

MEETING DATE
June 20, 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 06/09/2023
Recommended Action: Charge a 3.5% convenience fee on credit/debit cards to help offset fees that the City has been absorbing		
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 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 could be roughly \$120,000-\$150,000 for the year. * Charge 3.5% convenience fee across the board for all payments on Invoice Cloud and in person over the counter transactions using credit/debit card. *Charge 3.5% for credit/debit cards only on Invoice Cloud.		
Source of Funds:		
Financial Impact: Finance is estimating \$120,000 to \$150,000 in credit card fees.		
Exhibits Attached: See attached		