



# City of Marco Island

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Meeting Date: November 17, 2025

To: City Council

From: Carol McDermott, Finance Director

Through: Dr. Casey Lucius, Interim City Manager

Re: Finance Department Monthly Report

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The following is an update of the Finance activities and projects for the month of October 2025:

**Year-end and Annual Audit:**

The team is focused on closing FY25 and working on the documentation requested by the external Auditor, CLA.

This year-end closing schedule aligns with prior years' timelines. Preliminary results will be available in December. Next year's timeline will be adjusted.

**Staffing:**

The department is actively recruiting to fill the vacant Controller position.

**Payroll:**

A special payroll was run for back pay and holiday pay resulting from the Fire Department contract.

### Utility Billing:

Two changes occurred in October.

1. Utility billing was converted to a new payment portal, Tyler Payments, to process all credit card, e-check, and IVR (phone) payments. The move to the new portal required auto pay customers to re-enroll on the new portal. Late fees will be waived for 60 days to allow autopay customers time to enroll on the new payment portal.
2. Convenience fees were implemented for Credit card and IVR payments. E-check payments will not incur a convenience fee.

Both events, the new portal and the convenience fee implementation, increased call volumes as residents and businesses sought help registering for autopay on the new portal and understanding the payment options offered with and without convenience fees.

Call volume is expected to remain higher than normal as customers continue to register on the new payment portal.

### Utility Customer Services:

**Calls: 1,555** – of which approximately 60% occurred the last two weeks of the month due to the conversion to a new payment portal and the implementation of convenience fees.

