

33 Payroll Services*



What is the Service?

Payroll Services administer payroll activities in accordance with union agreements, Council policies and relevant legislation. The primary goal of payroll services is to ensure that all employees are paid accurately and on-time, with the correct withholdings and deductions, and to remit withholdings and deductions within specified deadlines.

Specific objectives include:

- Production of Pay – Calculate and process one time and on-going payments and deductions to employees
- Balancing General Ledger – Prepare journals and reconcile gross/net pay to payroll registers
- Payment and Reconciliation of Payroll Liabilities – Statutory tax withholdings and voluntary/mandatory deductions
- Internal and External Reporting – Management reports, Records of Employment, T4/T4A
- Auditing Payroll Data – Reconcile gross to net pay calculations
- Payroll Technical Systems Configuration – Setup and maintain payroll system

Influencing Factors:

Organizational Form: Centralized vs. Decentralized. Costs related to time and data entry have been excluded for comparability. Any costs associated with benefits administration and employee master data maintenance have been excluded from these results and are included in those of Human Resources.

Policy and Practices: In-house vs. external contracted out services, and differences in payroll structure and responsibilities.

Processes and Systems: Differences in the number of pay periods (i.e. weekly vs. bi-weekly, etc.); Multiple pay schedules for various groups within the organization; Number of manual cheques issued for adjustments and reversals and/or multiple direct deposits and payments and/or adjustments made under separate advice.

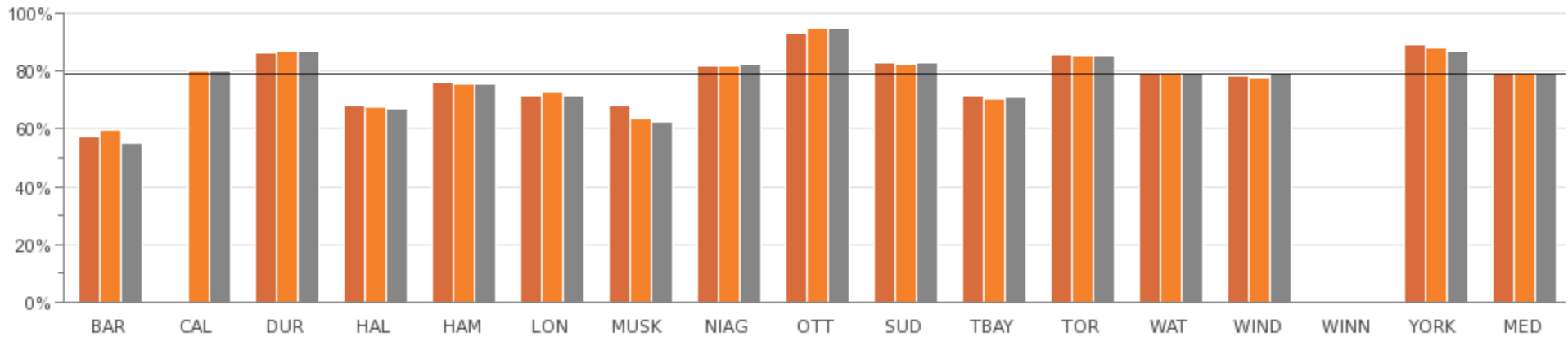
Staff Mix: Salary vs. hourly rate and/or part-time vs. full time complement and the corresponding demand for support.

Unionization: The number of unions, union contract settlements resulting in retroactive payments, complexity of the Collective Bargaining Agreement terms, and Corporate Policies may be a factor in the creation of replacement payments and demand for service.

Payroll Services

What percent of staff are unionized?

Fig 33.1 Percent of Staff that are Unionized (Staff Mix)



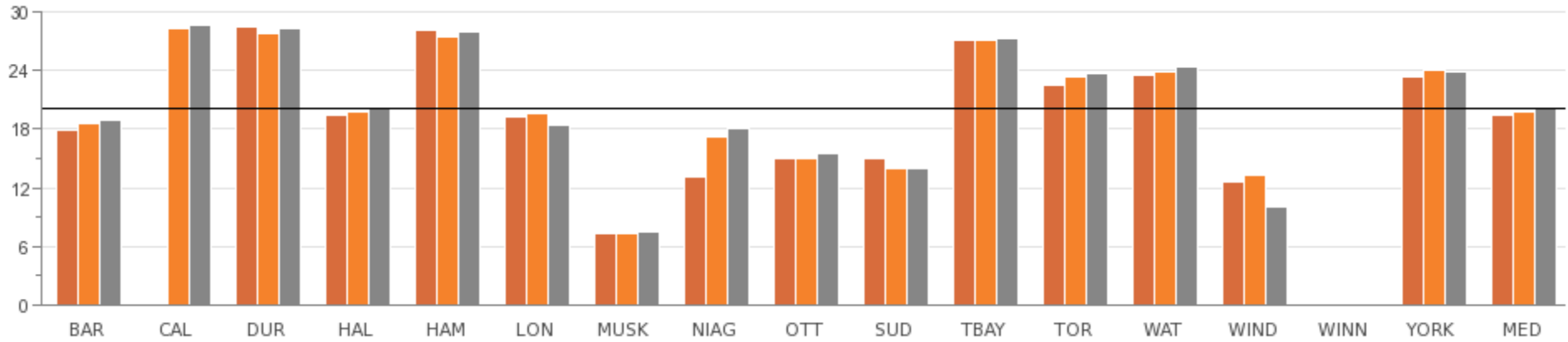
Year	BAR	CAL	DUR	HAL	HAM	LON	MUSK	NIAG	OTT	SUD	TBAY	TOR	WAT	WIND	WINN	YORK	MED
2009	57.2%	N/A	86.5%	68.3%	76.3%	71.4%	68.1%	82.2%	93.4%	82.8%	71.6%	85.7%	79.5%	78.3%	N/A	89.2%	78.9%
2010	59.5%	80.4%	86.9%	67.5%	75.6%	72.8%	63.9%	82.1%	95.1%	82.7%	70.6%	85.6%	79.8%	78.1%	N/A	88.4%	79.8%
2011	55.0%	80.2%	87.2%	66.9%	75.8%	71.4%	62.8%	82.3%	95.2%	82.8%	70.9%	85.4%	78.9%	78.9%	N/A	86.9%	78.9%

