

Municipality of Port Hope

Plan Requests

Request	FIN-004 Payroll & Benefits Administrator		
Department	Finance and HR		
Version	03 Proposed by Budget	Year	2024

Description

ANNUALIZED TAX LEVY IMPACT [COST / (SAVINGS)]

\$98,226

CURRENT BUDGET YEAR'S TAX LEVY IMPACT [COST / (SAVINGS)]

\$73,665

JUSTIFICATION

Increased demand as a result of OMERS eligibility for part time staff, addition of benefits to 3 employee groups, increase in WSIB claims, increase in union collective agreements, change to volunteer firefighter payments, and overall increase in number of employees. In addition to the demand increase, there is no backup for payroll beyond 1 week of basic processing resulting in a risk that can't be addressed by postponing payroll or bringing in an external resource on demand. The lack of capacity is resulting in additional costs being incurred and savings opportunities missed. It has also reduced payroll controls and ability to ensure policy adherence. Capacity will be further impacted when the current 30+ year employee currently doing payroll retires in December 2023. Currently, part of the resource gap is being addressed with 30% of an HR employee's time to provide support, plus additional hours are required on a regular basis for 5 months of the year to complete year end.

DESCRIPTION

The Payroll and Benefits Administrator is responsible for the administration of the payroll and benefits program for all employees, including Municipal Union and Non-union employees, as well as Police Services Board and Library Board employees. This position is responsible for the end-to-end process of preparing and processing payrolls from time sheets to T4's while interpreting and complying with government regulations, Municipal policies, and collective agreements. This position is accountable for reconciling general ledger accounts and the payment of statutory remittance and other payroll withholdings.

Currently there is no chargeback for payroll services provided to Police and Library Local Boards. This is consistent with other support services provided (such as accounts payable), but is something that should be reviewed as Local Boards use a significant amount of payroll and benefits capacity.

Having a second Payroll and Benefits Administrator would allow one employee to complete regular payroll cycles while the other completed year end and other requirements outside of the bi-weekly payroll cycle. It would provide back-up coverage to ensure continued operations of this complex and short cycle required process. This additional position would be able to create some capacity in Human Resources by providing support for planning and modelling (ie compensation changes, collective agreements) as well as not requiring Human Resources staff to perform some payroll and benefits administration in order to complete some mandatory functions that payroll and benefits has not had capacity to complete.

IMPLICATIONS IF NOT UNDERTAKEN

- Service Levels will decrease, including delays in processing, less support will be provided to staff
- There will be no backup for most payroll or benefits processes, leaving the Municipality vulnerable to completing payroll and paying staff
- Lack of backup could also lead to significant delays in mandatory government remittances, and administering staff requiring leave support (ie injured at work, short term disability), year-end mandatory reporting requirements
- Continue to incur additional costs (ie. overpaying WSIB top-ups, processing incorrect pay submissions)
- Additional stress on Manager, Finance and HR staff disrupting regular operation
- HR capacity will continue to be required for payroll support instead of focusing on Human Resource requirements

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Request							
	Total	Q1	Q2	Q3	Q4	2025	2026
Expenditures							
Operating Expenses							
Full-Time	200,087		18,189	18,189	18,189	72,760	72,760
Benefits	70,030		6,366	6,366	6,366	25,466	25,466
	270,117		24,555	24,555	24,555	98,226	98,226
Expenditures Total	270,117		24,555	24,555	24,555	98,226	98,226

Attributes		
Attribute	Value	Comment
Department		
Department	Finance and HR	
Division / Sub Division	Finance	
Request Type		
Request Driver	Maintain Existing Service or Program	
Request Type	Staff Position	
Priority	High	
Strategic Priority		
Strategic Priority - ranked #1 required	Corporate Efficiencies	
Strategic Priority - ranked #2 optional		
Strategic Priority - ranked #3 optional		
Posting Status		
Posting Status	Ready to Post	