

BEACHWOOD CITY COUNCIL
FINANCE AND INSURANCE COMMITTEE MEETING AGENDA
MONDAY, FEBRUARY 10, 2020, 6:00 PM
at **BEACHWOOD CITY HALL, CONFERENCE ROOM A,**
25325 Fairmount Boulevard, Beachwood, Ohio 44122

Eric Synenberg
Barbara Bellin Janovitz
June E. Taylor

Agenda Items

1. Mayor's Report
2. Discussion regarding Enterprise Fleet Management
3. Discussion regarding an Ordinance adopting a new BCO Chapter 136 titled "Payments by Financial Transaction Device"
4. Any other matters coming before the Finance and Insurance Committee

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INTRODUCED BY:

ORDINANCE NO. 2020-26

AN ORDINANCE ADOPTING NEW BCO CHAPTER 136 TITLED "PAYMENTS BY FINANCIAL TRANSACTION DEVICE

WHEREAS, it is necessary for the City to establish uniform provisions governing the use of financial transaction devices by City entities for the payment of City expenses.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Beachwood, County of Cuyahoga, and State of Ohio, that:

Section 1: New BCO Chapter 136, titled "Payments by Financial Transaction Device", is hereby enacted to read and provide, in its entirety, as indicated in Exhibit "A" which is attached hereto and incorporated herein by reference.

Section 2: Any other Ordinances or parts thereof in conflict herewith be, and the same hereby are, repealed to the extent of the conflict and all Ordinances not amended by this Ordinance shall remain in full force and effect.

Section 3: It is found and determined that all formal actions and deliberations of Council and its committees, relating to the passage of this legislation that resulted in formal action were in meetings open to the public where required by Chapter 105, Codified Ordinances of the City.

WHEREFORE, this Ordinance shall take effect and be in force from and after the earliest date permitted by law.

Attest: I hereby certify this legislation was duly adopted on the 3rd day of February, 2020, and presented to the Mayor for approval or rejection in accordance with Article III, Section 8 of the Charter on the 4th day of February, 2020.

Clerk

Approval: I have approved this legislation this 4th day of February, 2020, and filed it with the Clerk.

Mayor

Exhibit A
CHAPTER 136
Payments by Financial Transaction Device

136.01 DEFINITIONS

As used in this section:

(A) “City Entity” or “City entity” includes the City and any officers, officials, departments, agencies, courts, boards, commissions, committees, organizations, corporations, or any other City Entity established by or pursuant to the Charter of the City of Beachwood, Ohio or Ohio law.

(B) “City Expense” or “City expense” shall be interpreted broadly, and it shall include, without limitation, any and all fees, costs, taxes, assessments, fines, penalties, payments, or any other expense owed to or collected by any City Entity.

(C) “Financial Transaction Device” or “Financial transaction device” or “financial transaction device” includes credit card, debit card, charge card, prepaid or stored value cards, automated clearinghouse network card, debit, or e-check entry that includes, but is not limited to, accounts receivable and internet-initiated point of purchase, and telephone-initiated applications or any other device or method for making an electronic payment or transfer of funds.

(D) “Financial Transaction Provider” or “Financial transaction provider” or “financial transaction provider” includes a financial institution, issuer of financial transaction devices, or processor of financial transaction devices to accept, take, and/or process a financial transaction device.

(E) “Associated Fee” or “associated fee” includes, without limitation, any nonrefundable surcharge, nonrefundable convenience fee or other fee, or any other refundable or nonrefundable fee that is assessed by a City entity or a financial transaction provider in connection with the processing of a City fee by financial transaction device.

136.02 PAYMENT OF EXPENSES BY FINANCIAL TRANSACTION DEVICES

(A) City entities are authorized to accept and require payment for City expenses by financial transaction devices and may impose associated fees to be paid either directly to the City entity or the financial transaction provider. City entities shall, as practicable, obtain approval from and coordinate their use of financial transaction devices with the Finance Director to ensure all protocol is followed and to avoid the duplication of services.

(B) A non-refundable associated fee of Four Dollars and No/Cents (\$4.00) or Four Percent (4%), whichever is more, will be imposed on all financial transaction devices.

(C) City entities shall notify all customers that the associated fee is being imposed and allow an “opt out” for the transaction if they choose not to pay the fee.

(D) Every City entity accepting or otherwise mandating payments by a financial transaction device shall clearly post a schedule of its fees, including any associated fees, in the City entity’s office and on its website. If the fee is non-refundable, the posting shall include a notice that the associated fees are non-refundable.

136.03 DISHONORED OR RETURNED PAYMENTS

(A) In the event that a payment is made by a financial transaction device and the payment is returned or dishonored for any reason, the payer shall be liable to the City entity for banking charges, legal fees, or other expenses incurred by the City entity in collecting the returned or dishonored payment.

(B) No person making any payment by financial transaction device to a City entity shall be relieved from liability for the underlying obligation except to the extent that the City entity realizes final payment of the underlying obligation in cash or its equivalent. If final payment is not made by the

financial transaction device issuer or other guarantor of payment in the transaction, the underlying obligation shall survive and the City entity shall retain all remedies for enforcement that would have applied if the transaction had not occurred.

(C) The remedies and procedures provided in this section are in addition to any other available civil or criminal remedies provided by law.

136.04 CONTRACT WITH FINANCIAL TRANSACTION PROVIDERS

All contracts or agreements with financial transaction providers pursuant to this Chapter shall be reviewed and approved by the appropriate approval authority depending on the monetary threshold of each contract or agreement in accordance with Beachwood Codified Ordinances. This section may not be interpreted to require additional approval of any existing contracts or agreements for the payment of City expenses by financial transaction devices, including any associated fees thereunder, which are hereby retroactively ratified.

136.05 IMMUNITY OF CITY OFFICIALS AND EMPLOYEES

A City official or employee who accepts a financial transaction device payment in accordance with this Chapter, court order, or Ohio law shall be immune from persona liability for the final collection of such payments.