment of employees; and consulting with the CEO and advising the Board with respect to the attraction, appointment, retention and separation from employment of the Chief Financial Officer and General Counsel. The Committee is also charged with specific responsibilities including: monitoring and making recommendations to the Board with respect to the Authority’s staffing and employment policies, practices, and programs, including those that seek to attract and retain a qualified workforce, support the continued professional development of the Authority’s staff, and ensure employment practices that meet or exceed relevant laws and regulations; recommending for approval by the Trustees the appointment and compensation of the CEO and annually evaluating and making recommendations to the Board regarding the performance of the CEO relative to the mission, values, governance, and operating principles approved by the Board; annually reviewing and, if appropriate, recommending to the Trustees changes in the compensation of the CEO; recommending for approval, in consultation with the CEO, the appointment of the Chief Financial Officer and General Counsel; and in consultation with the CEO, advising the Board with respect to emergency succession planning for the position of the CEO. Accordingly, the Committee reports as follows:

**Membership**

The charter requires that a minimum of three Trustees serves as members of the Committee. As appointed by the Chair of the Board, the following three Trustees currently serve on the Committee:

Thomas McAteer, Chair  
Matthew Cordaro  
Jeffrey Greenfield

Each Committee member meets the standards required for such membership including meeting the independence requirements set forth in the Public Authorities Accountability Act of 2005.

## Meetings

The Committee is required to meet as often as it determines necessary, but not less frequently than two times per year. During 2016, the Committee met four times and a quorum was present at all four meetings.

## Committee Activities

During 2016, the Committee satisfied each of the obligations contained in its Charter including the following key activities:

- Recommendation to approve appointment of Chief Executive Officer
- Discussion of current LIPA staffing and vacancies
- Recommendation to approve Strategic Policy Related to Trustee and Employee Development and Succession Planning
- Discussion of Committee's annual report to the Board of Trustees
- Recommendation for appointment of Chief Financial Officer

## Conclusion

The Committee will continue to monitor the Authority's staffing needs and develop and monitor the implementation of policies and procedures related to employment at the Authority, including those designed to attract and retain valuable employees, and remains available to provide assistance and guidance regarding its other charter obligations and any additional responsibilities requested by the Trustees or the Chair of the Board.