



City of Stevenson

Leana Kinley, City Administrator

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To: City Council
From: Leana Kinley, City Administrator
RE: Credit Card Vendor
Meeting Date: July 18, 2019

Executive Summary:

The City of Stevenson recently switched financial software from Vision MS to BIAS. The current credit card vendor that we use was the preferred vendor for Vision MS. The preferred vendor for BIAS is Xpress Bill Pay. In performing the financial analysis of the two vendors, the monthly cost to the city is less with Xpress than it is with Invoice Cloud assuming the number of transactions remain the same.

Overview of Items:

The change in financial software does not necessitate a change in credit card vendors. An analysis was done on the cost difference between the two companies based on payments received in May, 2019. The monthly service fees are:

- Invoice Cloud:
 - \$336.60-City Fees
 - \$193.55-Customer Fees
- Xpress Bill Pay:
 - \$215.94-City Fees
 - \$73.48-Merchant Fees (if paid by City)
 - \$112.63-Merchant Fees (if paid by Customer)

The total fees paid by the city, including merchant fees, are \$47 less per month with Xpress Bill Pay.

The installation fee is \$2,500, including onsite training. If the city chooses to pay the fees for the customers, and with the current rate of credit card transactions remaining constant, savings will be realized in 2023. However, if the city pays the credit card fees, the number of credit card transactions will increase and the potential savings may be eliminated. If the city chooses to charge a transaction fee for customers to pay with credit card, the merchant fees to the city will be more expensive and the transaction fees can only be charged to phone or one-time online payment transactions. Auto-pays and in-person charges could not be charged a transaction fee

Action Needed:

- Approve the contract with Xpress Bill Pay for credit card services for an initial fee of \$2,500 and recurring monthly fees as outlined in the attached quote #2019061202JS with the city paying the merchant fees without a transaction fee.