



CITY OF ORLAND STAFF REPORT

MEETING DATE: October 7, 2025

TO: Honorable Mayor and City Councilmembers

FROM: Joe Goodman, City Manager

SUBJECT: Request for Contract Service with Tyler Technology for Year-End Payroll Processing Support (Action)

BACKGROUND:

The IRS requires employers filing more than 10 returns to do so electronically. In previous years, staff completed this process in-house; however, this required a significant amount of staff time. Also, the primary employee who typically oversees this work is currently on leave through the end of the year.

ANALYSIS:

City staff are still becoming proficient with the Tyler accounting system. Due to current staffing levels and the demands of year-end processing, staff is requesting support for W-2 and 1099 filings. Although quotes were solicited, the City only received a response from Tyler Technologies. Tyler provided this service last year and was determined to offer the best value. Securing additional support will help ensure accurate and timely filings, minimizing the risk of errors or penalties.

RECOMMENDATION:

Approve staff engaging with Tyler Technology for this additional service.

FISCAL IMPACT OF RECOMMENDATION:

Approximately \$3,000 to process and file all W2's and 1099's, to be shared across the general, water and sewer funds.