



5-18-2026 Budget Workshop
Meeting Minutes
May 18, 2026, 6:00 PM
234 U.S. 1, Oak Hill, FL 32759, US

A. OPENING

1. Call to Order

The Budget Workshop of the City of Oak Hill was called to order at 6:00 PM on Monday, May 18, 2026, at Commission Chambers, City Hall, 234 U.S. 1, Oak Hill, FL 32759. It was confirmed that the meeting was being held as a workshop, with no voting or formal action required.

2. Invocation

A moment of silence was observed.

3. Pledge of Allegiance

Mayor Taylor led the Pledge of Allegiance.

4. Roll Call

Present: Commissioner Linda Hyatt, Commissioner Mark Drollinger, Mayor Ricky Taylor, Commissioner Carrie Werning, Vice Mayor Catigano Absent:

B. COMMISSION DISCUSSION - Update on FY 2025-26 Budget

City Manager John Barkley presented a six-month budget-to-actual snapshot for FY 2025–26, covering October 2025 through March 31, 2026. As of that date, the City had derived approximately \$2,000,000 in revenues against approximately \$1,296,000 in expenditures, reflecting a mid-year fund balance surplus of approximately \$700,000. City Manager Barkley noted this represented a meaningful improvement over the prior year, when expenditures at the same point

had approached \$1,600,000, representing a reduction of \$200,000–\$300,000 in spending. He further noted that property tax revenue was tracked at 100% of budget, attributable to rising property values even as the Commission held the millage rate steady. A reimbursement of approximately \$120,000 from the Sheriff's Office was credited back to the expense line, further improving the expenditure picture.

City Manager Barkley briefly reviewed individual revenue line items, including the gas option, the 5-cent gas tax, utility service tax, universal service/communication telephone tax, communication services (9-1-1), and occupational license fees (BTR). He noted that several of these revenue streams had not yet fully remitted for the year and were expected to catch up in subsequent months.

The discussion was interrupted when City Manager Barkley had trouble continuing due to a medical situation. Commissioner Mark Drollinger raised the possibility of postponing the remainder of the presentation. The Commission proceeded informally, with Commissioner Werning and the Commissioners reviewing the report materials.

During this review, several significant errors and inconsistencies in the budget-to-actual report were identified:

Budget Entry Errors: A budget amount of \$375,000 had been entered under animal control fees rather than under solid waste revenue, and \$10,000 had been entered under notary fees rather than recycling fees. These mis postings were attributed to data entry errors when the approved budget was keyed into the QuickBooks system.

Uncategorized Income: Commissioner Werning identified \$47,000 listed as uncategorized income on the report, indicating that deposits had been received but not posted to proper accounts. A further \$32,000 was listed as uncategorized sales revenue with no supporting classification.

DEP Grant Revenue: A \$3,300,000 DEP grant associated with the Halifax sewer project had been budgeted as revenue for the current fiscal year. Commissioner Werning questioned whether those funds had been physically received, expressing a strong belief that the grant would be disbursed on a draw basis as construction work was

completed, rather than as a lump-sum deposit. This matter was deferred for clarification by City Manager Barkley at a future session.

Misaligned Salary and Benefits Entries: Commissioner Werning noted that administrative personnel costs showed a \$65,000 budget surplus under line item 51310/51210 (executive salary) but cautioned that this appearance was misleading given the misalignment of related benefit entries, including a retirement line item showing \$15,000 budgeted but \$0 expended.

Financial Impact & Community Benefit: The mid-year financial position reflects approximately \$2,000,000 in recurring municipal revenues offset by approximately \$1,296,000 in expenditures, yielding a projected operating surplus of \$700,000 at the halfway point of the fiscal year. The primary revenue driver, property tax, is performing at 100% of budget due to rising assessed values citywide. The \$120,000 Sheriff's Office reimbursement represents a one-time credit reduction in net expenditures. The \$3,300,000 DEP grant, funded through a state environmental program, is expected to be revenue-generating on a drawing basis tied to completion of the Halifax sewer project rather than as an immediate lump-sum receipt. The accurate classification of all revenues and expenditures is essential to enable sound budgeting for FY 2026–27; errors in the current report impair the Commission's ability to establish reliable baseline figures and to monitor spending against budget on an ongoing basis.

C. PUBLIC INPUT

Dru Ann Welch, Cypress Avenue, addressed the Commission. Ms. Welch identified herself as having 30 years of bookkeeping experience, including government and QuickBooks expertise, and stated that she had been tracking the City's actual-versus-budget and profit-and-loss reports since 2023 through public records requests. She informed the Commission that the report in question had several budget figures entered in incorrect accounts, that the budget totals had not been expanded monthly (making month-by-month forecasting impossible), and that actual expense and revenue entries contained similar misclassification errors. She noted these deficiencies had been

flagged by the City's auditors (James Moore) in audit reports for the prior two consecutive years and had been raised by Commissioner Werning on multiple occasions without resolution. Ms. Welch emphasized that responsibility for correcting these conditions rests with the Commission, stating that the City's professional standards must match those the Commissioners hold for their own personal and business finances.

Tom Pentz, Edgewater Resident: The apparent \$65,000 under-budget is misleading due to misallocations. \$15,000 for retirement has not been spent, and FICA taxes show \$1,630 instead of the \$9,000 target. The \$96,000 salary also lacks clarity. There is \$47,000 as uncategorized income and \$32,000 without classification, as confirmed by Dru Anne. Mismanagement is evident, like the \$3 million DEP grant for a sewer project being miscategorized. Expense and revenue misalignment indicates ineffective administration. We faced similar issues last year, highlighting the need for prompt correction to set a realistic budget, ensuring expenditures match provisions. This oversight cannot continue, as existing inaccuracies prevent effective budgeting for FY 2026–27.

Commissioner Werning echoed Ms. Welch's concerns, specifically referencing the uncategorized income entries, the posted animal control and solid waste budget amounts, and the misleading \$711,000 apparent surplus figure, which he characterized as not a reliable figure given the underlying data quality issue. She stated that as an accountant by trade, the condition of the report was unacceptable and that it would be impossible to prepare a credible FY 2026–27 budget based on the current data.

Roger Page, Oak Hill Parks and Recreation Advisory Board, requested that the Commission consider establishing a dedicated line item for the Parks and Recreation Advisory Board in a future budget. He indicated a modest funding level of \$5,000–\$10,000 would be sufficient to support community events such as the upcoming barbecue festival, with the expectation that sponsorship revenues would supplement those funds over time, and that the line item could grow incrementally in subsequent fiscal years. Mr. Page

acknowledged that inclusion in the FY 2026–27 budget was aspirational rather than urgent.

D. FINAL COMMENTS FROM MAYOR AND COMMISSIONERS

Mayor Ricky Taylor noted that the meeting was being recorded live and that City Manager Barkley would be able to review the session in its entirety. The Commission acknowledged that due to City Manager Barkley's inability to complete his presentation, the budget workshop would need to be rescheduled. Commissioner Werning briefly noted a scheduling concern regarding a special meeting previously moved to May 27, which she confirmed did not create a conflict for her after further review.

E. ADJOURNMENT

The workshop was adjourned upon a motion to adjourn, with the Commission agreeing to reschedule the budget workshop at a future date to allow City Manager Barkley to complete his financial presentation and address outstanding questions.

Motion to adjourn was made by Commissioner Carrie Werning and seconded by Commissioner Linda Hyatt. The motion carried unanimously.

X

Ricky Taylor
Mayor

X

John Barkley
City Manager

JANET SHIRA