



CITY OF TONKA BAY

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ITEM NO. 9A

Memo

To: Mayor and City Council
From: Lindy Crawford, City Administrator
Date: July 12, 2016
Re: Electronic Payment Study

Staff has been researching the option of accepting electronic payments for utility billings. Approximately 22% of our current payments are received from account holders' personal banks. We receive utility bills quarterly.

There are two options available should the City Council decide they wish to accept electronic payments, autopay and credit/ debit card. Below are details regarding both options in narrative and chart form. Whichever option is chosen we would be required to purchase the Banyon software associated with the type of payment.

Based on the survey and research, staff would recommend offering an autopay option.

Autopay (ACH) Option

Banyon	Direct Payments/ACH software purchase, onetime payment	\$795.00
	Annual Maintenance	\$ 0.00
US Bank	ACH One-Time Software	\$250.00
	<i>Monthly maintenance funded by 4M Fund</i>	
	Return Items/Adjustments (see chart)	\$1.50-\$20.00
	Total Initial Cost	\$1,045.00

Credit/ Debit Card Option 1

Banyon	Online Pay w/Email bill & Credit Card Pay, onetime payment	\$995.00
	Annual Maintenance	\$ 0.00
PSN	See quote (page 3), <i>various monthly costs based on option</i>	
	1) Residents pay all fees	
	2) City pays Check fees & Residents pay credit card fees	

ELECTRONIC UTILITY PAYMENT SURVEY

The following data was collected from the results of the survey and available information on cities websites. Questionnaires were sent out to 14 municipalities (communities in **bold** responded): Anoka, Chanhassen, **Crystal**, Deephaven/Greenwood, **Maple Grove**, **Minnetonka Beach**, Minnetrista, **Mound**, **Plymouth**, Shorewood, **Spring Park**, **St Louis Park**, **Victoria**, and **Wayzata**.

CITY	CYCLE	NOTES	#ACCTS	EBILL	# USING ELECTRONIC	AUTO-PAY (ACH)	PAY BY PHONE	PAY ONLINE
Anoka	M					Y		Y
Chanhassen				Y		Y		
Crystal	Q	1/3 city each month	8,100	Y	225	Y		
Deephaven						Y		
Maple Grove	Q	1/3 city each month	21,000	Y	2,600	Y		Y
Minnetonka Beach	Q	N/A						
Minnetrista						Y		Y
Mound	Q-Resid M-Comm			Y		Y	Y	
Plymouth (1)	BM Residential		11,000			Y		
Plymouth (2)	M Commercial		900			Y		
Shorewood	Q					Y		Y
Spring Park		N/A						
St Louis Park			2,200		283			
Victoria			2,892			Y		
Wayzata	M		1,600			Y		

Cycles – Q (quarterly), BM (Bi-Monthly), M (Monthly)