

CALL TO ORDER - A Special Call Meeting of the City Council of Marathon, Florida was held on September 17, 2024 in the Marathon Council Chambers, 9805 Overseas Hwy., Marathon, Florida, Mayor Still called the meeting to order at 5:05 pm.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

ROLL CALL - There were present:

Councilmember Gonzalez

Councilmember Matlock

Councilmember Smith

Vice Mayor Landry

Mayor Still, comprising a quorum.

Also, in attendance were:

City Manager, George Garrett

Deputy City Clerk, Hillary Palmer

City Attorney, Steve Williams

Planning Director, Brian Shea

Finance Director, Jennifer Johnson

Utilities Director, Dan Saus

Code Director, Ted Lozier

Marina Director, Sean Cannon

Grants Coordinator, Maria Covelli

Park and Recreation Director, Paul Davis

MCSO Sheriff's Officer, Lt. Derek Paul

Approval Of Agenda And Consent Agenda

MOTION: Gonzalez moved to approve the agenda

SECOND: Landry

With no objection from the members of Council, Mayor Still declared the agenda approved by unanimous consent.

First Public hearing to adopt tentative budget and millage rate

Johnson opened the discussion on the millage rate and referenced the draft budget that was recently advertised as 2.3 mills which is a 3.44% tax increase, lower than what was proposed and included on the TRIM notices, which was 2.4477 mills, the same as last year. She acknowledged there are requests to bring the millage rate in lower, holding the line from last year to a millage rate of 2.2235 mills, which she reported would cost the City approximately \$375,000 out of the reserve budget.

Landry reported that 4.4 million dollars was put back into the reserve budget as a result of the beach and boat ramp parking fees and fines. He suggested that Council make a decision regarding how much is enough in the reserve fund and proposed holding the line at 2.2235 mills and take the \$375,000 out of the reserve fund, while still adding funds back into the reserves. Gonzalez verified the reserve budget amount with Johnson.

Smith agreed with Landry's statements and stated he does not want to see the millage rate go below the proposed amount in an effort to support the local business owners & non-homesteaded property owners. He commented the City is in a strong financial position and has a good track record. He supported the 2.2235 millage rate. Still agreed with her fellow Councilmembers that the City has a strong reserve fund and financial position. She supported the 2.2235 millage rate.

Garrett confirmed there is no reduction in services and additional services have been added in Public Works and Fire Service budgets.

Clerk read Resolution 2024-87 in to the record.

Resolution 2024-87, Adopting The Tentative Millage Rate and Levy Of Ad Valorem Taxes For The City of Marathon, Florida For The Fiscal Year 2024-2025; and Providing For An Effective Date.

Johnson read section two of the resolution into the record.

Section 2. The FY 2024-2025 tentative millage rate for the City is 2.2235 mills, which is \$2.2235 for each thousand dollars of taxable assessed property value; and the tentative millage rate is equal to the rolled-back rate of 2.2235 mills by 0 %.

MOTION: Smith moved to approve Resolution 2024-87, with the tentative millage rate of 2.2235
SECOND: Gonzalez

Vote of the Motion:

Yes: Smith, Gonzalez, Matlock, Landry, Still
No: None
Absent: None
Abstain: None

Vote on the Motion: 4 Yes, 1 No, 0 Absent, 0 Abstain

Council Comments

Mark Senmartin recalled when he was on City Council that the City only had seven weeks in the reserve budget and he congratulated the Council for not raising the taxes while still maintaining a decent reserve budget.

Martin Kamph asked if there is a change in the property tax rates. Johnson confirmed there is no change, for properties homesteaded or not.

Clerk read Resolution 2024-88 into the record.

Resolution 2024-88, Adopting The Tentative Budget For Fiscal Year 2024-2025; And Providing For An Effective Date.

Johnson reported the tentative budget for fiscal year 2024-2025 at \$136,353,198.00.

Council Discussion

Landry lead the discussion regarding the salary survey options that Council would like to adopt which also included COLA (cost of living) and merit raises. He confirmed the budget has a 2.5% merit raise option factored in for employees that are excelling and recommended a 1.5% increase for merit raises, or \$1,500 per employee with the condition to have a policy put in place to review the employees annually.

Gonzalez asked what the retention rate for staff members who have received raises and asked if there is an exit interview process. Garrett cited statistical information on employment retention and reported the City has an exit interview policy, but few employees participate.

Landry commented that he hopes to see the Firefighters stay with the City because of the pay increase opportunities.

Garret stated the City is doing everything they can to bring firefighters on and keep them. Still supported a merit increase at 2.5% including a performance evaluation.

Smith spoke on the staff's raises from last year and commented that the Human Resources department should have an evaluation program in place for their employees. He disagreed with Management forfeiting their raises, so the lower-level employees can receive pay increases.

Matlock supported performance evaluations for staff members and asked if the Finance Services has been put out to bid recently. Johnson replied that it has been a while since the last bid. Matlock expressed concerns regarding the City's Finance Contractor being in active litigation with the City and asked if there is a bidding process the City follows.

Williams explained there is no legal conflict with the Finance contractor. Garrett confirmed there is a bidding policy in place and provided a brief explanation of the process.

Johnson explained the raise options in detail.

Smith, Matlock and Landry announced they supported the budget option two.

Council discussion.

Gonzalez confirmed that the upper management will be included in the merit increases this year.

Johnson confirmed that she will come back at the final hearing with option number two, which includes the COLA rate from last August and a 1.5% merit increase.

Council discussion regarding the COLA rate.

Still and Gonzalaz supported a 4% COLA, Smith supported the COLA rate from August and a 2.5% merit increase.

Continued Council discussion and they agreed on a 3% COLA and a 2% merit increase.

Johnson confirmed Council agreed to option two which included a 3% COLA and 2% merit increase and explained she will bring back the information to the final budget hearing.

Gonzalez questioned if the Parks Department budget for maintenance will be enough to cover the expenses for the year. Johnson commented that there is a budget within the Public Works budget for Parks maintenance.

Council discussion.

Smith recommended increasing the training budget and continuing training on a quarterly basis.

Landry asked when the last payment will be on the seven mile marina. Johnson confirmed in December the City will have it paid off. Landry suggested setting up a workshop regarding the five year capital budget.

Johnson read the third whereas from Resolution 2024-88 into the record. Whereas, the City has set forth the appropriations and revenue estimate for the tentative operating budget for FY 2024-2025 in the amount of \$136,353,198.

Mike Millard commented on the non-tax revenue for the City and contracted services within the budget.

MOTION: Smith moved to approve resolution 2024-88 and the tentative budget amount as \$136,353,198.

SECOND: Landry

City of Marathon
City Council Action Minutes
September 17, 2024 5:05 pm City Council Special Call Meeting Minutes

Vote of the Motion:

Yes: Smith, Landry, Gonzalez, Matlock, Still
No: None
Absent: None
Abstain: None

Vote on the Motion: 5 Yes, 0 No, 0 Absent, 0 Abstain

Landry thanked staff for their hard work preparing the budget.

Legislative Priorities

Garrett provided a staff report.

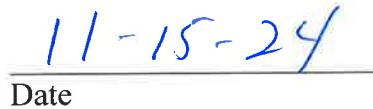
Council Comments.

ADJOURNMENT

With no further business to come before the Council, Mayor Still adjourned the meeting at 6:34pm by unanimous consent.

I certify the above represents an accurate summary of the regular Council meeting of September 17, 2024


Hillary Palmer, Deputy City Clerk


Date