Source: FPRL225 (Service Level)

How many payroll direct deposits and cheques are processed?

Fig 33.2 Number of Payroll Direct Deposits and Cheques per Finance Payroll FTE

(In Thousands)

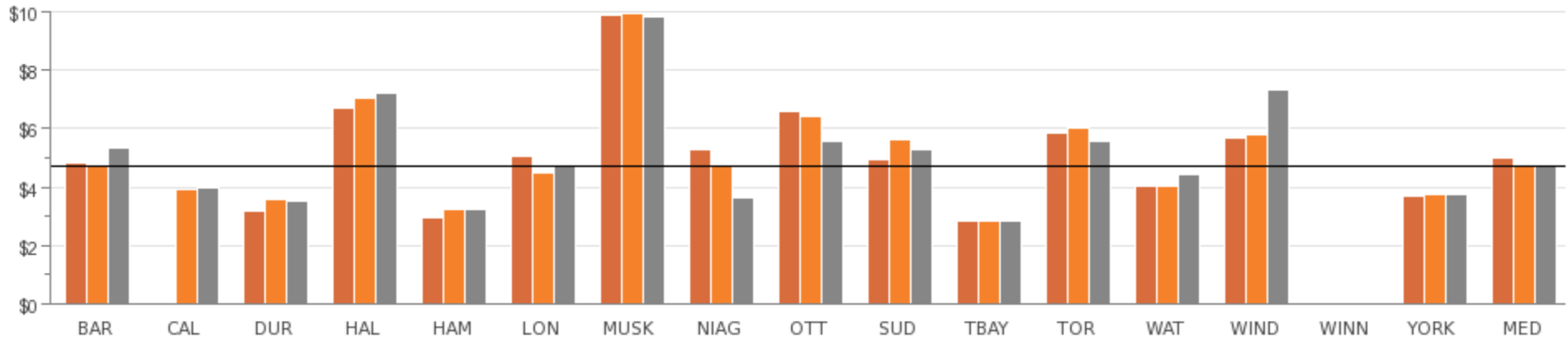


Year	BAR	CAL	DUR	HAL	HAM	LON	MUSK	NIAG	OTT	SUD	TBAY	TOR	WAT	WIND	WINN	YORK	MED
2009	17,862	N/A	28,430	19,426	28,215	19,323	7,340	13,182	15,060	14,916	27,137	22,542	23,607	12,522	N/A	23,297	19,375
2010	18,536	28,323	27,840	19,714	27,441	19,533	7,363	17,179	14,977	13,921	27,067	23,450	23,826	13,205	N/A	24,077	19,714
2011	18,931	28,615	28,336	20,166	27,966	18,367	7,427	18,126	15,431	13,998	27,230	23,749	24,393	9,950	N/A	23,976	20,166

Source: FPRL317A (Efficiency)

What is the operating cost to process a payroll direct deposit or cheque?

Fig 33.3 Operating Cost per Payroll Direct Deposit and Cheques



2009	\$4.82	N/A	\$3.18	\$6.71	\$2.94	\$5.08	\$9.93	\$5.27	\$6.58	\$4.96	\$2.81	\$5.88	\$4.04	\$5.71	N/A	\$3.71	\$5.02
2010	\$4.75	\$3.89	\$3.57	\$7.04	\$3.23	\$4.50	\$9.97	\$4.79	\$6.41	\$5.63	\$2.85	\$6.05	\$4.04	\$5.79	N/A	\$3.73	\$4.75
2011	\$5.32	\$4.00	\$3.53	\$7.20	\$3.23	\$4.70	\$9.82	\$3.65	\$5.56	\$5.30	\$2.85	\$5.56	\$4.45	\$7.32	N/A	\$3.76	\$4.70

Source: FPRL306A (Efficiency)