

# Memo

**To:** Honorable Mayor and City Council  
**From:** Joe Kohlmann, City Administrator  
**Date:** February 10, 2015  
**Re:** Direct Deposit

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City Staff has been researching direct deposit payroll for employees and City Councilmembers. The City has an account at U.S. Bank. They charge \$40 per month for direct deposit payment. However, Wells Fargo will do it at no charge as long as we opt for online statements and keep a \$500 balance in the account. Non-Wells Fargo accounts require a \$0.50 transaction fee.

In addition, the City would have a one-time fee of \$1,000 from Banyon Software (our financial software). This would be spread among General Fund; Water Operating; Sewer Operating; Dock Fund; Stormwater; - basically every fund that has payroll coming out of it.

Note, the City spends \$150 on payroll checks annually

*Staff has attached a sample Direct Deposit Policy  
Staff has attached a quote from Wells Fargo  
Staff has attached a quote from Banyon Software*

**Council Action Requested:**  
Review and Discuss.



# CITY OF WARREN

120 East Bridge Avenue  
Warren, MN 56762-1510

Phone 218-745-5343  
Fax 218-745-5344

Deb Myrfield, Mayor  
Sheila Hoerner, President  
Cam Fanfulik, Council  
John Golden, Council  
Rodger Haugtvedt, Council  
Jarod Peterson, Council  
John Rehder, Council  
Shannon Mortenson, City  
Administrator/Clerk-Treasurer

## PAYROLL AND DIRECT DEPOSIT POLICY

Employees are paid on a bi-weekly basis. Paydays are on alternating Fridays. The pay received will be exclusively for the hours worked during the pay period plus any compensatory time, holidays, overtime, paid time off as applicable. Travel Request Reimbursements will be placed on the pay check if the form is received in due time.

All employees, City Council and election judges will be paid through direct deposit, effective January 1, 2013. All pay stubs will be emailed unless a request is made to the City Administrator to provide a printed copy in a sealed envelope. Pay stubs will not be given to anyone other than the person for whom they were prepared, unless the person has a signed note by the employee authorizing the city to give the other person the pay stub. Pay stubs will be given to the spouse, or another appropriate immediate family member, in case of a deceased employee. Employees are responsible for notifying the City Administrator of any changes in address, phone number, names of beneficiaries, marital status, withholdings, etc.

Approved by the Council \_\_\_\_\_

\_\_\_\_\_  
Shannon R. Mortenson, City Administrator/Clerk-Treasurer

**“Soaring to a Bright Future”**

*www.warrenminnesota.com*

## PAYROLL DIRECT DEPOSIT PROPOSAL

	Monthly Service Fee
<b>US Bank</b> (our current checking)	\$40.00
<b>Wells Fargo</b>	\$10.00
First 50 account transactions free	
<u>Maintain \$500 average balance, waive \$5 a month</u>	-\$5.00
<u>Choose on-line statements, waive \$5 a month</u>	-\$5.00
<u>Payments to <b>business bank accounts</b> \$3.00 each</u>	

**Purpose direct deposit of payroll for:**

**Full-time permanent employees**

6 x 2 = 12 transactions per mo

**Council members**

5 quarterly

**Part-time permanent employees**

2 employees, generally 1 per month each

**Employees must present personal bank account info for direct deposits**

Highest possible number of pay transactions in a month equals 29

(assumes 3 pay cycles in one month)

FT=18

Council=5

PT=6



**PROPOSAL**

Date: 02/05/15  
 Expires: 05/05/15

For: CITY OF TONKA BAY  
 CAROL SPOERNER  
 4901 MANITOU RD  
 TONKA BAY MN 55331

Phone: 952-474-7994  
 Fax: 952-474-6538  
 Email: cspoerner@cityoftonkabay.net



Banyon Contact	Title	Email/Phone	Comment	Invoice #
Chris Olson	Sales Manager	Chriso@banyon.com		

Description	Amount
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Payroll Direct Deposit W/ Email Pay Stubs	\$995.00
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For on-site training, please add travel expenses for places 400 miles round trip from Burnsville, MN.	Sub-total	\$995.00
	Tax	\$0.00
	Total	\$995.00

Banyon Data Systems, Inc. hereby proposes to provide the above stated product and service in accordance with the above specifications. All Product and service are guaranteed as specified. No returns will be accepted after 90 days from signed proposal date. If returned before 90 days then a restocking fee of 20% will be charged on software only. Training will not be refunded if already completed and annual support will be prorated from date on proposal.

I accept this proposal from Banyon Data Systems: \_\_\_\_\_

Acceptance Date: \_\_\_\_\_ Title/Position: \_\_\_\_\_

Banyon Authorized Signature: Chris Olson