



City of Richmond

Report to Committee

To: Finance Committee

Date: January 17, 2022

From: Ivy Wong
Acting Director, Finance

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01

Re: Cessation of Cash Transactions at City Hall

Staff Recommendation

That the City no long accept cash payments for transactions at City Hall effective immediately.

Ivy Wong
Acting Director, Finance
(604-276-4046)

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER	
SENIOR STAFF REPORT REVIEW	INITIALS:
APPROVED BY CAO 	

Staff Report

Origin

At the Special General Purposes Committee meeting of March 23, 2020 and the Finance Committee meeting of September 8, 2020 Council supported the decision to not accept cash transactions at City Hall until March 31, 2021. At the Finance Committee meeting of March 1, 2021, Council supported the decision to further extend the cessation of cash at City Hall to March 31, 2022.

This report supports Council's Strategic Plan 2018-2022 Strategy #5 Sound Financial Management:

Accountable, transparent, and responsible financial management that supports the needs of the community into the future.

Analysis

With the initial outbreak of COVID-19 in early 2020, the decision to stop accepting cash at City Hall was to support social distancing requirements by eliminating the only payment method that necessitated physical presence at City Hall. Since most people withdrew cash from their financial institution before making a separate trip to City Hall, eliminating the cash option reduced the extra trip needed for taxpayers to pay their bills.

Since early 2020, a total of two property tax and eight utility billings were generated, resulting in over 390,000 invoices sent to property owners. In total, less than 10 taxpayers, in early 2020, expressed their dissatisfaction of not being able to pay by cash. Once the City's rationale and the various other payment options were explained, all taxpayers understood and accepted the decision. This change in payment method is in line with the practices of a majority of businesses throughout the world, who have made similar changes during the pandemic. During this period, the City experienced an increase in payments made through financial institutions and online self-service payments. Majority of customers who continue to pay at City Hall were prepared to pay by cheque.

Attachment 1 provides the payment statistics since April 2020. On average 27.2 percent of all payments received were processed by staff at City Hall while 72.8 percent were paid through financial institutions or through the City's self-service online credit card payment system. Of the current payments processed on premise by City staff, 80 percent are payments by cheque, 5.67 percent are by debit card, and 14.33 percent are by credit card.

With City Hall not accepting cash, the following benefits were observed:

- Improved customer service. As time required for cash handling and daily cash balancing is reduced, cashiers are able to spend the extra time needed to address customers' concerns.
- Elimination of the risk of accepting counterfeit notes.
- Reduced the risk of theft or loss associated with the City holding excessive cash balances on the premise until it is picked up by the armoured car service.

As taxpayers have numerous convenient payment options available, there have not been any major issues with the decision to not accept cash at City Hall in the past 22 months. Customers have adjusted their payment habits in line with modern payment processes.

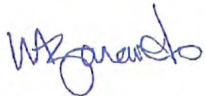
With the current practice of not accepting cash at City Hall and the general acceptance of taxpayers to a cashless City Hall, staff recommend that the City cease to accept cash for City Hall transactions indefinitely.

Financial Impact

None

Conclusion

That the City no longer accept cash payments for transactions at City Hall effective immediately.



Angela Zanardo
Acting Manager, Revenue
(604-276-4392)

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Att. 1

Attachment 1

Payments Processed

Month	City		Financial Institution	Total Online & Via Financial Institution Transactions
	% In Person or Mail-in	% Self Service Online Credit Card	Online & Over the Counter Banking	
Apr-20	53.06%	18.33%	28.61%	46.94%
May-20	9.43%	41.83%	48.74%	90.57%
Jun-20	20.63%	29.10%	50.27%	79.37%
Jul-20	28.26%	15.78%	55.96%	71.74%
Aug-20	18.71%	14.29%	67.01%	81.29%
Sep-20	26.06%	13.60%	60.35%	73.94%
Oct-20	23.36%	11.05%	65.59%	76.64%
Nov-20	17.39%	9.45%	73.16%	82.61%
Dec-20	24.85%	16.08%	59.07%	75.15%
Jan-21	39.37%	39.81%	20.82%	60.63%
Feb-21	24.59%	13.56%	61.85%	75.41%
Mar-21	22.44%	8.72%	68.84%	77.56%
Apr-21	46.81%	32.60%	20.59%	53.19%
May-21	15.95%	7.95%	76.09%	84.05%
Jun-21	20.00%	8.02%	71.98%	80.00%
Jul-21	48.78%	15.10%	36.13%	51.22%
Aug-21	17.57%	9.52%	72.92%	82.43%
Sep-21	25.44%	11.24%	63.32%	74.56%
Oct-21	48.53%	34.26%	17.21%	51.47%
Nov-21	17.69%	9.06%	73.25%	82.31%
Dec-21	22.35%	23.16%	54.49%	77.65%
Average	27.20%	18.21%	54.58%	72.80%