

# PAYROLL

## VALUE STATEMENT

*I expect payroll information and payment to be accurate and timely, compliant with relevant legislation, and provided in a cost-effective way.*

## Payroll

### What is this 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.

### Objectives May 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:

1. 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.
2. Policy and Practices: In-house vs. contracted-out services, different payroll structures and responsibilities.
3. Processes and Systems: The number of pay periods (i.e. weekly vs. bi-weekly, etc.); pay schedules; manual cheques; direct deposits; payments and/or adjustments made.
4. Staffing Mix: Salary vs. hourly rate and/or part-time vs. full time and the corresponding need for support.
5. Unionization: The number of unions, the complexity of the collective bargaining agreements, contract settlements and Corporate Policies.

## Extenuating Circumstances:

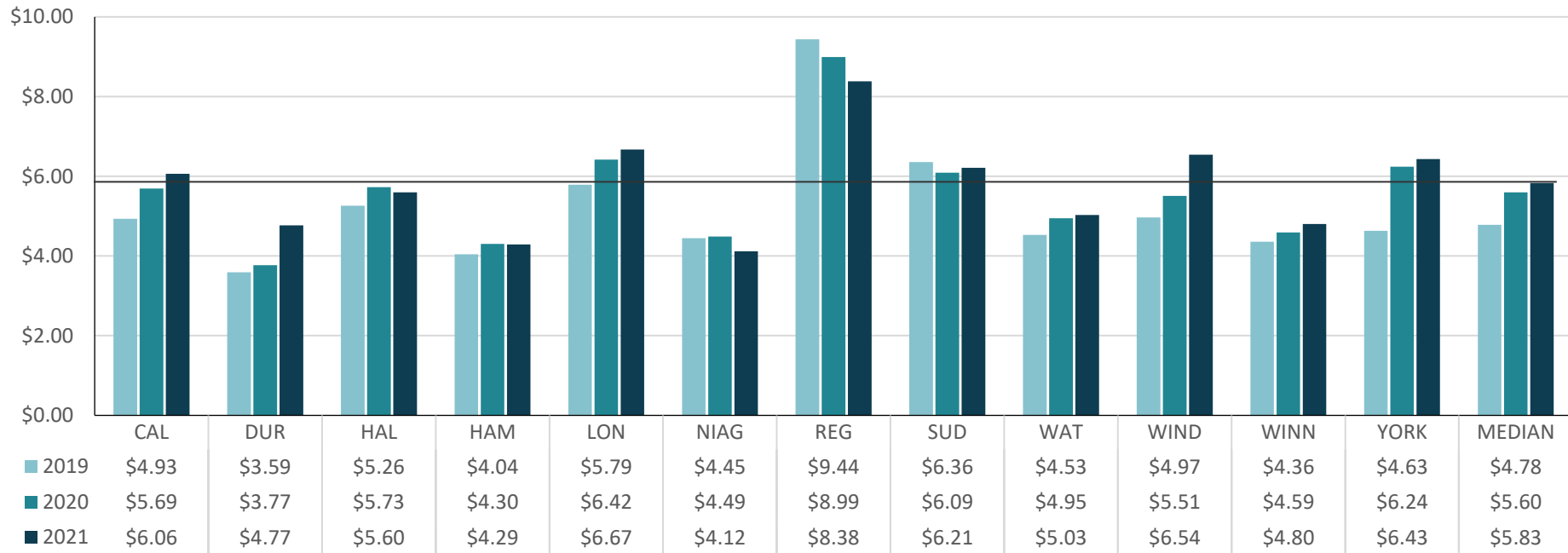
- **COVID-19 Pandemic:** In 2020, there were increased workload obligations due to provincial reporting requirements for the Ontario pandemic pay initiative. Staffing levels across all municipalities fluctuated as a result of COVID-19 and many municipal staff worked from home or were redeployed during 2020. This impacted the time required to process payroll (e.g., adoption/implementation of fully automated payroll processes, payroll and benefit calculations).

There were continuing impacts of COVID-19 throughout 2021. Payroll initiatives (e.g., nursing incentives, wage enhancements, infectious disease emergency leave) and provincial reporting requirements resulted in additional work for Payroll staff and impacted performance results.

