



Corporation of the Municipality of Temagami

Memo No.
2024-M-075

Memorandum to Council

Subject: Payroll transition request

Agenda Date: April 11, 2024

Attachments:

RECOMMENDATION

BE IT RESOLVED THAT the Corporation of the Municipality of Temagami hereby receives Memo 2024-M-075

AND FURTHER THAT Council direct staff to proceed with the payroll transition to Vadim.

INFORMATION

This Memo is to propose a recommendation for the Municipality of Temagami to transition to a new payroll system. Currently, our municipality utilizes three separate systems for payroll management: Advanced Tracker for time and job tracking, Payweb for payroll processing, deduction calculations, and direct deposit, and Vadim for integrating payroll data into our accounting system. With the recent acquisition of Payweb by Payworks, we are faced with an opportunity to reassess our payroll operations and explore alternatives that offer greater efficiency and cost-effectiveness.

Advanced Tracker is primarily used for tracking time and job-related data. While it fulfills its intended purpose, its standalone nature poses challenges in integrating with other payroll components. Payweb has been instrumental in processing payroll, calculating deductions, and facilitating direct deposit. However, with the impending transition to Payworks, there are uncertainties regarding potential changes to our payroll procedures and associated costs. Vadim serves as our accounting system, requiring manual input of payroll data through journal entries. This manual process is labor-intensive and prone to errors, leading to inefficiencies in financial record-keeping.

After careful evaluation, staff recommends transitioning to the payroll and time tracking system integrated within Vadim. Moving payroll and time tracking functions to Vadim eliminates the need for multiple software programs, streamlining our payroll operations and reducing complexity. Integrating payroll directly into Vadim eliminates the extra staff time required for completing payroll journal entries manually. This not only saves time but also reduces the likelihood of errors in financial reporting. Based on the pricing received, transitioning to Vadim for payroll management offers significant cost savings compared to the current Payweb/Payworks arrangement. The yearly cost for Vadim is \$2880, plus a one-time initial setup, implementation, and training fee of \$9225. While we are awaiting clarification regarding additional fees for each payroll run, preliminary discussions with Vadim indicate that such fees may not be applicable.

Yearly Cost for Payweb/Payworks: Approximately \$6,700 (excluding initial setup, implementation, and training fees). Yearly Cost for Vadim: \$2880, plus one-time initial setup, implementation, and training fee of \$9225 (potential additional fees for payroll runs to be clarified)

In light of the impending transition and the potential benefits outlined above, transitioning to Vadim for payroll management presents a compelling opportunity for the Municipality of Temagami. This recommendation aligns with our goal of optimizing operational efficiency while achieving cost savings.

Respectfully Submitted
Sabrina Pandolfo