

MEETING DATE
April 5, 2023

CITY OF LAKE CITY

Report to Council

COUNCIL AGENDA	
SECTION	
ITEM NO.	

SUBJECT: Credit Card Fees

DEPT / OFFICE: Customer Service

Originator: Katrina Medearis

City Manager Paul Dyal	Department Director Katrina Medearis	Date 03/16/2023
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Recommended Action: Charge a 3% convenience fee across the board for all payments on Invoice Cloud & over the counter transactions using credit/debit card

Summary Explanation & Background: Over the last few years our credit card fees have significantly increased, and that number is continuing to rise as more people tend to use their credit/debt cards versus using cash or checks. Most banks, credit unions, and prepaid cards are offering direct deposit up to 2 days early, and many of our customers are taking advantage of that and paying bills using those same cards.

Alternatives: *Continue to absorb the cost of the credit card fees which Finance is projected to be \$120,000-\$150,000 for the year. * Charge 3% convenience fee across the board for all payments on Invoice Cloud and in person over the counter transactions using a credit/debit card.

Source of Funds:

Financial Impact: Finance is estimating \$120,000 to \$150,000 in credit card fees

Exhibits Attached: See attached