



City of Marco Island

Meeting Date: March 16, 2026

To: City Council

From: Carol McDermott, Finance Director

Through: Dr. Casey Lucius, City Manager

Re: Finance Department Monthly Report

The following is an update of the Finance activities and projects through the month of February 2026:

Staffing:

The department posted a Senior Accountant position in February.

FY25 Audit and Financial Report:

Audit fieldwork, which began the week of January 26th, continues. The auditors were on site in February to meet with members of the finance team, the City Manager, and the Council Chair and Vice-chair.

Chris Kessler, of CLA, attended the February 25 Audit Advisory Committee (AAC) meeting to provide an update on the audit progress. Chris informed the AAC that the City will request an extension to April 30 from the Government Finance Officers Association (GFOA) for the FY25 Annual Comprehensive Financial Report (ACFR) filing.

Utility Customer Service and Billing:

While trending down versus prior few months, the call and walk-in volumes continued to be high in February. Most autopay customers are now re-enrolled in the new payment portal. Volumes are expected to continue to decrease.

Utility Customer Services:

Calls: 1,505 – Call volume declined 29% from January’s level of 2,123. Calls seeking support to enroll in the new payment portal decreased.

Work Orders: 456 –

February, like January, experienced a high level of water service disconnects and reinstatements resulting from delinquent autopay customers who had not re-enrolled in the new payment portal. The grace period for late fees and penalties ended with the February 15th billing cycle. Water service disconnects are expected to decline over the next few months.

Rolling 13-month trend of utility work orders:

Work Orders for Dept (UTILITY)	2/25	3/25	4/25	5/25	6/25	7/25	8/25	9/25	10/25	11/25	12/25	1/26	2/26
ADDITIONAL METER	13	4	7	10									
BACKFLOW REPAIR					2	7	4	8	1	10	14	11	9
CUSTOMER LEAK									1				
FINAL READ OWNER	61	72	89	78	115	67	52	72	47	45	77	49	77
HIGH WATER BILL	10	3	4	5	11	23	4	18	7	9	23	9	6
INTRNL MTR CHNGE OUT				2									
IR CHANGE OUT	1												
LOW PRESSURE		6	2	1		1	1	1	3	1		2	
METER BOX/LID REPLACEMENT	1										1		1
METER DOWNSIZE										1	1		
NEW COMPANION METER												1	
NEW METER BOX			1										
NEW WATER METER	10	3	3	4	5	8	8	3		5	5	2	2
NO WATER										1	1		
OFF PER CUST REQUEST	1	2	4	15	1	4	1	3	1	1	2		1
PROBLEM/COMPLAINT	10	1	13	15	5	4	7		2	3	3	1	8
RC CHANGE OUT													
RED TAG NON-PAYMENT	2	10	1		1	1	7		5	1	3	3	3
RELOCATE METER		2									2		
REMOVE METER				2		1							
REMOVE RECLAIM METER					1	1							
REPAIRS				1	1		2				1	1	2
RE-READ				1	1	1							
SERVICE LINE LEAK		1	4	7	7	3	1	3	4	4	2		1
SERVICE LINE REPAIR	2	1	4	3	1	9		2	7	1	5		
SET UP TEMP METER	1				1	2			3	1		2	
SEWER BACKUP/ISSUE			2										
STUCK METER	8	21	10	12	9	8	3		5	11	4	22	3
TEMP METER RETURNED	2		1			2	1	1	3	2	1		
TURN WATER ON	17	16	29	14	12	13	23	23	36	18	28	208	178
TURN OFF	24	10	26	20	22	16	25	23	27	9	25	260	158
UNLOCK MTR/BCKFLW IN	4	4	4	4		7	1	6	5	5	4	4	4
UPSIZE METER			1	1	1			3				1	
WATER METER CHANGE OUT	32	75	35	37		5		1		1	3	7	1
WATER MAIN BREAK				1	1	1							
WT CHANGEOUT WITH BACKFLOW					1								
YELLOW TAG			1		2			1					1
TOTAL	199	231	241	233	200	184	140	168	157	129	205	583	455

Accounts Payable: February Activity

412 invoices for a total of \$2,721,403 were paid via 231 checks and 78 ACH transactions.

Rolling 13 Month Trend of Accounts Payable Activity													
	02/25	03/25	04/25	05/25	06/25	07/25	08/25	09/25	10/25	11/25	12/25	01/26	02/26
Amount Paid	\$3,566,443	\$2,820,843	\$ 2,894,173	\$ 3,136,066	\$ 2,799,779	\$ 3,615,700	\$ 2,055,897	\$ 4,460,443	\$5,083,567	\$ 3,573,091	\$ 3,065,067	\$2,817,970	\$ 2,721,403
Invoices Paid	479	550	498	508	505	424	506	691	397	531	549	449	412
Checks	212	228	240	210	222	190	201	234	180	220	261	164	231
ACH	48	63	48	46	49	46	59	62	48	59	51	52	78

FY25	
Amount Paid	\$43,528,517
Invoices Paid	5,812
Checks	2,452
ACH	621

YTD FY26	
Amount Paid	\$17,261,097
Invoices Paid	2,338
Checks	1,056
ACH	288

Rolling Monthly Average	
Amount Paid	\$3,277,726
Invoices Paid	500
Checks	215
ACH	55

Code Summary of Monthly Activity:

	10/31/2025	11/30/2025	12/31/2025	1/31/2026	2/28/2026	YTD 2026
Number of liens satisfied with Collier County ⁽¹⁾	1	1	1	3	0	6
Fines invoiced	\$ 98,210	\$ 90,430	\$ 52,409	\$ 17,250	\$ 82,250	\$ 340,549
Less: fines mitigated	192,200	5,100	126,650	87,295		411,245
Net fines invoiced	\$ (93,990)	\$ 85,330	\$ (74,241)	\$ (70,045)	\$ 82,250	\$ (70,696)
Fines collected ⁽²⁾	\$ 35,250	\$ 23,750	\$ 11,400	\$ 2,700	\$ 7,359	\$ 80,459
Fines outstanding	\$ 37,500	\$ 79,500	\$ 43,709	\$ 17,250	\$ 76,750	\$ 254,709
Fines recorded as liens	\$ 3,700	\$ -	\$ -	\$ 48,450	\$ 8,050	\$ 60,200

⁽¹⁾ Liens satisfied can be prior to year 2021

⁽²⁾ Code Compliance Fees includes Magistrate and citations

⁽³⁾ October fines mitigated include a ~\$200k mitigation from a case that predates 2015.

The original invoice is cancelled and reissued at the lower amount which was approximately \$12k.

The Magistrate will not meet in March 2026.

Key points

The amount collected from fines is often less than originally invoiced due to the mitigation process, which allows property owners to request a reduction after a violation has been corrected.

Mitigation is reviewed by staff and the city attorney, and approved by the Special Magistrate during formal hearings.

Decisions are based on factors such as the severity and duration of the violation, and the owner's history of prior violations.

Mitigation helps balance accountability with fairness and encourages voluntary compliance while preserving the City's ability to collect fines through liens and other means when necessary.

Fines recorded as liens are not always immediately collected. Liens remain active until satisfied and are most commonly resolved at the time of property sale, title transfer, or refinancing.

Some outstanding fines shown in this report may be collected in future years, and the timing of lien recovery can vary significantly based on property activity.