

In 2005, Waterfront Toronto created a Pay for Performance (P4P) system, which is a method of rewarding strong employee performance by offering incentives such as salary increases. On an annual basis, employee performance is reviewed and evaluated through our Planning for Success (PFS) process, which rates the performance of all employees against corporate and specific personal goals. Waterfront Toronto has always applied this Pay for Performance (P4P) system through this PFS process.

The following is a summary of the 2016/17 PFS rating results for all staff:

Executives & Directors (13 excluding CEO)

- Exceeds Expectations (EE) Rating = 7
- Achieved Expectations Plus (AEP) Rating = 5
- Achieved All Expectations (AAE) Rating = 1
- Achieved Some Expectations (ASE) Rating = 0
- Expectations Not Achieved (ENA) Rating = 0

Managers, Professional & Support Staff (32 staff):

- Exceeds Expectations (EE) Rating = 11
- Achieved Expectations Plus (AEP) Rating = 6
- Achieved All Expectations (AAE) Rating = 14
- Achieved Some Expectations (ASE) Rating = 1
- Expectations Not Achieved (ENA) Rating = 0

As part of our P4P program, in 2008, the Corporation implemented a job evaluation (JE) program for all employees that establishes the relative worth of one job to another by studying and evaluating the content of the job to enhance the pre-established compensation program. All positions at Waterfront Toronto are evaluated and graded using Waterfront Toronto's JE program resulting in each position being banded into a 17 salary grade system. Each grade has a salary range which is broken into three zones - Zone 1 is the hiring zone (in progression), Zone 2 is for fully competent employees (mid-point) and Zone 3 is for long service, above-average performing employees (above midpoint). As part of this program, the Corporation has adopted a policy of moving employees below the executive level to the midpoint of their salary range over a period of 4-5 years.

Through the P4P program, all employees who meet performance expectations, below the Executive level, have an opportunity to receive an adjustment to salary based on his/her performance rating (the PFS process) and progression adjustment (the JE process) which allows employees to progress through their salary grade range, based on individual performance.

We are proposing the following progression adjustment increases to base salary for the 2016/17 fiscal year (which are calculated according to inflation and a survey of salary increases for comparable organizations in the private and public sector):

Matrix for Executives and Directors

Ratings	Zone 1 (in progression)	Zone 2 (mid-point)	Zone 3 (above mid-point)
Exceeds Expectations (EE)	3.25%	3.00%	2.75%
Achieved Expectations Plus (AEP)	2.75%	2.50%	2.25%
Achieved All Expectations (AAE)	2.25%	2.00%	1.75%
Achieved Some Expectations (ASE)	1.25%	1.00%	0.75%
Expectations Not Achieved (ENA)	0%	0%	0%

Matrix for Managers, Professional and Support Staff

Ratings	Zone 1 (in progression)	Zone 2 (mid-point)	Zone 3 (above mid-point)
Exceeds Expectations (EE)	4.50%	4.25%	4.00%
Achieved Expectations Plus (AEP)	3.50%	3.25%	3.00%
Achieved All Expectations (AAE)	2.75%	2.50%	2.25%
Achieved Some Expectations (ASE)	1.25%	1.00%	0.75%
Expectations Not Achieved (ENA)	0%	0%	0%

The recommended total compensation increases to base salaries for this year include:

- The annual progression adjustment for four employees is \$5,070 which is 0.09% of payroll base;
- The proposed PFS/salary increases total \$136,778.66 which is 2.43% of payroll base;
- The total salary increase of \$141,849 which is 2.5% of the total payroll base of \$5,613,192.

For the Executive and Director level, the mid-level salary merit adjustment is 2%.

For the Manager, Professional and Support Staff level, the mid-level salary merit adjustment is 2.5%. These mid-point salary merit adjustments are in-line with two of our stakeholders, other public sector agencies and third party sources.