

CONTRA COSTA COUNTY FINANCE COMMITTEE OCTOBER 7, 2019

**REVIEW OF CREDIT CARD SERVICE FEES
TAXING AND NON-TAXING AGENCIES**

BACKGROUND

- February 25, 1997 (Board Order C.109)
- 2006 Visa Tax Payment (PILOT) Program
- 2008 Visa Tax Payment Program Implementation
- 2012 Visa Government and Higher Education Payment Program
- 2014 Finance Committee Meeting
- 2014 Resolution 2014/270
- 2014 Board Order - Report on the implementation and experiences of the new policy in 2019.

NON-TAX MERCHANT ACCOUNTS

- Notification to departments with existing merchant account
- Department Head Meeting
- Several inquiries but only a few departments participated in the program to date.
 - Airport
 - Environmental Health*
 - CC Health – Vital Records
 - Animal Services
 - Department of Conservation and Development
 - Clerk-Recorder
 - *Treasurer-Tax Collector*

NON-TAX MERCHANT ACCOUNTS

- Animal Services
- Contra Costa County Health Service Department (2003)
- Central Contra Costa Sanitary District (2000)
- ~~Sheriff Department (2001)~~
- Environmental Health*
- Contra Costa County Library
- Contra Costa Fire Protection District
- Building Inspection (DCD)
- Law Library
- Clerk Recorder
- Public Health –Vital Registration only
- Crockett Community Pool and Recreation Center
- Contra Costa County EHSD
- ~~Contra Costa County Probation Department~~
- ~~Alamo-Lafayette Cemetery District~~
- Byron Brentwood-Knightesen Union Cemetery (2002)
- ***Airport***
- Emergency Medical Services

TRANSACTION SUMMARY

NON-TAX MERCHANT ACCOUNTS

- Between April 2012 and March 2013
 - 60,678 transactions generating \$9,568,000 in revenue
 - Fees absorbed by the departments were approximately \$167,000 (~1.75%)
- Between April 2018 and March 2019
 - 61,266 transactions generating \$13,011,686 in revenue
 - Fees absorbed by the departments were \$185,448 (~1.43%)

TRANSACTION SUMMARY

NON-TAX MERCHANT ACCOUNTS

Agency	Number of Transactions	Revenues	Fees
Animal Services	18,576	\$1,101,574.70	\$23,724.20
Environmental Health*	4,133	\$3,298,042.13	\$74,366.51
Central CC Sanitary District	1,487	\$2,036,636.42	\$23,345.04
Health Services	5,704	\$915,683.13	\$21,399.26
County Library	16,100	\$145,922.62	\$5,398.54
CCC Fire Protection District	1,686	\$1,079,765.83	\$28,202.53
Crockett Community Center	776	\$121,995.88	\$2,013.12
EHSD	3,740	\$341,300.10	\$3,529.86
Union Cemetery District	89	\$107,830.54	\$2,032.73
Dept. of Conservation & Development	7,227	\$3,769,260.65	\$0.00
Emergency Medical Services	654	\$80,734.00	\$1,065.97
Law Library	1,094	\$12,940.48	\$370.23
Totals	61,266	\$13,011,686.48	\$185,447.99

April 1, 2018 - March 31, 2019

NON-TAX MERCHANT ACCOUNTS

- Obstacles
 - Online payment practicality
 - Website development
 - Software compatibilities and compliance
 - Unaware of the program

TRANSACTION SUMMARY TAX COLLECTOR ACCOUNT

- Between April 2012 and March 2013
 - 66,921 transactions
 - \$200,201,000 in revenue
 - Fees (if) absorbed by the Tax Collector would amount to approximately \$829,855
- Between April 2018 and March 2019
 - 152,840 transactions
 - \$524,111,000 in revenue
 - Fees (if) absorbed by the Tax Collector would amount to approximately \$1,443,000

TRANSACTION SUMMARY

TAX COLLECTOR ACCOUNT

- Credit Card Transactions
 - 27,060 for \$57,714,000
- E-Check Transactions
 - 122,652 for \$462,657,000
- Pinless Debit Transactions
 - 3,128 for \$3,740,000

CONCLUSION

While several County departments have chosen to have a third-party service provider charge and collect the service fee, others have chosen to continue to absorb the fee as a departmental expense in accordance with Resolution 2014/270.

The decision to use a third-party service provider to charge and collect the service fee may have negative effects on the bank card program depending on the nature of the fines, fees, goods and/or services being paid for.

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