



City of Richmond

Report to Committee

To: Finance Committee

Date: August 10, 2020

From: Jerry Chong
Director of Finance

File: 03-1240-01/2020-Vol
01

Re: Extension of Non-Acceptance of Cash Transactions at City Hall

Staff Recommendation

That Council extends non-acceptance of cash transactions at City Hall until March 31, 2021.

Jerry Chong
Director of Finance
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REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
SENIOR STAFF REPORT REVIEW	INITIALS:
APPROVED BY CAO 	

Staff Report

Origin

At the Special General Purposes Committee meeting on March 23, 2020, the report titled “Cessation of Cash Transactions During Covid-19 Outbreak” was brought forward and received Council’s support for the cessation of cash transactions until September 30, 2020. This report provides an update of the situation and a request for an extension to March 31, 2021.

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

Richmond City Hall was closed to the public effective March 23rd and reopened on June 8th for the collection of tax and utility payments. The following table provides the number of transactions received and where the payments originated between March 23rd to July 31st:

2020 Payment Details by Transaction					
	City			Financial Institution	Total Transactions
	In Person or Mail-in Payment	Self Serve Online credit card / eHOG	Total Transactions Paid Through City	Online & Over The Counter Banking	
Mar 24-31	498	629	1,127	4,678	5,805
April	1,812	626	2,438	977	3,415
May	2,611	11,581	14,192	13,496	27,688
June	13,916	19,633	33,549	33,909	67,458
July	9,429	5,267	14,696	18,675	33,371
Total	28,266	37,736	66,002	71,735	137,737

In the 4 months since the City ceased to accept cash, the City continued to accept over 66K transactions in person and online via the City’s website. The number of in-person payments totalling 28,266 includes all payments dropped through the City’s drop box, walk-in customers, and Canada Post mail processed onsite. The number of self-service customers during this period totalled 37,736. This includes online credit card payments and electronic Home Owner Grant applications (“eHOGs”) claimed through the City’s website. In comparison, the number of payments made through financial institutions totalled 71,735.

Even though the City advertised extensively that City Hall does not accept cash payments, customers who are accustomed to the practice still asked to pay by cash. Usually, once staff

explained the rationale behind the decision, most customers understood and found other means of making payment.

In total, less than 10 customers expressed their displeasure and insisted on transacting by cash. All cash payments were not accepted and customers were advised to go through their financial institution if they wish to use that form of payment. The following is a breakdown of the payments by percentage:

2020 Payment Details				
	City			Financial Institution
	<i>In Person or Mail-in Payment*</i>	<i>Self Serve Online credit card / eHOG</i>	<i>Total Paid Through City Options</i>	<i>Online & Over The Counter Banking</i>
March	9%	11%	19%	81%
April	53%	18%	71%	29%
May	9%	42%	51%	49%
June	21%	29%	50%	50%
July	28%	16%	44%	56%
Total	21%	27%	48%	52%

*Majority of payments processed at City Hall were made via mail or drop box. Due to COVID restrictions, in person payment was less than 15% of total transactions processed at City Hall.

Overall, in 2020, 52% of the tax and utility payments were made through financial institutions and 48% were through City services. In comparison, the 2019 table is as follows:

2019 Payment Details by Percentage				
	City			Financial Institution
	<i>In Person or Mail-in Payment</i>	<i>Self Serve Online credit card / eHOG</i>	<i>Total Paid Through City</i>	<i>Online & Over The Counter Banking</i>
Mar 24-31	28%	0%	28%	72%
April	52%	19%	71%	29%
May	24%	23%	47%	53%
June	20%	30%	50%	50%
July	54%	14%	68%	32%
Total	30%	24%	53%	47%

In 2019, when the City was open to the public, the trends were reversed in that 47% of the payments were made through financial institutions while 53% of the payments were made through City services.

With the current COVID-19 situation in BC, social distancing measures continue to be encouraged. The rationales for not accepting cash at City Hall in March 2020, still exists today.

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Many local businesses also encourage cashless payments in order to minimize the risk of touching cash that someone else has handled and customers have largely accepted this practice.

The extension of non-acceptance of cash at City Hall until March 31, 2021 would continue to support social distancing and anti-money laundering in the community.

Financial Impact

None

Conclusion

That Council extends non-acceptance of cash transactions at City Hall until March 31, 2021.



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