**Work orders: 157**

### Rolling 13-month trend of work orders:

| Utility Dept. Work Orders: | 10/24      | 11/24      | 12/24      | 1/25       | 2/25       | 3/25       | 4/25       | 5/25       | 6/25       | 7/25       | 8/25       | 9/25       | 10/25      |
|----------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| ADDITIONAL METER           | 6          | 16         | 5          | 18         | 13         | 4          | 7          | 10         |            |            |            |            |            |
| BACKFLOW REPAIR            |            |            |            |            |            |            |            |            | 2          | 7          | 4          | 8          | 1          |
| CUSTOMER LEAK              |            |            |            | 1          |            |            |            |            |            |            |            |            | 1          |
| FINAL READ OWNER           | 62         | 51         | 61         | 50         | 61         | 72         | 89         | 78         | 115        | 67         | 52         | 72         | 47         |
| HIGH WATER BILL            | 3          | 7          | 11         | 18         | 10         | 3          | 4          | 5          | 11         | 23         | 4          | 18         | 7          |
| INTRNL MTR CHNGE OUT       |            |            |            |            |            |            |            | 2          |            |            |            |            |            |
| IR CHANGE OUT              |            |            |            | 1          | 1          |            |            |            |            |            |            |            |            |
| IRRIGATION METER           | 1          |            |            |            |            |            |            |            |            |            |            |            |            |
| LOW PRESSURE               | 2          | 3          | 3          | 1          |            | 6          | 2          | 1          |            | 1          | 1          | 1          | 3          |
| METER BOX/LID REPLACEMENT  |            | 1          |            | 2          | 1          |            |            |            |            |            |            |            |            |
| METER DOWNSIZE             |            | 1          |            |            |            |            |            |            |            |            |            |            |            |
| NEW METER BOX              |            | 1          |            |            |            |            | 1          |            |            |            |            |            |            |
| NEW WATER METER            |            | 7          | 7          | 4          | 10         | 3          | 3          | 4          | 5          | 8          | 8          | 3          |            |
| OFF PER CUST REQUEST       | 2          | 2          | 2          | 1          | 1          | 2          | 4          | 15         | 1          | 4          | 1          | 3          | 1          |
| PROBLEM/COMPLAINT          | 13         | 6          | 5          | 7          | 10         | 1          | 13         | 15         | 5          | 4          | 7          |            | 2          |
| RC CHANGE OUT              |            | 3          |            | 1          |            |            |            |            |            |            |            |            |            |
| RED TAG NON-PAYMENT        |            | 6          | 3          | 3          | 2          | 10         | 1          |            | 1          | 1          | 7          |            | 5          |
| RELOCATE METER             |            |            |            |            |            | 2          |            |            |            |            |            |            |            |
| REMOVE METER               |            |            |            | 1          |            |            |            | 2          |            | 1          |            |            |            |
| REMOVE RECLAIM METER       |            |            |            |            |            |            |            |            | 1          | 1          |            |            |            |
| REPAIRS                    | 1          | 1          | 4          |            |            |            |            | 1          | 1          |            | 2          |            |            |
| RE-READ                    |            |            |            |            |            |            |            | 1          | 1          | 1          |            |            |            |
| SERVICE LINE LEAK          | 1          | 1          | 1          | 2          |            | 1          | 4          | 7          | 7          | 3          | 1          | 3          | 4          |
| SERVICE LINE REPAIR        | 3          | 1          |            | 4          | 2          | 1          | 4          | 3          | 1          | 9          |            | 2          | 7          |
| SET UP TEMP METER          | 1          |            | 1          | 1          | 1          |            |            |            | 1          | 2          |            |            | 3          |
| SEWER BACKUP/ISSUE         |            |            | 1          |            |            |            | 2          |            |            |            |            |            |            |
| STUCK METER                | 27         | 34         | 11         | 57         | 8          | 21         | 10         | 12         | 9          | 8          | 3          |            | 5          |
| TEMP METER RETURNED        |            | 1          |            | 1          | 2          |            | 1          |            |            | 2          | 1          | 1          | 3          |
| TURN WATER ON              | 14         | 29         | 37         | 19         | 17         | 16         | 29         | 14         | 12         | 13         | 23         | 23         | 36         |
| TURN OFF                   |            | 36         | 28         | 11         | 24         | 10         | 26         | 20         | 22         | 16         | 25         | 23         | 27         |
| UNLOCK MTR/BCKFLW IN       | 3          | 3          | 4          | 3          | 4          | 4          | 4          | 4          |            | 7          | 1          | 6          | 5          |
| UPSIZE METER               |            |            | 1          | 2          |            |            | 1          | 1          | 1          |            |            | 3          |            |
| WATER METER CHANGE OUT     | 18         | 81         |            |            | 32         | 75         | 35         | 37         |            | 5          |            | 1          |            |
| WATER MAIN BREAK           |            |            |            |            |            |            |            | 1          | 1          | 1          |            |            |            |
| WT CHANGEOUT WITH BACKFLOW |            |            | 43         | 30         |            |            |            |            | 1          |            |            |            |            |
| YELLOW TAG                 |            |            |            |            |            |            | 1          |            | 2          |            |            | 1          |            |
| <b>TOTAL</b>               | <b>157</b> | <b>291</b> | <b>228</b> | <b>238</b> | <b>199</b> | <b>231</b> | <b>241</b> | <b>233</b> | <b>200</b> | <b>184</b> | <b>140</b> | <b>168</b> | <b>157</b> |

### Accounts Payable:

397 invoices were paid on 180 checks and 48 ACH totaling \$5,083,567

### Rolling 13-month trend of accounts payable activity:

| Accounts Payable | 10/24       | 11/24       | 12/24       | 01/25       | 02/25       | 03/25       | 04/25       | 05/25       | 06/25       | 07/25       | 08/25       | 09/25       | 10/25       |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Amount Paid      | \$5,045,999 | \$4,055,291 | \$5,693,142 | \$3,384,741 | \$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 |
| Invoices Paid    | 447         | 541         | 232         | 431         | 479         | 550         | 498         | 508         | 505         | 424         | 506         | 691         | 397         |
| Checks           | 177         | 171         | 218         | 149         | 212         | 228         | 240         | 210         | 222         | 190         | 201         | 234         | 180         |
| ACH              | 50          | 51          | 50          | 49          | 48          | 63          | 48          | 46          | 49          | 46          | 59          | 62          | 48          |

