



**6-29-2026 Budget Workshop
Meeting Minutes
June 29, 2026, 6:00 PM
234 U.S. 1, Oak Hill, FL 32759, US**

A. OPENING

1. Call to Order

Mayor Taylor called the City of Oak Hill Budget Workshop to order on Monday, June 29, 2026, at approximately 6:00 PM in the Commission Chambers at City Hall, 234 U.S. 1, Oak Hill, FL 32759.

2. Invocation

A moment of silence was observed.

3. Pledge of Allegiance

The Pledge of Allegiance was recited.

4. Roll Call

Present: Mayor Taylor, Vice Mayor Catigano, Commissioner Hyatt, Commissioner Drollinger, Commissioner Werning

Absent: None

All members were present. A quorum was established.

B. COMMISSION DISCUSSION – Overview of the FY 2026-27 Budget Process

City Manager Barkley presented an overview of the fiscal year 2026–27 budget development process. He outlined the schedule of upcoming workshops and statutory requirements governing budget adoption. He noted that the meeting had originally been scheduled for June 22nd and apologized to any members of the public who had appeared on that date without notice of the rescheduling.

City Manager Barkley summarized the key statutory framework under Florida law: each municipality must establish a fiscal year beginning October 1st and ending September 30th; the budget must be adopted by ordinance or resolution; the fee schedule must be adopted by resolution concurrently with the budget; the tentative budget must be posted on the city's official website at least two days before the budget hearing; the final adopted budget must be posted within 30 days of adoption and remain posted for two years; and the municipal budget officer must submit the final budget and the municipality's economic status to the Office of Economic and Demographic Research by October 15th.

City Manager Barkley reviewed the proposed schedule: the tentative draft budget would be delivered to the Commission on July 13th for review, with a workshop on July 20th for discussion, a review and finalization session on July 27th, tentative adoption on August 24th, and final adoption on September 7th, with the new fiscal year commencing October 1st.

Mayor Taylor supplemented the presentation by citing Florida Statute §166.241, clarifying the conditions under which the budget may be amended during or within 60 days following the end of the fiscal year. Mayor Taylor explained that reallocating funds between departments without changing the total appropriation may be accomplished by a simple motion recorded in the meeting minutes, whereas increasing the total appropriation requires the same formal procedures as adoption of the original budget, including public notice and a public hearing. Commissioner Werning sought clarification on whether line-item overages that require funds to be moved from one account to another trigger the formal amendment process. City Manager Barkley confirmed that formal amendment is required when the total budget bottom line is increased on the expenditure side beyond revenues, while line-item transfers that do not affect the overall bottom line may be handled administratively. Mayor Taylor indicated that the City's practice would be verified against the applicable Florida statute for further clarity.

City Manager Barkley reported that the general fund balance at fiscal year-end was projected to exceed the budgeted estimate of \$58,000,

with the city's checking account holding over \$1,000,000 and a healthy fund balance as of June 29th. He noted that the current ad valorem tax rate is 5.682 mills and that the rollback rate would be available by the July 20th workshop.

City Manager Barkley identified a significant fiscal wildcard for the upcoming budget cycle: a statewide referendum on the November ballot that, if approved by Florida voters, would increase the homestead exemption from \$50,000 to \$150,000 in the first year and \$250,000 in the following year. He stated that the city has approximately 2,000 parcels, of which approximately 750 carry homestead exemptions—roughly 33 percent. He estimated the revenue impact at approximately \$300,000 in FY 2026–27 if the exemption increases to \$150,000, and approximately \$450,000 in FY 2027–28 if it increases to \$250,000. City Manager Barkley indicated that staff intend to budget conservatively to account for the potential revenue loss and that expenditure reductions would likely be necessary. He noted that Volusia County is already implementing a hiring freeze and other measures in anticipation of a revenue loss of up to \$25–26 million. He stated that the city's current fund balance provides a buffer, but that challenging decisions regarding expenditure cuts would need to be made beginning October 1st.

