

WACC RELOCATION OPTIONS

2019-10-31

Cost Object	Cost Type	Option 1 Status Quo	Option 2 Smaller Office	Option 3 Flexible Office	Option 4 Decentralized	Notes
Rented or Leased Space	Recurring	102,000	42,000	36,000	-	Option 3 assumes 3 or more staff works remotely
PO Box Rental Service	Recurring	-	-	-	850	Assumed largest box and full service from Canada Post
Phone Service	Recurring	4,500	4,500	-	1,185	Assume full corporate package (highest pricing)
File Storage	Recurring	-	-	6,000	6,000	Assuming 100 sq. ft at highest price in Toronto
Moving & Disposal	One-time		10,000	10,000	10,000	4 times rough estimate given by 3 companies
Server Replacement	One-time	-	-	5,000	5,000	Need input from IT Manager
Meeting Space Rental	Recurring	-	-	-	3,660	Assume highest price and 4 meetings (unlikely)
Staff Meeting Travel	Recurring	-	-	-	60,000	Assuming 2 meetings/year & 5-6 staff traveling to Toronto
Janitorial Cost	Recurring	13,200	6,600	-	-	No extra janitorial costs in Options 3 and 4
Virtual Office Software	Recurring	-	-	-	-	Microsoft Office Online plus Zoom supports all options
Utilities	Recurring	6,000	3,000	-	-	Cost included in Option 3 and none in Option 4
Remote Access Support	Recurring	-	-	-	8,000	Assume \$1,000 per person per year
Renovation Costs	One-time	-	50,000	-	-	To prepare new space
Loss of TCC Rent	Recurring		6,000	6,000	6,000	TCC may not be willing or able to fit into any alternative
Loss of ACT Alliance	Recurring					ACT Alliance could leave us at anytime (contract not renewed)

Total Cost		125,700	122,100	63,000	100,695	Total cost in first year of implementation
Savings (Year 2020)	Mixed	-	3,600	62,700	25,005	On-time new costs and savings included.
Savings (Year 2021)	Recurring	-	63,600	77,700	40,005	No one-time new costs or savings included.
Savings (Year 2022)	Recurring	-	63,600	77,700	40,005	No one-time new costs or savings included.

Threats						
ACT hosting fees	Recurring	53,000	53,000	53,000	53,000	ACT Alliance could leave us at anytime (contract not renewed)
BfdW core funding	Recurring	685,400	685,400	685,400	685,400	CAP contract runs to 2023 so unlikely to stop core funding

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Opportunities

Easier International hiring	Recurring	NO	NO	NO	YES	May hire staff in other countries more easily if they can work remotely and do not need much supervision.
Reduce carbon footprint	Recurring	NO	NO	NO	YES	Reduced commuting by staff reduces our carbon foot print and the amount of time spent travel to and from work.
Staff benefits	Recurring	NO	NO	YES	YES	Some staff may be more productive working from home, commuting less and being less distracted by office issues.
Global presence	Recurring	NO	NO	NO	YES	WACC would be truly global and could more easily shift resources around between countries.

Challenges

Staff morale	Recurring	YES	YES	YES	YES	3 key staff and most consultants currently work remotely and only visit the office 20-40 days per year.
Staff supervision	Recurring	YES	YES	YES	YES	Most staff need minimal supervision and we have remotely supervised interns and clerks in the recent past.
Staff productivity	Recurring	YES	YES	YES	YES	The productivity of some staff may go up while others might go down and, as such, will require careful monitoring.