



## 2024 to 2027 Business Plan

### Service: Finance Payroll Services

**\$0.02**

Cost per day for the average rate payer (2024 to 2027)

**0.16%**

Of the 2024 to 2027 City of London Net Property Tax Supported Budget

#### Who we are:

- Finance Payroll Services provides core payroll processing for the City, London Police Services and Tourism London, including payroll processing, processing of identified entitlements and deductions, statutory payroll reporting and the payment and reconciliation of payroll liabilities. Further, administrative support and coordination (accounts payable) is provided to operational areas such as Transportation, Facilities and Fleet.

#### What we do:

- Finance Payroll Services ensures that City employees are paid accurately and on time, along with applicable remittances to other levels of government and required garnishments. Administration support is also provided to City operations related to staff deployment and invoice administration.

### Why we do it:

- **Mandatory** - As an employer, there are legislated reporting and contribution requirements as setout through legislation that this service is responsible for such as but not limited to, the collection of Personal Tax Credit Returns (TD1) forms, applicable deductions and remittances for Canada Pension Plan dues, Employment Insurance (EI), Employer Health Tax (EHT), Records of Employment (ROE), government garnishments (Service Canada or Canada Revenue Agency), Ontario Municipal Employer Retirement System (OMERS) deductions, and Federal and Provincial income tax deductions.

The following table provides an overview of the budget for this service:

Budget Summary (\$000's)	2024	2025	2026	2027	2024 to 2027 TOTAL
Gross Operating Expenditures	\$1,467	\$1,501	\$1,526	\$1,532	<b>\$6,026</b>
Other Revenues	-\$165	-\$169	-\$174	-\$178	<b>-\$686</b>
<b>Net Tax Levy Supported Operating Budget</b>	<b>\$1,302</b>	<b>\$1,332</b>	<b>\$1,352</b>	<b>\$1,354</b>	<b>\$5,340</b>
Total Capital Expenditures	\$0	\$0	\$0	\$0	<b>\$0</b>
Full-Time Equivalents (FTE's)	15.8	15.8	15.8	15.8	N/A

Reflects Draft 2024 to 2027 Multi-Year Budget – December 12, 2023.

## Linkage to the 2023 to 2027 Strategic Plan

This service supports the following Strategic Areas of Focus in the 2023 to 2027 Strategic Plan:



**Reconciliation, Equity,  
Accessibility, and  
Inclusion**



**Economic Growth, Culture,  
and Prosperity**



**Housing and  
Homelessness**



**Mobility and  
Transportation**



**Wellbeing and Safety**



**Climate Action and  
Sustainable Growth**



**Safe London for Women,  
Girls, and Gender-Diverse  
and Trans People**



**Well-Run City**

## Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this service:



### Environmental:

- Look at workflows and processes to reduce the use of paper, shifting to electronic means where applicable. To-date this has been accomplished by shifting the delivery of paystubs from a paper base to an electronic paystub method. As of the Fall 2023, less than ½ of the City's employee groups were in receipt of this information in an electronic format. Through the adoption of a Human Resource Information System, it is anticipated that the adoption rate of electronic paystubs will increase and a reduction in the dependency on paper forms will occur. The reduction in paper consumed should indirectly assist in the reduction of carbon emissions, as the amount (quantity) of paper being delivered to the City ought to be reduced.

### Governance:

- Responsible in collaboration with People Services and Employee Systems to ensure the accurate and timely processing of payroll. Any issues present a high risk to the City operationally, financially, and reputationally. This group also needs to ensure that they remain current on all changes to legislation in relation to payroll deductions and subsequent remittances.

### Socio-economic Equity:

- The Payroll function executes pay principles outlined in employment agreements and deduction as outlined by government requirements.

The following section provides an overview of the key activities the service plans to undertake from 2024 to 2027 to implement the Corporation's 2023 to 2027 Strategic Plan, as well as an overview of the risks and challenges the service is anticipated to experience during this period:

### Service Highlights 2024 to 2027

- Update and modernize payroll processes and administrative support based on opportunities and functionality now available through the Human Resource Information System which commenced implementation in the Fall of 2023, including exploration of opportunities for automation to improve existing workflows where possible.
- Update process maps of existing payroll processes, reviewing and revising to ensure processes are up-to-date and are easily understood, developing policies where needed given the new Human Resource Information System tool.
- Working in conjunction with Employee Systems, leverage the City's intranet, CityHub, to provide increased information to the City's employees regarding Payroll Services.
- Increase education and communication to Service Areas on payroll policies, processes, and expectations, supporting where required with the objective of reducing rework, improve timeliness, and decreasing the amount of corrections.
- Continued work with other services to improve both the on-boarding and off-boarding processes of employees, particularly as it pertains to seasonal employees.

### Risks and Challenges Anticipated in 2024 to 2027

- Changes to legislative requirements as prescribed by other levels of government and with minimal time for implementation and communication. (i.e., changes in Employment Standards Act such as holiday pay calculation).
- System upgrades for Kronos, JD Edwards (now annually), and now the Human Resource Information System requiring payroll resources to assist in testing prior to "go-live" and adjustments to processes. Payroll Services will need to ensure employees continue to be paid correctly and on time without incurring penalties and negative publicity.
- Prompt requirement to provide payroll information for legal matters including arbitration.
- Employee turnover in Payroll Services has been extremely problematic in 2023.

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