



**Human Resource & Compensation Committee Meeting
November 19, 2015
Corporate Budget HR 2016/17
Marisa Piattelli**

Summary

- Attached is the 2016/17 HR Budget.
- As you know, the Corporation is required to prepare an annual business plan, including corporate budget 90 days prior to the start of its fiscal year (i.e. no later than December 31).
- The complete 2016/17 Corporate Annual Plan will be presented by management for Board approval on December 15, 2015.
- The Finance, Audit and Risk Management (“FARM”) Committee requested that all Committees review and approve all budgets prior to the finalization of the Corporate Annual Plan.
- The 2016/17 HR budget is attached and based on our FTE requirement, the total budget is \$9.98M, approx. 1.2% higher than the approved HR budget for 2015/16 (\$9.87M).

The increase is attributable mainly to the potential 2016/17 salary increases for staff which are offset by the savings in salary for the reduction of 2.5 FTEs and other costs. The current allocated FTE allotment of 65 is reflective of the HR strategy presented to this Committee at the March 23, 2015 meeting which stated that the current staff compliment is essentially being maintained for the next year to sustain capabilities until we have clarity on WT 2.0 and our continuing role and responsibilities.

- The overall Corporate budget being presented to FARM Committee remains unchanged at \$12.4M per annum from the 2015/16 budget.

Committee Action Required

Approval of the 2016/17 HR budget for recommendation to the Finance, Audit and Risk Management Committee, and the Board of Directors.

Proposed Motion

The Human Resources and Compensation Committee recommends to the Finance, Audit and Risk Management Committee and Board of Directors that the 2016/17 HR budget be approved.

Waterfront Toronto
CORPORATE BUDGET - 2016/17
HUMAN RESOURCES - Summary

		2016/17		2015/16		2014/15		2013/14		2012/13		2011/12	
		Original Budget	Variance to 2015/16 Budget	Original Budget	Forecast Actuals	Original Budget	Actuals Costs	Original Budget	Actual Costs	Original Budget	Actual Costs	Original Budget	Actual Costs
Wages	Note 1	7,951,762	Fav./ (unfav.) \$44,849	7,996,611	\$ 7,998,888	7,996,611	\$ 8,011,971	7,924,374	7,716,461	7,997,060	7,393,896	8,348,192	7,750,210
Benefits	Note 2	1,485,541	\$(48,180)	1,437,361	1,475,837	1,437,361	1,442,741	1,547,024	1,407,035	1,494,959	1,536,582	1,474,351	1,363,363
<i>Benefits as a % of Wages</i>	Note 2	18.7%	-0.7%	18.0%	18.5%	18.0%	18.0%	19.5%	18.2%	18.7%	20.8%	17.7%	17.6%
Directors Fees	Note 3	175,000	-	175,000	175,000	175,000	201,000	164,000	184,762	164,000	178,457	200,000	180,793
Sub-total - Salaries, benefits and directors fees		\$ 9,612,303	-\$ 3,331	\$ 9,608,972	\$ 9,649,725	\$ 9,608,972	\$ 9,655,712	\$ 9,635,398	\$ 9,308,258	\$ 9,656,019	\$ 9,108,935	\$ 10,022,543	\$ 9,294,366
HR Advisory Fees	Note 4	30,000	-	30,000	48,632	30,000	15,000	33,500	34,065	33,500	47,508	47,500	61,287
Retention and Recognition	Note 5	309,750	(115,000)	194,750	129,298	194,750	222,750	185,154	152,472	109,675	138,985	118,000	125,405
HR Recruitment and Advertising	Note 6	32,500	-	32,500	32,500	32,500	87,500	25,300	34,645	2,500	24,860	32,500	921
GRAND TOTAL		\$ 9,984,553	\$(118,331)	\$ 9,866,222	\$ 9,860,155	\$ 9,866,222	\$ 9,980,962	\$ 9,879,352	\$ 9,529,440	\$ 9,801,694	\$ 9,320,288	\$ 10,220,543	\$ 9,481,979
			-1.2%										
FTEs, April 1		65		67.5		67.5		71		71			
FTEs, March 31		65		65		67.5		71	68.5	68	70		

Major 2016/17 HR Budget Assumptions:

1) Wages cost consist of:

- An average 2016/17 increase of 1.5% for staff (approx. \$95K)
- The variable compensation component estimate payout at a level of 87% of total potential variable compensation.
- Net reduction of 2.5 FTEs.

2) Benefits cost include Employer RSP contributions \$0.5M (Corporate policy of matching either 6% of gross salary or 50% of CRA's annual limit), Group dental and medical insurance \$0.3M (Sun Life, RBC & Ceridian Insurance), CPP, EI, EHT, WSIB \$0.6M (in compliance with legislation) and other costs.

3) Directors Fees estimated for 11 paid Directors based on 7 Board meetings, 10 Committee meetings, 1 annual planning session plus annual retainers.

4) HR Advisory Fees includes strategic HR consulting for facilitation services and Board survey.

5) Employee Retention & Recognition costs pertain largely to training and development costs in addition to travel costs, professional association and memberships fees, annual service awards for staff and other costs.

6) Recruitment costs are being estimated due to possible recruitment of one Director level position with a placement fee of 25% of salary.