



Program #72007 - FRM Payroll/Retirement Services 3/7/2022

Department: County Management **Program Contact:** Bethany Bilyeu
Program Offer Type: Existing Operating Program **Program Offer Stage:** As Requested
Related Programs:
Program Characteristics: In Target

Executive Summary

Central Payroll is responsible for paying the employees of Multnomah County, ensuring compliance with Federal, State, and local wage and hour laws, withholding and remitting employment taxes and other deductions, issuing wage and tax reporting statements and administering the pension and deferred compensation programs.

Program Summary

Central Payroll produces 24 payrolls per year for all Multnomah County employees and is responsible for accurately withholding, reporting and remitting employment taxes to Federal, State and Local taxing authorities. Payroll reports and remits pension contributions to the Public Employees Retirement System and administers the County's IRC §457 Deferred Compensation Program. Payroll ensures that timekeeping and wage payments are done in compliance with Federal and State wage and hour laws, labor contracts and County Administrative guidelines. Payroll reconciles and remits mandated deductions for creditor garnishments, child support, bankruptcies, tax levies and union dues. Payroll reconciles and produces year-end tax statements for employees (W2's) and suppliers (1099's) of Multnomah County following strict federal and state regulations.

Payroll protects County funds by ensuring that employment taxes, wage and tax statements, and pension payments are processed and remitted timely to avoid assessment of fines for noncompliance. The program supports the County's sustainability goals by providing electronic disbursements of wages to employees' financial institutions and providing paperless notification of their deposits. Currently 98% of employees participate in direct deposit, and all employees receive notification of their payslip through Employee Self Service.

Performance Measures

Measure Type	Primary Measure	FY21 Actual	FY22 Budgeted	FY22 Estimate	FY23 Offer
Output	Average number of payments issued per period*	7,652	7,500	7,600	7,600
Outcome	Percent issued without error*	99%	99%	99%	99%
Output	Percent of employees participating in Deferred Comp**	67%	68%	68%	68%

Performance Measures Descriptions

*Number of payments per pay period exceeds number of employees due to many employees having multiple direct deposits. Payroll has consistently maintained a high level of system accuracy (99%).
 **The percent of employees participating in the deferred compensation plan will measure the effectiveness and quality of the educational opportunities offered. The national average for participation is 45%.

Legal / Contractual Obligation

Wage payments are mandated by Federal & State wage and hour laws, union contracts, and Multnomah County Personnel Rules. Withholding and remitting employment taxes is mandated by the Internal Revenue Service, the Oregon Dept of Revenue and other state tax agencies. Pension contributions are mandated by union contracts, Multnomah County Personnel Rules and Oregon Revised Statutes. Failure to comply with these laws and regulations result in fines and penalties being assessed.

Revenue/Expense Detail

	Adopted General Fund	Adopted Other Funds	Requested General Fund	Requested Other Funds
Program Expenses	2022	2022	2023	2023
Personnel	\$1,063,110	\$0	\$1,144,723	\$0
Contractual Services	\$85,855	\$0	\$86,355	\$0
Materials & Supplies	\$23,268	\$0	\$23,693	\$0
Total GF/non-GF	\$1,172,233	\$0	\$1,254,771	\$0
Program Total:	\$1,172,233		\$1,254,771	
Program FTE	7.40	0.00	7.40	0.00

Program Revenues				
Other / Miscellaneous	\$183,053	\$0	\$208,053	\$0
Beginning Working Capital	\$50,000	\$0	\$35,000	\$0
Total Revenue	\$233,053	\$0	\$243,053	\$0

Explanation of Revenues

This program is supported by General Fund revenues.

External revenues for the deferred compensation program are contractually negotiated with the County's deferred compensation provider through a revenue sharing agreement. All administrative costs associated with the program are paid for through the agreement. The revenue sharing enables the County to offer the program to employees at no cost to the County. The estimated reimbursement for FY 2023 is \$180,000 and is adjusted each following year by the CPI-W. In addition \$35,000 of BWC from FY 2022 is budgeted.

Significant Program Changes

Last Year this program was: FY 2022: 72007 FRM Payroll/Retirement Services