

Exhibit "A"  
to Ordinance 681-AC

CHAPTER 8 – FINANCE  
ARTICLE IV – PAYMENT PROCESSING AND CASH HANDLING

**Sec. 8-20. Purpose and Intent.**

The purpose of this Article is to establish a uniform and transparent administrative method for processing cash payments made to the City when exact change cannot be made due to the unavailability of one-cent coins ("pennies"), by authorizing neutral rounding to the nearest five cents (\$0.05) at the point of payment only, while preserving the legally adopted amount owed to the City.

This Article does not alter the amount of any fee, tax, or charge adopted by the City Council and is intended solely to govern payment processing.

**Sec. 8-21. Definitions.**

For purposes of this Article:

- (a) Amount Due means the exact amount owed to the City as calculated pursuant to applicable fee schedules, rates, ordinances, resolutions, or laws, expressed to the nearest cent.
- (b) Cash Payment means payment made using United States currency and coin.
- (c) Non-Cash Payment means payment made by check, credit card, debit card, electronic funds transfer, or any other non-cash method accepted by the City.

**Sec. 8-22. Cash Rounding Policy.**

- (a) Calculation of Amount Due. All amounts owed to the City shall be calculated and recorded to the exact cent.
- (b) Application of Rounding. When an Amount Due is paid by Cash Payment and exact change cannot be made due to the unavailability of one-cent coins, the amount collected shall be rounded to the nearest five cents (\$0.05) at the point of payment.
- (c) Rounding Principles. Rounding shall be applied as follows:
  - 1. Amounts ending in \$0.01 or \$0.02 shall be rounded down to \$0.00;
  - 2. Amounts ending in \$0.03 or \$0.04 shall be rounded up to \$0.05;
  - 3. Amounts ending in \$0.06 or \$0.07 shall be rounded down to \$0.05; and
  - 4. Amounts ending in \$0.08 or \$0.09 shall be rounded up to \$0.10.
- (d) Neutral Application. Rounding shall be applied in a neutral and uniform manner and shall not be designed to increase City revenues.
- (e) Non-Cash Payments. Amounts paid by Non-Cash Payment shall be collected in the exact Amount Due without rounding.
- (f) No Effect on Fees. Cash rounding differences shall not be considered fee reductions, waivers, or unauthorized gifts of public funds.

**Sec. 8-23. Administrative Implementation.**

The City Manager, or designee, is authorized to:

- (a) Adopt administrative procedures to implement this Article;
- (b) Update cashiering systems and internal controls as necessary; and
- (c) Provide training and public notice regarding the cash rounding policy.

**Sec. 8-24. Public Notice.**

(a) The City shall provide reasonable and conspicuous notice that cash payments may be subject to rounding to the nearest five cents (\$0.05).

(b) Notice may be provided through:

1. Signage at payment locations;
2. Billing statements, invoices, or receipts;
3. The City's website; or
4. Other reasonable means as determined by the City Manager.

(c) Notice shall state that:

1. All amounts are calculated to the exact cent;
2. Rounding applies only to cash payments; and
3. Non-cash payments are not subject to rounding.

(d) Failure to provide notice in a particular instance shall not affect the validity of the Amount Due or payment processed.

**Sec. 8-25. Policy to Avoid Penny-Based Totals.**

(a) To the extent practicable, the City shall structure fees, charges, and payment totals so that amounts due end in increments of five cents (\$0.05) or whole dime increments.

(b) This policy applies to:

1. New or amended fee schedules;
2. Administrative pricing for services and programs;
3. Recurring charges, including utilities; and
4. Point-of-sale transactions.

(c) This section does not require recalculation or modification of previously adopted fees.

(d) Where amounts do not align with such increments, the cash rounding provisions of this Article shall apply.

(e) The City Manager, or designee, shall determine feasibility based on operational, legal, and technological considerations.

**Sec. 8-26. No Creation of Rights.**

This Article establishes an administrative payment procedure only and does not create any private right of action against the City.

**Sec. 8-27. Severability.**

If any provision of this Article is held invalid, such invalidity shall not affect the remaining provisions, which shall continue in full force and effect.