



Human Resources and Compensation Discussion – November 23, 2016 Item 6 – 2017/18 Human Resources Budget Marisa Piattelli

Summary

Attached is the 2017/18 HR Budget.

As you know, the Corporation is required to prepare an annual business plan, including a corporate budget, 90 days prior to the start of its fiscal year (i.e. no later than December 31).

The complete 2017/18 Corporate Plan will be presented by Management for Board approval at the December 12, 2016 Board meeting.

The Finance, Audit and Risk Management (“FARM”) Committee requested that all Committees review and approve all budgets prior to the finalization of the Annual Plan. As the Committee is aware, Management has been involved in a significant visioning process over the last several months that has identified a broad corporate strategy, project priorities going forward and reviewed the organization and staff complement required to deliver on the Corporation’s key strategic objectives for the 2017/2018 fiscal year.

The benefit of having brought together both the organizational, project priorities and HR processes is that we have been able to effect comprehensive streamlining in terms of staff functions and operations.

The Corporation, as a corporate-wide exercise, has mapped the priority projects (the “snowballs”), a delivery matrix and every staff member’s integration in the delivery of one or more of the project priorities. This approach has had the added benefit of allowing us to review the skills set of our staff and to leverage those in our cross-project integration teams.

Given the focus on project delivery, we have reviewed the required core FTE positions and, separately, the required contract positions. This approach has allowed us to identify a core staff complement (FTE and Contract positions) being reduced by three and a half positions (from 67 to 63.5).

Accordingly, the 2017/18 HR budget is attached and based on our staffing requirements, the total budget is \$9.88M, a reduction of approximately 1.0% of the approved HR budget for 2016/17 (\$9.98M).

Action Required

Review of the 2017/18 HR budget for recommendation to the Finance, Audit and Risk Management Committee, and the Board of Directors.

Proposed Consensus

Consensus was reached among the Board members regarding the 2017/18 Human Resources Budget and recommends the 2017/18 Human Resources Budget be approved by the Finance, Audit and Risk Management Committee and Board of Directors.

CORPORATE BUDGET - 2017/18
HUMAN RESOURCES - Summary

		2017/18		2016/17		2015/16		2014/15	
		Original Budget	Variance to 2016/17 Budget	Original Budget	Forecast Actuals	Original Budget	Actuals Costs	Original Budget	Actuals Costs
Wages*	Note 1	8,017,754	Fav./ (unfav.) \$(65,992)	7,951,762	\$ 8,063,040	7,996,611	\$ 8,018,029	7,996,611	\$ 7,787,207
Benefits	Note 2	1,437,800	\$162,741	1,600,541	1,457,947	1,437,361	1,310,261	1,437,361	1,451,984
<i>Benefits as a % of Wages</i>		<i>17.9%</i>	<i>2.2%</i>	<i>20.1%</i>	<i>18.1%</i>	<i>18.0%</i>	<i>16.3%</i>	<i>18.0%</i>	<i>18.6%</i>
Directors Fees	Note 3	175,000	-	175,000	184,000	175,000	124,821	175,000	246,622
Sub-total - Salaries, benefits and directors fees		\$ 9,630,554	\$ 96,749	\$ 9,727,303	\$ 9,704,987	\$ 9,608,972	\$ 9,453,111	\$ 9,608,972	\$ 9,485,813
HR Advisory Fees	Note 4	30,000	-	30,000	95,395	30,000	77,277	30,000	40,706
Learning, Development & Recognition	Note 5	191,499	3,251	194,750	113,644	194,750	151,206	194,750	102,121
HR Recruitment and Advertising	Note 6	32,500	-	32,500	32,500	32,500	36,562	32,500	52,335
GRAND TOTAL		\$ 9,884,553	\$ 100,000	\$ 9,984,553	\$ 9,946,526	\$ 9,866,222	\$ 9,718,156	\$ 9,866,222	\$ 9,680,975
			1.01%						
Staff Complement, April 1		67		67		67.5		67.5	
Staff Complement, March 31		63.5		65		67		67.5	

*Includes one-time restructuring costs

Major 2017/18 HR Budget Assumptions:

1) Wages cost consist of:

- An average 2017/18 increase of 1.5% for all staff (approx. \$75K)
- The variable compensation component estimate payout at a level of 90% of total potential variable compensation.
- Net reduction in staff complement of 3.5 positions

2) Benefits cost include Employer RSP contributions \$0.4M (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 \$0.7M (in compliance with legislation) and other costs.

3) Directors Fees estimated for 12 paid Directors based on 6 Board meetings, 18 Committee meetings, plus annual retainers.

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

5) Employee Learning, Development & 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 Senior Manager level position with a placement fee of 25% of salary.

STRATEGIC INITIATIVES

- Communications & Engagement
- Government Relations
- Governance
- City Roles & Responsibilities
- Parks Roles & Responsibilities
- IO Roles & Responsibilities
- Partnerships & Economic Development
- Philanthropy & Corporate Sponsorship
- Revenue Generation
- Internal Transparency & Communication
- Innovation & Sustainability
- Stewardship & Community Building

WATERFRONT TRANSIT EAST

1. Transit Reset
2. Interim Transit Delivery Business Case & Developer Participation
3. Cherry Street Extension
4. Queens Quay East Revitalization

Gardiner East

FLOOD PROTECTION

1. Essroc Quay
2. Project Interface/Coordination
3. Design Development
4. Funding

Bathurst Quay

FERRY TERMINAL

1. Phase 1A Improvements
2. Funding & Implementation Plan
3. Implementation
4. Ferry Operations
5. Connection to Union Station
6. Public Art

CWF PUBLIC REALM

1. York Ramp Park
2. Rees Street Park
3. North/South Connections
4. Portland Slip Promenade & Wave Deck
5. Bridges Over Slips

