



Staff Report

Report To: Council Meeting

From: Magda Badura, CAO/Treasurer

Date: 2021-12-02

Subject: Organizational Review – Payroll Initiative

Recommendation:

That West Elgin Council hereby receives the report from M. Badura, CAO/Treasurer re: Organizational Review – Payroll Initiative for information only.

Background:

An organizational review was requested by council in a latter part of 2019. The initiative was completed in January-2020 and final report was presented to council. The main objective of this review was to obtain information about the performance of our organization, paying attention to the various factors affecting its performance. The intent of the review was also to provide objective perspective on areas of organizational performance by examining organizational capacity to perform key business functions, organizational motivation or the prevailing culture, and the external environment. Council determined at that time that an organizational review would be helpful in response to a broad range of questions and discussions regarding program and service delivery in West Elgin. Council sought independent perspective and options on organizational changes that would enable alignment for longer term organizational success.

It was determined by Council that the review would focus on a number of key priorities, including assessments of:

1. The Municipality's organizational structure and design, management levels, and span of control;
2. The Municipality's staffing levels, roles and responsibilities, and collaboration between and among departments;
3. A comparison of structure and staffing to similarly sized area municipalities and best practice;
4. The need for a senior administrative leader at West Elgin.

In preparation for the upcoming retirement in Finance department the following options have been analyzed:

- Assessment of opportunities for integration of systems and increase functionality that can reduce duplication of work and potentially reduce paperwork.
- Find efficiencies in payroll processing and improve effectiveness of systems, offer self-serve options for employees and reduce reliance on Payroll staff. Currently, all employee updates such as mailing address are handled by payroll clerk. Vacation and sick time are tracked on a spreadsheet. Manual punch clocks are used; supervisors and managers prepare manual timesheets and submit to payroll for manual entry.
- Integrate systems and reduce the need to use multiple entry points for the same data.

- Ensure that work responsibilities and flow are appropriately integrated and aligned with duties performed by main office staff.
- Reduce cost

Based on the above analysis it was determined that it would be beneficial to outsource payroll and have professionally trained experts take care of the payroll process from start to finish as direct costs of processing payroll can be greatly reduced by working with a payroll provider. Another extremely beneficial option is the time management feature automatically integrated to payroll through a common database, that will schedule, manage employee availability, and capture hours worked through multiple data input options, including timesheets, web time, and facial recognition clocks. The implementation process is underway with the go live date of December 27, 2021.

Financial Implications:

Annual cost reduction of approximately \$63,000.

Policies/Legislation:

Report Approval Details

Document Title:	Payroll - 2021-58-Administration Finance.docx
Attachments:	
Final Approval Date:	Nov 30, 2021

This report and all of its attachments were approved and signed as outlined below:

Jana Nethercott