## Payroll

### FPRL300 - Operating Cost per Payroll Direct Deposit or Cheque

An extra pay (i.e., 27 pays) and staffing fluctuations due to COVID-19 had an impacting on operating costs for 2020.



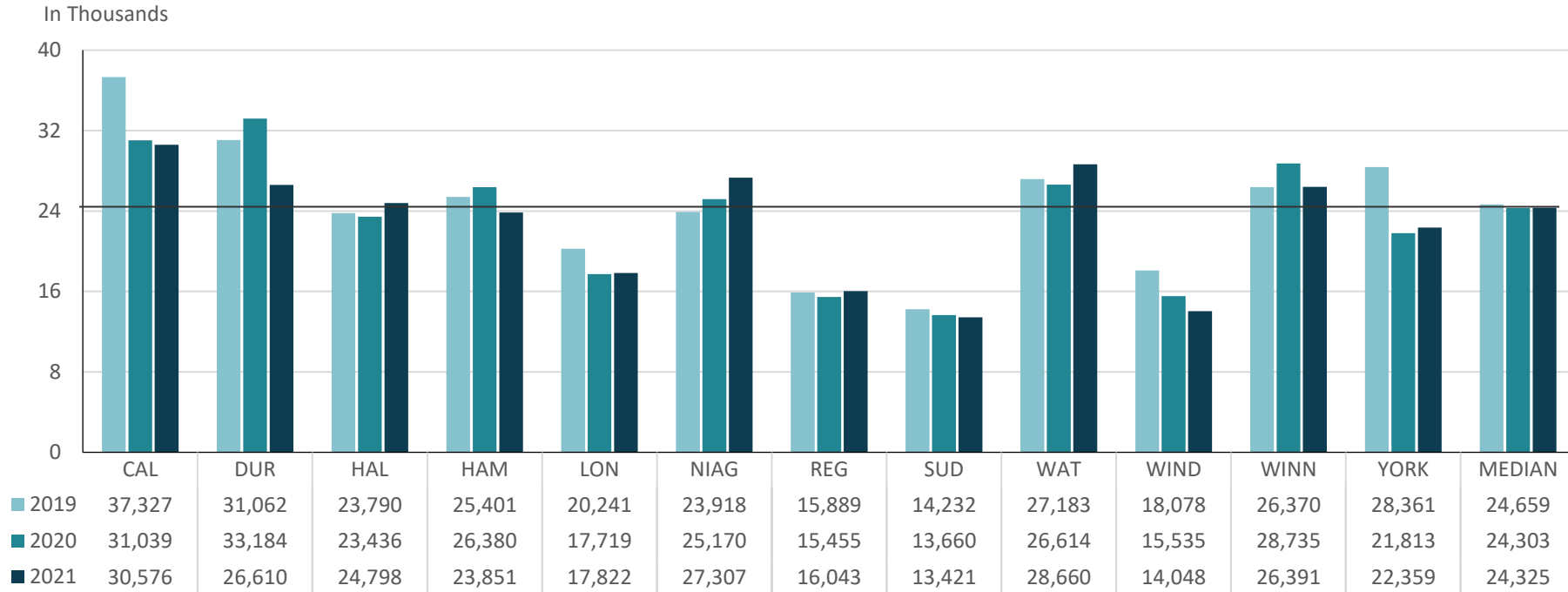
Durham: 2021 results due to increased staffing to address workload demands.

Windsor: The number of direct deposits increased significantly in 2019 due to retro payments via separate direct deposit. There was increased program support to implement the municipal Work Force Management system across various departments.

## Payroll

### FPRL318 - Number of Payroll Direct Deposits and Cheques per Payroll FTE

Changes in staffing levels across municipalities in 2020 and 2021 may have occurred due to COVID-19 which resulted in fluctuations across 2019-2021 performance results.



Durham: 2021 results due to fewer payrolls and increased staffing to address workload demands.

Windsor: The number of direct deposits has decreased as there have not been very many large retro payments paid again this year where employees wanted split cheques and Transit staff were brought over to WFM and in turn resulted in less split cheques. As well, continuation of COVID, employees were still on leave, or more leaves in comparison to other years.