

Memorandum to the Council of Corporation of the Municipality of Temagami

Subject: Square Reader for Landfills and Transfer Stations

Memo No: 2025-M-059

Date: March 13, 2025

Attachment: None

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Recommendation

BE IT RESOLVED THAT Council receives Memo 2025-M-059 as presented;

AND FURTHER RESOLVED THAT Council authorize staff to integrate the Square Reader into our current payment system for landfills and transfer stations.

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Executive Summary

Public Works staff have explored implementing Square Reader to modernize and streamline payment processing at landfills and transfer stations. The current manual, paper-based process creates inefficiencies, administrative burdens, and potential errors. Square Reader, a secure and versatile payment solution, would automate transactions, enhance customer experience, reduce administrative workload, and improve financial oversight. This report evaluates its benefits and feasibility.

Background

The current payment system relies on manual transactions, leading to inefficiencies and potential errors. Square Reader supports credit/debit cards and mobile payments (Apple Pay, Google Pay), while offering automated invoicing, payment tracking, and real-time reporting to address these challenges. Public Works staff have assessed the feasibility of integrating Square Reader into landfill and transfer station operations to improve efficiency and payment compliance.

Financial Benefits

The transition to Square Reader is expected to result in significant financial benefits. Key financial advantages include:

- **Reduction in Unpaid Invoices:** The real-time payment feature provided by Square Reader is projected to reduce unpaid invoices by 45%, which will lead to faster cash flow and decreased collection efforts.
- **Improved Payment Compliance:** With integrated payment tracking and invoicing features, payment compliance is expected to improve by 20-30%, further stabilizing revenue streams.
- **Cost-Effective Transaction Fees:** While Square charges a transaction fee of 2.65% per card-present transaction, this fee is justified by the following:

- The administrative savings from automating payments and invoicing processes will offset the cost of transaction fees.
- The improved revenue collection from reduced unpaid invoices and faster payments will more than make up for the fee, contributing to net financial gains.
- Reduced staff hours spent on processing payments and following up on outstanding invoices will result in long-term cost savings.
- Initial Hardware Investment: A one-time hardware cost of \$399 per unit is required, with three units needed for landfill and transfer station operations. This initial investment is justified by:
 - The long-term operational efficiencies gained by automating transactions.
 - The increased revenue collection from improved payment compliance and reduced manual errors.
- Long-Term Financial Benefits: The automation of transactions and reduction in manual tasks will lead to a reduction in staff hours spent on payment processing and invoicing, further optimizing budget expenditures.

Rationale for Using Square Reader

The adoption of Square Reader for payment processing at landfills and transfer stations is supported by several key advantages that enhance both operational efficiency and customer satisfaction:

- Multi-Channel Payment Acceptance: Square Reader accepts a range of payment methods, including credit/debit cards and mobile payments (Apple Pay, Google Pay), providing flexibility for customers and reducing the likelihood of lost transactions.
- Streamlined Administrative Process: By eliminating the need for paper invoices, Square Reader reduces manual data entry and administrative workload, leading to fewer errors and less time spent on bookkeeping tasks.

- **Real-Time Payment Tracking and Reporting:** Square Reader provides automatic payment tracking and real-time reporting, which improves accuracy in financial reporting and ensures prompt identification of any discrepancies in transactions.
- **Faster Transaction Processing:** Transactions are processed more quickly, reducing customer wait times, especially during peak periods. This improves customer service, increases operational throughput, and enhances overall satisfaction.
- **Offline Payment Capability:** Square Reader's ability to process payments offline (with data syncing once reconnected) ensures that transactions can still occur during internet outages, preventing disruptions in service.
- **Improved Financial Oversight:** The system's robust reporting tools allow for greater transparency and more effective financial management, giving staff the ability to quickly assess transaction history, identify trends, and improve budget forecasting.
- **Portability and Flexibility:** The Square Reader can be used anywhere within the facility, providing greater operational flexibility. This is especially beneficial in large or decentralized facilities where customers may not always be near a fixed point of sale.
- **Enhanced Security:** Square Reader is PCI-compliant, which ensures secure handling of payments and protects sensitive customer data, mitigating risks related to fraud and data breaches.

Conclusion

Adopting Square Readers will modernize payment processing, reduce administrative burdens, enhance customer experience, and promote sustainability by eliminating paper invoices. Features such as real-time tracking, offline mode, and secure transactions ensure an efficient, reliable, and secure system. The potential compatibility concerns are minimal compared to the significant operational and financial advantages. Staff strongly recommend integrating Square Readers to improve financial management and municipal operations.