

PUB (MPI) 1-32

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Topic:	Expenses		
Sub Topic:			
Issue:	Salary Expense Analysis		

Preamble: The salary analysis excludes full payroll costs incurred by MPI.

Question:

- a) Please refile table 3.1.1.3 based on total compensation costs, including benefits.
- b) Please refile table 3.1.2.1. analysis to include all payroll costs incurred, including benefits.
- c) Please refile table 3.1.2.2 analysis to include all payroll costs incurred, including benefits.
- d) Please file the results for (a), (b) and (c) based on all corporate operations, including implementation and implementation ongoing.

Rationale for Question:

To understand the changes in total compensation for the Corporation.

RESPONSE:

a) Please see table below. Total compensation includes all benefits and Health and Education Tax.

Corporate Compensation Analysis – Normal Operations

	2014/15	2015/16	Change	%	2016/17	Change	%	2017/18	Change	
Total Compensation	161,070	163,020	1,950		169,160	6,140		175,082	5,922	
Vacancy Allowance	(6,222)	(5,981)	241		(6,213)	(232)		(6,454)	(241)	
Total Net Compensation	154,848	157,039	2,191	1.41%	162,947	5,908	3.63%	168,628	5,681	3.37%
COMPENSATION ANALYSIS										
Prior Year Balance		161,070			163,020			169,160		
FTE Changes		(1,533)								
Economic		1.15%	1,406		2.13%	2,655		1.75%	2,266	
Steps in scale		1.75%	2,147		1.75%	2,181		1.75%	2,266	
Other Salary Acct adj.		(880)			32			19		
Overtime		(286)			71			67		
Benefits		975			1,080			1,227		
H & E Tax		170			126			83		
Other / Rounding		(49)			(5)			(6)		
Total		163,020			169,160			175,082		

(C\$000s, except where noted)

b) Please see table below. Total compensation includes all benefits and Health and Education Tax.

Corporate Compensation/Payroll Costs – Normal Operations

Year	Payroll Costs	Change from prior year	% Change	Average actual FTE	Average Comp per FTE (\$)	% Change
2010/11	139,523	8,149	6.20%	1822.8	76.54	2.13%
2011/12	153,291	13,768	9.87%	1862.9	82.29	7.50%
2012/13	150,940	(2,351)	-1.53%	1894.7	79.66	-3.19%
2013/14	152,761	1,821	1.21%	1890.3	80.81	1.44%
2014/15	154,848	2,087	1.37%	1874.8	82.59	2.20%

(C\$000s, except where noted)

- c) Please see table below. Total compensation includes all benefits and Health and Education Tax.

Corporate Annual Compensation Changes – Normal Operations

Year	Chg. due to Econ. Incr.	Chg. due to Step in scale and other	Chg. due to Total salary rate change	Chg. due to FTE change	Chg. due to Over time	Chg. due to H&E Tax	Chg. due to Benefit	Total Comp. Inc / (Dec)	Chg Avg Actual (FTE)	Chg Avg Comp per FTE (\$)
2010/11	2,956	(5,864)	(2,908)	3,997	906	67	6,087	8,149	69.9	1.60
2011/12	3,023	2,417	5,440	2,367	(178)	109	6,030	13,768	40.1	5.74
2012/13	1,594	1,087	2,681	1,914	(630)	64	(6,380)	(2,351)	31.8	(2.62)
2013/14	0	1,686	1,686	(268)	713	(23)	(287)	1,821	(4.4)	1.15
2014/15	1,327	2,478	3,805	(964)	(890)	101	35	2,087	(15.5)	1.78

(C\$000s, except where noted)

A major contributing factor in the annual change in compensation was a result of service costs related to pension valuations in 2010/11, 2011/12 and 2012/13. As such, compensation analysis is best conducted when looking at salary fluctuations in isolation rather than the compensation category as a whole.

- d) Please see tables from (a), (b) and (c) respectively, based on total compensation. Total compensation includes all benefits and Health and Education Tax.

The tables presented below represent annual compensation changes for Normal Operations and Improvement Initiative staff. Generally, the changes are consistent with the changes presented in (a), (b) and (c) with the exception of improvement initiative salary dollars and FTE counts.

Corporate Compensation Analysis – Corporate Total

	2014/15	2015/16	Change	%	2016/17	Change	%	2017/18	Change	
Total Compensation*	163,346	164,057	711		170,294	6,237		176,218	5,924	
Vacancy Allowance	(7,585)	(6,281)	1,304		(6,524)	(243)		(6,777)	(253)	
Total Net Compensation	155,761	157,776	2,015	1.29%	163,770	5,994	3.66%	169,441	5,671	3.35%
COMPENSATION ANALYSIS										
Prior Year Balance			163,346			164,057			170,294	
FTE Changes			(1,533)							
Economic		1.15%	1,430		2.13%	2,537		1.75%	2,171	
Steps in scale		1.75%	2,184		1.75%	2,090		1.75%	2,171	
Other Salary Acct adj.			(881)			32			19	
Overtime			(432)			72			67	
Benefits			975			1,080			1,227	
H & E Tax			170			127			83	
Vacancy Allowance			(1,304)			243			253	
Other / Rounding			102			56			(67)	
Total			164,057			170,294			176,218	

(C\$000s, except where noted)

In 2014/15, the vacancy allowance for Improvement Initiatives was \$1.3 million, contributing to the variance over the budgeted year.

Corporate Compensation/Payroll Costs – Corporate Total

Year	Payroll Costs	Change from prior year	% Change	Average actual FTE	Average Comp per FTE (\$)	% Change
2010/11	143,352	10,202	7.66%	1,871.4	76.60	12.00%
2011/12	155,061	11,709	8.17%	1,878.3	82.55	7.77%
2012/13	152,389	(2,672)	-1.72%	1,911.8	79.71	-3.45%
2013/14	153,741	1,352	0.89%	1,908.5	80.56	1.06%
2014/15	155,761	2,020	1.31%	1,886.6	82.56	2.49%

(C\$000s, except where noted)

Corporate Annual Compensation Changes – Corporate Total

Year	Chg. due to Econ. Incr.	Chg. due to Step in scale and other	Chg. due to Total salary rate change	Chg. due to FTE change	Chg. due to Over time	Chg. due to H&E Tax	Chg. due to Benefit	Total Comp. Inc / (Dec)	Chg Avg Actual (FTE)	Chg Avg Comp per FTE (\$)
2010/11	2,956	4,426	7,382	(4,240)	906	67	6,087	10,202	(75.4)	8.2
2011/12	3,052	2,290	5,342	406	(178)	109	6,030	11,709	6.9	6.0
2012/13	1,602	411	2,013	2,014	(504)	88	(6,283)	(2,672)	33.5	(2.8)
2013/14	-	1,265	1,265	(200)	719	(47)	(385)	1,352	(3.3)	0.8
2014/15	1,331	2,782	4,113	(1,353)	(876)	101	35	2,020	(21.9)	2.0

(C\$000s, except where noted)