LOWER YONGE PRECINCT

1. Lower Yonge EA/Harbour Street Extension
2. Lower Yonge Park
3. Private Development Reviews

Project: Under Gardiner *July 2017

Warranty & Operations

1. Warranty Obligations
2. Post-Completion Modifications

Ontario Place

QUAYSIDE

1. Developer Call
- QUAYSIDE+**
2. Hauptert/Parliament Block
3. Bungee
4. Knuckle / QQ Extension
5. RCYC
6. Master Plan/Public Realm

EAST BAYFRONT PRECINCT

1. Innovation Centre
2. Bayside Phase II
3. George Brown College
4. SWQF
5. Public Art

PORT LANDS

1. Port Lands Planning & Implementation
2. Villier's Island Precinct Plan & Implementation
3. Lake Ontario Park

WEST DON LANDS/KEATING

1. Affordable Housing
2. Disposition of Land
3. Gardiner Public Realm
4. Keating Precinct Plan
5. Public Art

CORE FUNCTIONS

- Accounting & Finance
- Communications & Public Engagement
- Development
- Design Review Panel
- Information Technology
- Innovation
- Human Resources & Administration
- Legal & Board Governance
- Planning & Design
- Procurement
- Program Management
- Sustainability

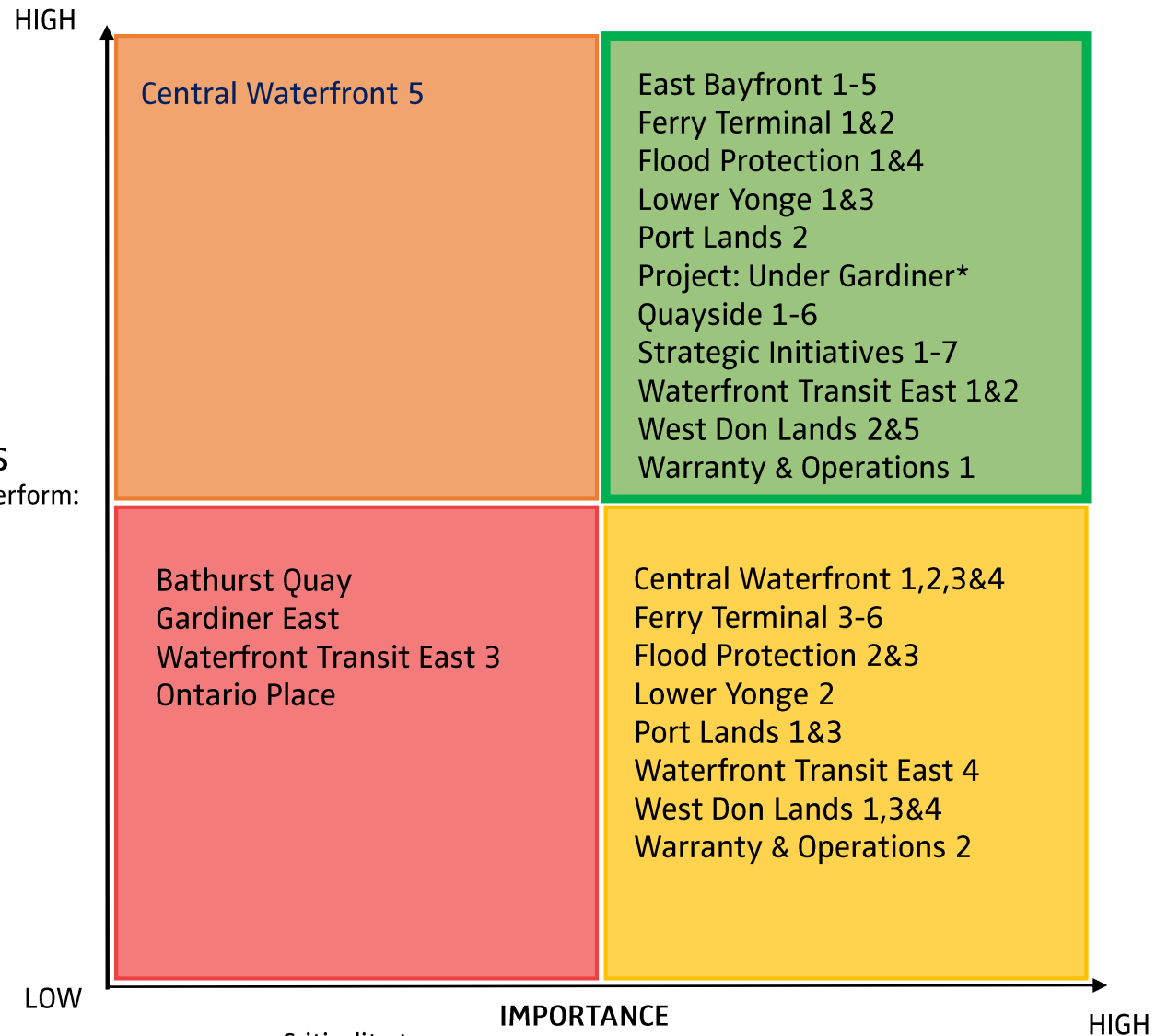
Project Priorities 2017-2018 Corporate Plan

Item 6

CAPABILITIES

Our ability to perform:

- Funding
- Resources
- Skills
- Staffing
- Authority



Criticality to:

- The Central Waterfront Secondary Plan Policies
- Adopted Waterfront Precinct Plans
- Waterfront+ Strategic Objectives:
 - Sustainability+
 - Prosperity+
 - Engagement+
 - Destinations+
 - Neighbourhoods+

* Until July 2017