



## STAFF REPORT ON PROPOSED LEGISLATION

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To: Mayor Gavin Buckley

From: Jodee Dickinson, Finance Director

Date: May 26, 2020

Subject: O-23-20 Payment for City Services

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This ordinance will update the City Code to authorize the City's Finance Department to collect a fee on checks returned for insufficient funds, to charge a convenience fee for credit or debit card payments received online or over the phone, and charge penalties on late sewer service payments.

Fee for Returned Checks: The proposed changes to City Code bring the Code language in line with current practices. The City has been charging \$50 for any check returned for insufficient funds. If Council approves this legislation, we will submit an amendment to the fee schedule adding a \$35 fee for all returned checks.

Convenience Fee: The proposed convenience fee will offset the cost to the City for processing credit and debit card charges processed online or over the phone. The City spends more than \$100,000 annually in fees for credit and debit card processing, and incurs staff costs to process and record these batches. If the Council approves the proposed changes, we will submit an amendment to the fee schedule to add a \$3 per transaction fee for these payment methods. These changes would take effect once we have updated the online systems to include the fee.

Penalty for Late Sewer Service Payments: Currently, the Code authorizes a 10% penalty for late payments for water service but does not include the same authority for late sewer service payments. The proposed change authorizes the City to assess the 10% penalty on payments for sewer services.