**Press Release (#107-26)** | **CITY OF MARATHON**
9805 Overseas Highway Marathon, Florida 33050
305-743-0033

***<u>For Immediate Release:</u>***

**City holds first public hearing on tax rate, budget**

**MARATHON, FL (Sept. 18, 2026) –** City of Marathon Finance Director Jennifer Johnson was the focus of attention on Tuesday, Sept. 16, as the City Council held the first of two public hearings to set the city's Fiscal Year 2026-27 millage rate and budget.

Johnson quickly broke down the numbers:

- The proposed millage rate was 2.3231 mills, which is 18.82% above the roll-back rate of 1.9552 mills;
- The proposed millage rate would bring in $12.2 million to the General Fund; and
- Overall, the proposed FY 2026-27 budget, which would include all funds, such as Special Revenue, Capital Projects, Debt Services, and Enterprise, would be $202,260,044.

Johnson said past budget decisions have led to proposing an increase in the millage rate.

"[One] reason the city is going above roll-back is because, as you know, we budgeted deficit spending last year, and even with going above roll-back this year, we are still deficit spending by $1.9 million," Johnson said.

The city is projecting $24 million in revenue will be generated with the proposed millage rate; however, current estimates show the city will have $26 million in expenditures.

"Deficit spending is going to continue to compound because our expenses are going to continue to go up each year," Johnson reminded council members. "You don't want to pigeon-hole yourself into a tighter budget next year."

"Anything we take off of that millage will make the deficit go higher," Johnson said when asked about adjusting the proposed rate. "Keep in mind that deficit compiles each year because you are going to have raises next year, you're going to have to close that gap eventually."

The city has met the roll-back rate for three consecutive years, putting it into deficit spending.

Of the state's 411 municipalities, only two others – the small North Florida towns of Baldwin and McIntosh – have done the same, according to the state Department of Revenue.

Baldwin has a population of nearly 1,400, while McIntosh has roughly 500; Marathon's population at last report was nearly 10,000 residents.

Johnson gave the example of how the proposed millage would affect the average homeowner in Marathon.

She said the owner of a homesteaded property with a $700,000 taxable assessment would see a $182 increase from the previous year. The same property without a homestead exemption would see an increase of $200 from last year.

Council sought cuts to the budget throughout the meeting but realized the current economic situation in the city, state, and country play a major role in their decisions.

"We've not gone up in a few years," Mayor Lynny Del Gaizo said, "It's tough; you do want to raise people's taxes, but we don't want to be a city known for being in debt."

Council member Still echoed the sentiment.

"I believe we were cautioned about what would be coming, and here we find ourselves," Still said.

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The City of Marathon will continue to have among the very lowest millage and tax rates in Florida with the increase to 2.3231 mils.

The current average municipal rate in Florida is 5 mils, more than twice Marathon's rate.

An example of a single, landlocked parcel in the heart of Marathon with a market value of approximately $600,000 and afforded the benefit of homesteading may see a total property tax increase of less than $30 as a result of this year's budget.

Naturally, the longer a parcel has been homesteaded, the greater the taxation protection.

The Florida Save Our Homes Benefit caps annual increases in the assessed value of a primary homestead property at 3% or the Consumer Price Index, whichever is lower.

This can result in incredible savings for permanent residents who have homesteaded their parcels for significant periods of time. An example would be that of a multimillion-dollar home on the water could face an increase of approximately $112 this year due to homestead protections.

The final public hearing will be held Tuesday, Sept. 22, at 5:30 p.m. at Council Chambers, Marathon City Hall, 9805 Overseas Highway. All five council members must be present to vote.

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