

To: City Council
RE: Payment Processing and UB Mailing Services

John Walsh City Administrator
Gloria Butsch Finance Director



BACKGROUND

Due to what appeared to be extremely high costs for credit card fees and payment receipt processing, the finance & utility billing staff researched and requested proposals from Tyler Incite (current), Xpress Bill Pay (XBP) and Paymentec for comparing costs and potential savings for processing payment receipts.

Changing from Tyler Incite/Global to XBP will be an estimated savings of \$26k per month.

We also identified potential cost savings from mailing services. The city currently contracts with Metro Mailing Services for mailing the utility bills. We requested proposals from DataBar and Bend Mailing Services and compared them to Metro.

Changing from Metro to Bend Mailing Services will be an estimated savings of \$1,200 per month.

Combined savings between Xpress Bill Pay and Bend Mailing Services are estimated to be \$327,500 annually.

We will also plan on integrating the Recreation, Library, Planning & Administration credit card terminals for additional savings.

RECOMMENDATION

City staff recommend approving payment processing services agreement with Xpress Bill Pay and utility bill mailing service agreement with Bend Mailing Service and authorize the City Administrator to sign the agreement(s).

Proposed Utility Billing -
Bank Fee Changes By Month

Service	Current	Proposed	Savings	Proposed Vendor
Statement Printing & Mailing	4,847.76	3,615.11	(1,232.65)	DMS Technologies
UB Card Payment Processing	27,020.13	7,058.60	(19,961.53)	Xpress Bill Pay
Easy Pay/Insite Payments	7,030.00	2,680.10	(4,349.90)	Xpress Bill Pay
Wells Fargo Lock Box (Mailed in payments)	945.50	372.86	(572.64)	Xpress Bill Pay
Wells Fargo E Box (Bank to Bank Payments)	16.68	41.50	24.82	Xpress Bill Pay
Total Savings a month			(26,091.90)	
Total Savings a year			(313,102.80)	

Additional Items to Note

- *Xpress charges based on December 2023 for Card & Easy Pay payments & January 2024 for Lock & E Box
- *This does not include the expense for implementation
- *Additional savings could come by bringing other departments to Xpress