



# City of Eustis

## Water Customer Service

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TO: EUSTIS CITY COMMISSION  
 FROM: TOM CARRINO, CITY MANAGER  
 DATE: MARCH 20, 2025  
 RE: CREDIT CARD FEES

**Introduction:**

The City Commission has expressed interest in discussing credit card fees to determine if the City should continue to pay for processing fees accrued from Customers paying utility bills by credit or debit cards or if the City should begin passing the cost back to the customers.

**Background:**

Below you will find recent analysis which shows the breakdown of cost incurred by payment types accepted for utility payments.

PAYMENT TYPE	PAYMENT DESCRIPTION	COST PER TRANSACTION	MONTHLY %
DIRECT WITHDRAWAL	ACH Payments-We debit Customer Checking or Savings	\$0.05 EACH	28%
CHECKS	Customer mails or brings check to office	\$0.12 EACH	47%
CASH	Customer in Office with Cash	\$0.00	5%
IVR	Information Voice Response Automated Phone System	\$0.1028 per minute	4%
ONLINE CREDIT CARD	Pays online Visa, Master Card, Discover, or Amex Entered monthly by customer or set up on customer autopay	\$0.30 EACH + 1%	15%
ONLINE E-CHECK	Customer enters E-Check information monthly or Sets up online for automatic autopay	\$0.99 EACH	1%

The Citywide annual cost for credit card processing during FY 2023/24 was \$113,608.48. Please see below for monthly invoice detail for credit card processing fees.

CREDIT CARD PROCESSING MONTHLY INVOICES					
2023	October	\$9,242.90	2024	April	\$10,000.36
2023	November	\$9,157.07	2024	May	\$10,114.75
2023	December	\$8,574.44	2024	June	\$10,009.44
2024	January	\$9,676.75	2024	July	\$10,512.58
2024	February	\$7,408.13	2024	August	\$10,465.91
2024	March	\$9,156.72	2024	September	\$9,289.43
<b>FY 23/24 TOTAL PAID \$113,608.48</b>					

Historically, the City has never passed along the fees associated with processing credit card payments to Utility Customers. Customers who pay invoices with credit cards in other City Departments are charged a 3% processing fee.

We have researched processes of other local municipalities regarding passing credit card processing fees along to customers. The results are shown below.

<b>SISTER CITY CREDIT CARD FEES</b>	
<b>Location</b>	<b>Fee for using credit card to pay</b>
Leesburg	\$3.50 Flat Fee
Mt Dora	none
Tavares	none
Clermont	2.50%

**Recommended Action:**

Provide direction regarding continuing to absorb credit card fees or begin to pass those fees on directly to the customer.

**Prepared by:**

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**Reviewed by:**

Lori Carr, Finance Director