



# GARDINER CITY COUNCIL AGENDA ITEM INFORMATION SHEET



Meeting Date		Department	
Agenda Item			
Est. Cost			
Background Information			
Requested Action			
City Manager and/or Finance Review			
Council Vote/ Action Taken			
Departmental Follow-Up			

City Clerk Use Only	1 <sup>st</sup> Reading _____	Advertised _____	EFFECTIVE DATE _____
	2 <sup>nd</sup> Reading _____	Advertised _____ w/in 15 Days	
	Final to Dept _____	Updated Book _____	Online _____

## **City of Gardiner**

### **Penny Discontinuation Policy**

The purpose of this policy is to ensure a consistent standard of practice for handling cash transaction and rounding to the nearest five cents, due to the discontinuation of pennies.

#### **Scope:**

This policy applies **only to cash transactions** where the exact change is unavailable. Electronic payments (credit cards, debit cards, digital wallets) will continue to be processed for the exact amount.

#### **Procedure:**

The final cash transaction amount (including all items, duties, fees, and taxes) will be calculated to the exact cent, and then the final total will be rounded down to the nearest five-cent increment. The city will round down to the nearest amount for the first 6 months of this policy.

**Transactions:** For cash transactions, the employee will round down and charge the customer the lower amount. In Cash Receipting change the amount showing on the screen to match the lower amount being charged to the customer, save and proceed. A new GL account will be created for “penny discrepancies”. Employee will go into the account and enter the “cents” difference there. Then save and proceed with cash receipting. This ensures the cash up will be correct at the end of each day and also accounts for the pennies.

#### **Employee Guidance:**

- Communicate the rounding policy clearly and transparently to customers, ideally with visible signage at the point of sale.
- Continue to accept pennies as legal tender if customers use them for payment.

**Disclaimer:** This policy is subject to change based on future federal, state, or local guidance in adherence with Maine Revenue Services. The City will look at the financial impact in 6 months and reevaluate.