Accepting Credit Cards

NapaSan

Finance Committee Meeting

January 9, 2017

Credit Card Fees

What are the fees charged by credit card processor?

Credit Card Fee	NapaSan Pays Fee	Customer Pays Fee
Percent of Sale	1.42%	2.34%
Per Transaction	$0.12	$0
eCheck / ACH	NapaSan Pays Fee	Customer Pays Fee
Per Transaction	$0.95	$1.50

Note: Several credit card processing companies were contacted. Three were interested in our business. Above represents the best fee options for NapaSan and customer.

Categories of Revenue

On what types of transactions should NapaSan accept credit cards?

- – Recycled Water
- – Monthly Sewer Service
- – Annual Sewer Service
- – Waste Haulers
- – Permits & Inspection Fees
- – RW Signs

Capacity Charges

Volumes of Activity

What is the expected annual volume of credit card activity?

Invoice Type	Current Customers	Assumed % pay by Credit Card
Recycled Water	98	36%
Monthly SSC	26	12%
Annual SSC	34	29%
Waste Haulers	12	17%
Permits & Inspections	400	50%
RW Signs	29	50%

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Credit Card Volumes

What is the estimated annual volume of revenue collected by credit card?

Invoice Type	FY15/16 Total Revenue	Est. - Collected by Credit Card
Recycled Water	$453,047	$161,800
Monthly SSC	$933,886	$107,750
Annual SSC	$598,897	$176,150
Waste Haulers	$182,808	$30,500
Permits & Inspections	$160,533	$80,300
RW Signs	$1,341	$650
Total	**$2,330,512**	**$557,150**

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Estimated Fees

What are the estimated annual fees for accepting credit cards?

Invoice Type	NapaSan Pays	Customer Pays
Recycled Water	$2,331	$3,786
Monthly SSC	$1,534	$2,521
Annual SSC	$2,501	$4,122
Waste Haulers	$436	$713
Permits & Inspections	$1,164	$1,878
RW Signs	$11	$15
Total	**$7,977**	**$13,036**

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Legal Issues

- Can NapaSan pass on the fees to customers?
  - Yes. Governments are exempted from the law that doesn't allow this for retailers

- Other Requirements
  - To pass on the transaction fees to customers, the policy must be approved by the Governing Body

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Policy Questions

Should NapaSan start accepting credit cards for certain payments?

**If yes,
should the credit card fees be paid by the customer or by NapaSan?**