



Agenda Item Executive Summary

Item Name AN ORDINANCE AMENDING ORDINANCE 2005-01 TO REQUIRE CONSUMERS TO PAY CREDIT AND DEBIT CARD PROCESSING FEES Committee or Board Committee

BUDGET IMPACT

Amount:	N/A	Budgeted:	N/A
List what fund:	N/A		

EXECUTIVE SUMMARY

Ordinance 2005-01, adopted in 2005, authorized the Village of Winnebago to accept credit and debit card payments and permitted the Village to pass on a convenience fee to users. However, although the ordinance allows the Village to impose a fee of up to \$1.00 per transaction administratively, it requires that any other fee structures – such as percentage-based fees or amounts above \$1.00 – be formally approved by the Village Board.

Despite this authority, staff has determined that fees have not been passed on to the consumer at all and have instead been absorbed by the Village. In FY2025 alone, as of the end of November, the Village has incurred nearly \$40,000 in credit and debit card processing fees.

To address this unbudgeted and growing expense, staff recommends amending Ordinance 2005-01 to clearly require that all credit and debit card processing fees – regardless of amount – be passed directly to the consumer. This amendment would allow the Village to pass through the actual fee charged by the payment processor, which may vary by transaction and card type, while remaining in compliance with state law and the original ordinance framework.

Implementation would include notifying residents well in advance of the change and offering other convenient, fee-free payment options such as ACH auto-draft and other electronic check methods to those who wish to avoid incurring processing fees.

ATTACHMENTS (PLEASE LIST)

Ordinance 2005-01

ACTION REQUESTED

- For Discussion Only
- Resolution
- Ordinance
- Motion:

MOTION: I MOVE TO APPROVE ORDINANCE 2025-__, AN ORDINANCE AMENDING ORDINANCE 2005-01 TO REQUIRE THAT ALL CREDIT AND DEBIT CARD PROCESSING FEES BE PAID BY THE CONSUMER.

Staff: Joseph Dienberg, Village Administrator Date: 12/17/2025