### Code Monthly Financial Information:

|                                                              |            | Total        | 5/31/2025  | 6/30/2025  | 7/31/2025  | 8/30/2025 | 9/30/2025 |
|--------------------------------------------------------------|------------|--------------|------------|------------|------------|-----------|-----------|
|                                                              |            | May - Sep 25 |            |            |            |           |           |
| Number of Liens satisfied with Collier County <sup>(1)</sup> |            | 20           | 1          | 12         | 3          | 4         | 0         |
| Fines Invoiced                                               | \$ 711,360 | \$ 121,345   | \$ 181,250 | \$ 307,950 | \$ 86,000  | \$ 14,815 |           |
| Less: Fines Mitigated                                        | 45,885     | -            | 16,300     | 10,300     | 16,250     | 3,035     |           |
| Fines Re-Invoiced                                            | \$ 665,475 | \$ 121,345   | \$ 164,950 | \$ 297,650 | \$ 69,750  | \$ 11,780 |           |
| Fines collected <sup>(2)</sup>                               | \$ 207,685 | \$ 32,150    | \$ 93,750  | \$ 17,850  | \$ 54,050  | \$ 9,885  |           |
| Fines outstanding                                            | \$ 584,025 | \$ 63,445    | \$ 136,100 | \$ 303,200 | \$ 69,500  | \$ 11,780 |           |
| Fines recorded as liens                                      | \$ 222,985 | \$ 48,585    | \$ 51,985  | \$ -       | \$ 122,415 | \$ -      |           |

<sup>(1)</sup>Liens satisfied can be prior to year 2021

<sup>(2)</sup>Code Compliance Fees includes Magistrate and citations

**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 collected immediately. 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.

### FY26 Finance and Financial Services Budget Detail:

The Finance department is the City's central fiscal control and accounting agency, responsible for the daily finance and accounting activities including purchasing and accounts payables, payroll, preparation of operating and capital budgets, preparation of monthly financial reports, investment and debt management, assessment administration, cash-flow management, and water and sewer utility billing. The department provides financial information to the public, state agencies, grantors, auditors, City Council, the management staff, and provides customer service to the City's utility customers.

The FY26 budget detail for the finance and financial services teams follows below.



## City of Marco Island FY 2026 Adopted Budget

| Accounts                | Description                  | 2022<br>Actuals | 2023<br>Actuals | 2024<br>Actuals | YTD<br>Actuals | 2025<br>Revised<br>Budget | 2026<br>Proposed<br>Budget Lvl 4 | %<br>Chng    |
|-------------------------|------------------------------|-----------------|-----------------|-----------------|----------------|---------------------------|----------------------------------|--------------|
| <b>5130 FINANCE</b>     |                              |                 |                 |                 |                |                           |                                  |              |
| 0015130-501210          | NON-BARGAINING UNIT WAGES    | 621,765         | 630,960         | 545,570         | 558,839        | 548,943                   | 565,006                          | 2.9%         |
| 0015130-501250          | BENEFIT WAGES                | 681             | 724             | 729             | 566            | 720                       | 720                              | 0.0%         |
| 0015130-501400          | OVERTIME                     | 180             | 472             | 194             | 845            | 0                         | 0                                | 0.0%         |
| 0015130-512100          | FICA TAXES                   | 45,683          | 45,965          | 39,254          | 40,432         | 39,090                    | 40,014                           | 2.4%         |
