



Report to Council

To: Mayor and Council File No: 1880-03-2025
Date: May 12, 2025
From: Rena Crosson, Manager, Financial Operations
Subject: Fees and Charges (City Surcharge) Amendment Bylaw 6039, 2025

Purpose:

To amend the Fees and Charges Bylaw 3909 allowing for a City Surcharge applied to online payments when a credit card is used.

Recommendation:

THAT Bylaw 6039, "Fees and Charges (City Surcharge) Amendment Bylaw 6039, 2025", a bylaw to amend Fees and Charges Bylaw 3909, be read a first, second and third time.

Background:

a. Rationale:

During the April 14, 2025 Regular meeting, Council adopted Bylaw 6033, "Fees and Charges (Annual Updates) Amendment Bylaw 6033, 2025", which included the addition of a City Surcharge on credit card payments.

Subsequent to this adoption, additional information was received from the City's software provider. The software utilized to apply a credit card surcharge for *over the counter payments* can also be used to accept *online payments* and apply a credit card surcharge. As a result, the City Surcharge fee is being amended to include "online" as a payment method. At this time, the software we are adjusting does not include Recreation Services as they use a different software provider.

Through this user pay model, those who choose to use the service pay for the convenience of the service. Customers still have the option of paying over the counter using other methods of payment, such as cash, cheque, or debit. In addition, customers can pay for property tax or utility bills through their online banking service.

b. Relevant Policy/Bylaw/Resolutions/Legislative Authority:

Fees and Charges Bylaw 3909

In Canada (except Quebec), the new rules allowing merchants to surcharge on credit card transactions became effective on October 6, 2022. This followed a settlement in a class action lawsuit against Visa and Mastercard.

c. Council's Strategic Plan Alignment:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Governance & Organizational Excellence | <input type="checkbox"/> Livability |
| <input type="checkbox"/> Recreation, Parks & Natural Areas | <input type="checkbox"/> Vibrancy |
| <input type="checkbox"/> Environmental Leadership | <input type="checkbox"/> Not Applicable |

d. Committee Recommendations:

N/A

Financial Implications:

Cost of new financial module has been included in the 2025 operating budget to address Council's strategic directive on this action.

Implementation of the City Surcharge ensures the municipality does not incur additional costs as a result of accepting credit cards as a form of payment.

The maximum allowable amount for the surcharge is capped at 2.4%, or the amount it costs to accept credit card, whichever is less. The City's costs include the credit card service fees, which differ between credit cards, and the cost of the additional financial module for implementation and subscription fees. The module will facilitate recording the added surcharge which must be shown on the receipt and provide a more efficient, cost effective option for accepting online payments.

Alternatives & Implications:

N/A

Communication:

Once the ability to make credit card payments has been established, communication will occur through the City website and through the customer bills sent to residents.

Attachments:

Attachment 1: Fees and Charges (City Surcharge) Amendment bylaw 6039, 2025

Reviewed by: Elma Hamming, Director, Financial Services
Reviewed by: Kevin Poole, Director, Corporate Administration
Approved by: Peter Weeber, Chief Administrative Officer