



TOWNtalk

A newsletter for Town of Chapel Hill employees

May 9, 2007

Special Issue

www.townofchapelhill.org

Manager's Update on Payroll Changes

We recently proposed payroll changes to achieve efficiencies within the Finance Department and reduce mistakes and confusion in paychecks for Town employees. A special Payroll Transition Committee recommended ways to implement these changes to ease the transition to a new system.

I have met with several groups of employees in Transit and Public Works to discuss the changes. I wanted to hear directly your concerns and suggestions. The largest number of weekly payroll Town employees work in Transit and Public Works. I pledged that I would report to you about my response to your concerns. This special *TOWNtalk* is that report.

Members of the payroll transition committee have also spoken with employees from these two departments and other departments as requested. The committee has recommended some changes based on the feedback from employees. I have considered their recommendations in light of the comments I heard directly. I am prepared to accept the committee's recommendations and proceed with the payroll changes as follows:

- **Delay Implementation of Bi-weekly Paychecks:** The move from weekly to bi-weekly paychecks will become effective February 15, 2008, instead of the original date of August 15. This will give employees more time to plan for the change and does not come during the State's no sales tax program for back-to-school purchases. February is the other three-payroll month in this fiscal year. All the options of advance pay and payroll deduction will still be available.
- **Offer \$50 Incentive for Employees Who Select Bi-weekly:** Any employee who voluntarily changes to a bi-weekly paycheck between April 1, 2007, and December 31, 2007, will receive a \$50 gas card.
- **Require Direct Deposit Enrollment for New Employees Only:** We will require direct deposit of paychecks for all new employees effective July 1, 2007. Current employees are not affected.
- **Establish Implementation for Payroll Deductions:** The change in payroll deductions for insurance to twice per month will be effective August 3, 2007.
- **Assist Employees Affected by New Payroll Cycles:** We will move the pay period end dates for all payrolls to Thursday effective with the August 17 payroll. In addition to the previous options discussed, employees will be able to use available leave (holiday, sick, vacation or comp) to pay back the Town's advance to make up for the abbreviated workweek.
- **Offer Financial Advising:** The Town will offer on-site classes in money management and financial savings to all interested employees.

Communication is key to successful implementation of these changes. The comments and feedback we received from employees were integral in our final decisions. If you have not had an opportunity to offer feedback and/or suggestions, please contact a committee member before May 16 so that I may consider it. They are Anissa Graham-Davis, Human Resources; Lance Norris, Inspections; Marcia Margotta, Transit; Maggie Burnett, Public Works; and Rhonda Sommer, Finance. I will be reporting to Council about our final plans soon after that date.

Thank you.