



**City Council Agenda  
January 16, 2025**

**Action Item**

**Agenda Description:**

Discuss, consider, and possible action on approving an Ordinance amending Appendix A, "Fee Schedule," to the City's Code of Ordinances by adding to Section A4.001, "Miscellaneous Permits and Fees," subsection b and creating subsection dd.

**Background Information:**

Chapter 132 of the Local Government Code authorizes municipalities to accept payment by credit card of a municipal fee, fine, court cost or other charge and to collect a fee for the processing of a payment by credit card of a municipal fee, fine, court cost or other charge, said amount being reasonably related to the expense incurred in the processing the credit card payment, not to exceed five percent (5%) of the amount of the fee, fine, court cost or other charge. Chapter 132 of the Local Government Code further authorizes municipalities to collect a service charge if, for any reason, a payment by credit card is not honored by the credit card company on which the funds are drawn, said amount being equivalent to that charged for the collection of a check drawn on an account with insufficient funds.

**Financial Information:**

Roughly eighty percent (80%) of court and permit payments are processed with a credit card which results in the City incurring an additional expense for offering this payment method. Last fiscal year this expense was about \$17,000.

**City Contact and Recommendations:**

M. Freelen

Recommendation of approving a 3.5% credit card processing fee and a \$30 credit card service charge.

**Attachments:**

1. Ordinance