



# City of Broken Arrow

## Request for Action

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**File #: 18-359, Version: 1**

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**Broken Arrow City Council**

**Meeting of: 03-20-18**

**To: Mayor and City Council**

**From: Finance Department**

**Title:**

**Approval of and authorization to execute a Master Services Agreement with Paymentus for credit card and debit card payment processing**

**Background:**

The Broken Arrow Municipal Authority and the City of Broken Arrow accept credit and debit cards as payment for utility bills, court bonds, fines, building permits, licensing, Animal Control charges and Park fees. In Fiscal Year 2017 57,571 credit and debit card transactions were processed totaling \$6,564,226 incurring fees of \$197,342.78. The average fee incurred was 3.01% for each dollar paid through this method. The City also accepts Automated Clearing House (ACH) or electronic check (eCheck) utility payments on the City's website. In the Fiscal Year 2017 31,446 eCheck transactions were processed totaling \$3,068,150 incurring fees of \$12,884 (41 cents a transaction).

Our current processor does not offer a fully integrated Europay, Mastercard and Visa (EMV) chip technology and Payment Card Industry Data Security Standards (PCI DSS) compliance with our financial software system. By utilizing Paymentus the City will gain compliance with PCI DSS and EMV requirements. Other improvements of utilizing Paymentus are: fully-proven integration with our financial Enterprise Resource Planning (ERP) system, real-time credit card processing, ability to schedule payments for a future date, enhanced reporting capabilities and a small annual savings of less than \$10,000 in credit card fees is expected

**Cost: \$204,600 Total Budgeted Funds for Fiscal Year 2018; actual cost will be dependent on total dollar amount of payments.**

**Prepared By: Tom Cook Jr., Acting Finance Director**

**Reviewed By: Legal Department  
Russell M. Gale, Assistant City Manager of Administration**

**Approved By: Michael L. Spurgeon, City Manager**

**Attachments: Proposed Master Services Agreement**

**Recommendation: Approval of and authorization to execute a Master Services Agreement with Paymentus**