

# HARRIS RYAN

## Memo Concerning the Calculation of Amounts in Final Award

1. We used the spreadsheet which had been entered into evidence during the Arbitration hearing and identified as DGH #5. This spreadsheet contained payroll information by day per person and was drawn from information provided to Harris Ryan by Sodexo.
2. We have attached a document labelled Memo Schedule A which summarizes the adjustments to DGH #5 required to arrive at the final award amount as of November 30, 2018 of \$7,440,548.58. The allocation of this number among the parties is the subject matter of this memo.
3. In accordance with the decision, we removed all pay records for the month of December, 2015. Having done this, it was immediately apparent that the total amount owing in wages and benefits as calculated by Harris Ryan from December 2013 to November 30, 2015 was \$199,831.02 LESS than the total award. This suggested an objective and readily explicable basis upon which to allocate the award. The allocation would be done as if all employees had been covered by the contract for the entire work period, from December, 2013 to November 30, 2015. The remaining balance of \$199,831.02 would be allocated among the employees based on their relative proportions of gross earnings otherwise determined.
4. This was done, and the results may be seen by examining the data in the Excel Workbook which has been provided separately. This allocation method seemed to provide a fair method by which the various adjustments required by the arbitrator's decision in this matter could be shared among the parties.
5. The Benefit amounts were calculated consistent with the time records that were used to generate the pay information. Items calculated with reference to worked hours used the actual worked hours and items calculated with reference to earned hours used the hours as determined as a result of applying the arbitrator's decision with respect to Friday overtime. Items which were based on a percentage of pay did NOT include, in the base, the allocation of the final award adjustment referred to in 3 above.
6. We determined the number of months (partial or full) that each acted employee worked in the period. We used that information to calculate monthly union dues and we applied the appropriate rate of 5% to gross wages in order to determine the working dues owed by each person. The electronic data in support of these calculations is included in the Excel Workbook provided.

Hotel and Restaurant Workers Union Local 779 v. Sodexo Canada Limited  
Adjustments to Arrive at Final Award Amount  
Memo Schedule A

Balance owing to HRW779, as previously calculated by HR		\$ 7,403,628.24
1 Adjust balance to remove amount related to December, 2015		(162,910.67)
2 Adjust wages to account for the decision to March 31, 2014. Note that the \$314,118.56 is the difference in the wages, not the wages.		
Wages, as awarded		\$ 592,862.72
Wages, as calculated		<u>(654,321.30)</u> (61,458.58)
3 Adjust benefits to account for the decision to March 31, 2014.		
Benefits, as calculated in the HR spreadsheet	\$ 315,283.73	
Benefits as a % of wages calculated	<u>48.18480%</u>	
Benefits, applying the % to wages awarded	<u>\$ 285,669.72</u>	
Benefits, as awarded		\$ 285,669.72
Benefits, as calculated		<u>(315,283.73)</u> (29,614.01)
4 To account for the 15% reduction Package Pay calculated for the months of		
May, 2015	\$ 553,874.46	15% \$ (83,081.17)
June, 2015	527,103.79	15% (79,065.57)
July, 2015	548,456.50	15% (81,968.48)
August, 2015	525,454.32	15% (78,818.15)
September, 2015	544,895.77	15% (81,734.37)
October, 2015	575,188.22	15% (86,278.23)
November, 2015	493,846.21	15% (74,076.93)
	<u>\$ 3,768,819.27</u>	<u>\$ (665,022.89)</u> (565,022.89)
5 To account for the shift differential premium		102,000.00
Subtotal		<u>6,686,622.09</u>

6 To account for Interest

Balance of wages and benefits owing  
at  
for

			Rate	Days to 2018-11-30		Interest
2014-03-31	\$ 571,919.23		3.00%	1,705	\$ 80,147.04	
2014-04-30	261,903.76		3.00%	1,675	36,056.61	
2014-05-31	265,981.13		3.00%	1,644	35,940.24	
2014-06-30	262,495.17		3.00%	1,614	34,821.96	
2014-07-31	268,586.78		3.00%	1,583	34,945.72	
2014-08-31	302,588.99		3.00%	1,552	38,598.75	
2014-09-30	312,962.86		3.00%	1,522	39,150.37	
2014-10-31	351,600.19		3.00%	1,491	43,087.88	
2014-11-30	371,753.78		3.00%	1,461	44,641.01	
2014-12-31	209,652.41		3.00%	1,430	24,641.34	
2015-01-31	255,951.05		3.00%	1,399	29,430.86	
2015-02-28	275,474.58		3.00%	1,371	31,041.83	
2015-03-31	336,888.13		3.00%	1,340	37,103.84	
2015-04-30	346,629.87		2.85%	1,310	35,455.96	
2015-05-31	329,040.52		2.85%	1,279	32,860.33	
2015-06-30	306,106.22		2.85%	1,249	29,852.90	
2015-07-31	317,335.64		2.85%	1,218	30,179.92	
2015-08-31	312,358.89		2.85%	1,187	28,950.53	
2015-09-30	320,820.62		2.85%	1,157	28,983.29	
2015-10-31	338,627.93		2.70%	1,126	28,205.39	
2015-11-30	265,944.33		2.70%	1,096	21,561.16	
Shift differential, effectively added at						
2015-11-30	102,000.00		2.70%	1,096	8,269.55	
	<u>\$ 6,686,622.09</u>				<u>\$ 753,926.50</u>	753,926.50

Total revised calculation

\$ 7,440,548.58