



FINANCIAL SERVICES

TO:	Council		
DATE:	October 27, 2020	DIVISION:	All
FILE:	0785	APPLICATION:	N/A
SUBJECT:	Credit Card Payments– Update Report		

POLICY DIRECTION:

On April 28, 2020, the following Motion Arising was carried:

MOVED by Councillor McKylor that Administration be directed to explore offering payment of property taxes, whether monthly or annually, via credit card to support the timely payments of property taxes using a new payment method, including a service fee to ensure the County's taxes remain whole. This report should come back to Council on June 9, 2020.

On June 9, 2020, Administration presented a report to Council, and the following motion was carried:

MOVED by Deputy Reeve Schule that the report be received for information and that an update come back to Council by the end of October, 2020.

EXECUTIVE SUMMARY:

Currently, Rocky View County does not accept credit card payments for property taxes; the following payment methods are accepted: a) Tax Installment Payment Program (TIPP); b) Online payment through the rate payer's bank; c) Cash; d) Cheque; and e) Debit.

For payments other than property tax payments and refundable securities, Rocky View County accepts two forms of credit card payments, with the difference between the two systems explained below.

- 1) **Payment Counter (Administration building).** Currently, the County has two credit card machines that process credit card payments. These machines are supplied by Moneris through Alberta Treasury Branch. Moneris is the credit card processor owned by MasterCard and Visa. In our credit card agreement, we are unable to apply a service charge to recover the 1.84% (average) charged by Moneris. Credit card fees (maximum 2.5%) vary depending on the type of card used and the point system affiliated with the credit card. Administration has sourced other credit card payment providers and has confirmed the service charge related to processing terminals will be the responsibility of the municipality and cannot be directly passed on to the rate payer.

As presented to Council on June 9, 2020, the total service charges paid in 2019 was \$59,500, which primarily related to Building Services permits. It was also reported that to process 50% of the total property tax receipts received by Rocky View through a credit card payment would cost the County approximately \$1,132,622 in services charges per year. Of this \$1,132,622, \$469,160 would relate to the Province of Alberta external education requisition tax that is collected through the property tax system.

- 2) **Online Credit Card Payment** – Recently, Rocky View County signed an agreement with an online provider. With this system, the user pays a separate service fee directly to the provider when the credit card is processed, and Rocky View County receives the gross proceeds of the

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Barry Woods, Financial Services



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charge. The payment provider does not offer credit card terminals and is an online solution only.

The online platform was set up as an interim solution. It was implemented as an option to accept payments for Building Services during the COVID-19 lock down. No internal infrastructure was integrated to automatically record the transactions. Since the implementation of the interim solution, Information Services has begun the integration of the online payment platform into the CityView system to handle the building permit payments. This is expected to go live in October/November 2020.

Future State

Administration will continue to evolve its online platforms and investigate innovative solutions by reviewing available payment systems and providers to ensure Rocky View County residents are treated equally and have additional options with which to make payments.

ADMINISTRATION RECOMMENDATION:

Administration recommends approval in accordance with Option #1.

BUDGET IMPLICATIONS:

There are no budget implications associated with this report.

STRATEGIC OBJECTIVES:

Two of Council's strategic themes are Financial Health and Service Excellence. Administration continues to search for ways of improving the customer experience through making services available online. This is balanced with the need to ensure our Financial Health is maintained through ensuring costs are managed.

OPTIONS:

Option #1: THAT this report be accepted for information.

Option #2: THAT alternative direction be provided.

Respectfully submitted,

"Kent Robinson"

Executive Director
Corporate Services

Concurrence,

"Al Hoggan"

Chief Administrative Officer

BW/rp