| 0015130-512200          | RETIREMENT CONTRIBUTIONS     | 39,869          | 41,043          | 35,509          | 36,379         | 35,031                    | 36,203                           | 3.3%         |
| 0015130-512300          | LIFE & HEALTH                | 92,915          | 121,364         | 103,774         | 101,162        | 105,787                   | 121,907                          | 15.2%        |
| 0015130-512900          | CAPITALIZED PERSONNEL COST   | 0               | 0               | 0               | 0              | 0                         | 0                                | 0.0%         |
| 0015130-523100          | PROFESSIONAL SERVICES        | 10,697          | 3,139           | 19,980          | 9,576          | 12,248                    | 12,236                           | -0.1%        |
| 0015130-523200          | ACCOUNTING AUDITING          | 26,520          | 23,263          | 25,521          | 86,055         | 86,073                    | 67,923                           | -21.1%       |
| 0015130-523400          | OTHER CONTRACTUAL SERVICES   | 2,747           | 1,799           | 4,015           | 38,215         | 56,800                    | 6,040                            | -89.4%       |
| 0015130-524000          | TRAVEL & PER DIEM            | 8,078           | 8,630           | 8,492           | 2,268          | 2,210                     | 5,700                            | 157.9%       |
| 0015130-524100          | COMMUNICATIONS               | 674             | 432             | 497             | 500            | 1,140                     | 600                              | -47.4%       |
| 0015130-524200          | FREIGHT & POSTAGE            | 0               | 0               | 10              | 0              | 0                         | 0                                | 0.0%         |
| 0015130-524400          | RENTAL & LEASES              | 0               | 0               | 0               | 0              | 0                         | 0                                | 0.0%         |
| 0015130-524700          | PRINTING AND BINDING         | 691             | 175             | 90              | 525            | 1,275                     | 665                              | -47.8%       |
| 0015130-524900          | OTHER CHGS & OBLIGATIONS     | 12,354          | 9,140           | 12,054          | 5,632          | 14,400                    | 12,590                           | -12.6%       |
| 0015130-524935          | OTHER CHGS - PAYMENT PROCESS | 0               | 0               | 0               | 0              | 0                         | 0                                | 0.0%         |
| 0015130-524999          | OTHER CHGS - PCARD           | 0               | 0               | 0               | 0              | 0                         | 0                                | 0.0%         |
| 0015130-525100          | OFFICE SUPPLIES              | 1,105           | 3,520           | 1,505           | 3,249          | 2,500                     | 2,525                            | 1.0%         |
| 0015130-525225          | OPERATING SUPP - IT          | 81,603          | 93,427          | 72,696          | 83,390         | 83,430                    | 81,451                           | -2.4%        |
| 0015130-525400          | MEMBERSHIPS AND PUBLICATIONS | 2,775           | 1,519           | 1,660           | 775            | 3,600                     | 2,985                            | -17.1%       |
| 0015130-525500          | TRAINING                     | 8,995           | 3,427           | 2,494           | 1,575          | 7,903                     | 6,940                            | -12.2%       |
| <b>Department Total</b> |                              | <b>957,332</b>  | <b>988,999</b>  | <b>874,042</b>  | <b>969,984</b> | <b>1,001,150</b>          | <b>963,505</b>                   | <b>-3.8%</b> |
| <b>Grand Total</b>      |                              | <b>957,332</b>  | <b>988,999</b>  | <b>874,042</b>  | <b>969,984</b> | <b>1,001,150</b>          | <b>963,505</b>                   | <b>-3.8%</b> |

FY26 Budget is flat to FY25 YTD actuals. The FY26 Budget is approximately \$38k lower than the FY25 Budget driven by a reduction in contract help engaged in FY25 for the budget process.



## Water and Sewer Utility Billing and Customer Service

# City of Marco Island FY 2026 Adopted Budget

| Accounts                       | Description                  | 2022<br>Actuals | 2023<br>Actuals | 2024<br>Actuals | YTD<br>Actuals | 2025<br>Revised<br>Budget | 2026<br>Proposed<br>Budget Lvl 4 | %<br>Chng   |
|--------------------------------|------------------------------|-----------------|-----------------|-----------------|----------------|---------------------------|----------------------------------|-------------|
| <b>5364 FINANCIAL SERVICES</b> |                              |                 |                 |                 |                |                           |                                  |             |
| 4005364-501210                 | NON-BARGAINING UNIT WAGES    | 487,371         | 441,704         | 525,851         | 537,439        | 525,833                   | 558,890                          | 6.3%        |
| 4005364-501250                 | BENEFIT WAGES                | 4,543           | 1,057           | 0               | 0              | 0                         | 0                                | 0.0%        |
| 4005364-501400                 | OVERTIME                     | 20,442          | 24,595          | 20,060          | 18,971         | 20,000                    | 20,000                           | 0.0%        |
| 4005364-512100                 | FICA TAXES                   | 37,478          | 34,003          | 39,724          | 40,556         | 40,267                    | 42,317                           | 5.1%        |
| 4005364-512200                 | RETIREMENT CONTRIBUTIONS     | 32,163          | 30,277          | 35,450          | 36,167         | 35,479                    | 37,847                           | 6.7%        |
| 4005364-512300                 | LIFE & HEALTH                | 106,910         | 102,242         | 111,537         | 109,331        | 114,055                   | 112,449                          | -1.4%       |
| 4005364-512900                 | CAPITALIZED PERSONNEL COST   | 0               | 0               | 0               | 0              | 0                         | 0                                | 0.0%        |
| 4005364-523100                 | PROFESSIONAL SERVICES        | 1,500           | 1,500           | 1,500           | 1,500          | 2,250                     | 2,250                            | 0.0%        |
| 4005364-523200                 | ACCOUNTING AUDITING          | 0               | 0               | 0               | 0              | 0                         | 0                                | 0.0%        |
| 4005364-523400                 | OTHER CONTRACTUAL SERVICES   | 34,885          | 32,269          | 27,829          | 34,030         | 80,024                    | 85,420                           | 6.7%        |
| 4005364-524000                 | TRAVEL & PER DIEM            | 1,394           | 0               | 0               | 0              | 2,150                     | 2,150                            | 0.0%        |
| 4005364-524100                 | COMMUNICATIONS               | 2,782           | 2,696           | 2,645           | 2,924          | 3,390                     | 3,390                            | 0.0%        |
| 4005364-524200                 | FREIGHT & POSTAGE            | 51,803          | 51,942          | 56,701          | 61,436         | 61,796                    | 56,400                           | -8.7%       |
| 4005364-524400                 | RENTAL & LEASES              | 0               | 0               | 602             | 602            | 0                         | 30,800                           | 0.0%        |
| 4005364-524600                 | REPAIR & MAINTENANCE         | 0               | 291             | 108             | 0              | 0                         | 1,500                            | 0.0%        |
| 4005364-524605                 | REPAIR & MAINT - VEHICLES    | 863             | 10,277          | 5,382           | 8,100          | 7,500                     | 6,000                            | -20.0%      |
| 4005364-524615                 | REPAIR & MAINT - EQUIPMENT   | 0               | 0               | 0               | 0              | 0                         | 0                                | 0.0%        |
| 4005364-524700                 | PRINTING AND BINDING         | 0               | 549             | 662             | 700            | 2,900                     | 2,900                            | 0.0%        |
| 4005364-524900                 | OTHER CHGS & OBLIGATIONS     | 15,221          | 10,452          | 17,706          | 16,787         | 24,000                    | 24,000                           | 0.0%        |
| 4005364-524915                 | OTHER CHGS - SAFETY          | 650             | 561             | 271             | 61             | 840                       | 840                              | 0.0%        |
| 4005364-524925                 | OTHER CHGS-INTEREST          | 0               | 0               | 0               | 0              | 0                         | 0                                | 0.0%        |
| 4005364-524935                 | OTHER CHGS - PAYMENT PROCESS | 42,135          | 38,483          | 45,006          | 49,221         | 55,200                    | 55,200                           | 0.0%        |
| 4005364-524940                 | MISCELLANEOUS EXPENSE        | 0               | 0               | 0               | 0              | 0                         | 0                                | 0.0%        |
| 4005364-525100                 | OFFICE SUPPLIES              | 2,109           | 1,441           | 2,139           | 2,689          | 4,000                     | 4,000                            | 0.0%        |
| 4005364-525200                 | OPERATING SUPPLIES           | 1,182           | 1,412           | 356             | 1,698          | 5,000                     | 5,000                            | 0.0%        |
| 4005364-525205                 | OPER SUPPLIES - FUEL         | 8,266           | 7,161           | 6,527           | 6,034          | 10,000                    | 10,000                           | 0.0%        |
| 4005364-525220                 | OPERATING SUPP - UNIFORMS    | 815             | 906             | 1,301           | 1,530          | 1,440                     | 1,440                            | 0.0%        |
| 4005364-525225                 | OPERATING SUPP - IT          | 11,220          | 22,934          | 24,081          | 25,293         | 25,580                    | 25,580                           | 0.0%        |
| 4005364-525400                 | MEMBERSHIPS AND PUBLICATIONS | 92              | 0               | 0               | 0              | 550                       | 550                              | 0.0%        |
| 4005364-525500                 | TRAINING                     | 2,172           | 325             | 0               | 710            | 5,000                     | 5,000                            | 0.0%        |
| <b>Department Total</b>        |                              | <b>865,996</b>  | <b>817,079</b>  | <b>925,437</b>  | <b>955,779</b> | <b>1,027,254</b>          | <b>1,093,923</b>                 | <b>6.5%</b> |
| <b>Grand Total</b>             |                              | <b>865,996</b>  | <b>817,079</b>  | <b>925,437</b>  | <b>955,779</b> | <b>1,027,254</b>          | <b>1,093,923</b>                 | <b>6.5%</b> |

The FY26 budget increase over the FY25 budget includes the City's shift from purchasing to leasing vehicles. The \$30.8k in rental and leases for FY26 is for one customer service vehicle.