Commissioner Werning expressed concern that the July 20th timeline for delivery of the proposed budget was too late to allow adequate line-by-line review by commissioners, particularly given the need to reconcile proposed figures against current-year actuals. She advocated for more frequent workshops between July and August and requested that a proposed budget be shared with commissioners as early as possible. Vice Mayor Catigano noted that statutory notice requirements apply once the tentative budget is released and that the overall schedule, while tight, was not unreasonable. City Manager Barkley confirmed his confidence in the July 13th delivery timeline and his willingness to schedule additional workshops at the Commission's direction.

Commissioner Werning and Vice Mayor Catigano discussed the need for multiple workshops between July 27th and August 24th to thoroughly review the budget. City Manager Barkley confirmed that

space had been intentionally left in the schedule for that purpose. The Commission acknowledged that the need for additional workshops would be better assessed once the draft budget was in hand.

City Manager Barkley confirmed that the tentative budget would be made available on the city's official website for public review following its delivery on July 13th.

Financial Impact & Community Benefit

The FY 2026–27 budget process carries significant recurring fiscal implications for the City of Oak Hill. The most pressing concern is a projected recurring revenue reduction of approximately \$300,000 in FY 2026–27, rising to approximately \$450,000 in FY 2027–28, contingent upon voter approval of the statewide homestead exemption increase referendum in November 2026. This is a revenue-loss scenario rather than a new expenditure, driven by state-level legislative action. The current ad valorem millage rate is 5.682 mills, and the rollback rate will be presented at the July 20th workshop to inform revenue projections. The city's existing fund balance—currently exceeding \$1,000,000 in the general checking account—provides a transitional buffer, though City Manager Barkley indicated that expenditure reductions will be necessary to sustain fiscal health. Proactive budgeting for this potential revenue loss protects the continuity of municipal services for Oak Hill residents and businesses. The Commission committed to additional oversight through multiple workshops prior to final adoption, with the tentative budget to be posted publicly online for community review.

C. PUBLIC INPUT

Four members of the public addressed the Commission during the public input period.

A resident identified as Mr. Pence expressed longstanding frustration with the city's financial reporting practices, stating that budget documents have consistently been difficult to interpret in a meaningful way. He cited a recent audit finding from another municipality—the City of Daytona Beach—in which \$5,052 in miscellaneous consumable supplies had been charged to a general

office supply account rather than a separately established line item, reducing budget transparency and limiting oversight. He drew a parallel to Oak Hill's own financial reporting challenges and called upon commissioners to take the budget process seriously. He referenced the City Charter's requirement that the budget be reviewed at least quarterly for accuracy of revenues and expenditures and asserted that this obligation had not been consistently met. He implored the Commission to use this budget cycle to produce a document that clearly reflects where public funds are spent.

Resident Dru Ann Welch stated that she had submitted a request on June 16th for an actual-versus-budget report by month in Excel format, along with a detailed profit and loss report. She reported that she received a summary actual-versus-budget report at 11:22 AM on the day of the meeting and nine monthly profit and loss reports at 4:22 PM—insufficient time for thorough review before the evening session. She identified several accounting concerns based on her review, including: two separate accounts for "other miscellaneous revenue – City Hall" that she stated should be consolidated; a promotional activity account originally established for Christmas fund expenses that still reflected a zero balance; and an "other miscellaneous expenses" account (Account 13513493) carrying a balance of approximately \$59,008.30, which she characterized as too broad a category to permit meaningful budgeting. She also identified charges in the FPL utility services account that she stated did not correspond to the correct sub-accounts and noted that charges had been posted to a parent utility operating account rather than the appropriate sub-accounts, contrary to standard accounting practice. She urged staff to ensure that all transactions are correctly coded prior to the July 13th budget delivery, stating that failure to do so would result in an inaccurate proposed budget.

Resident Janna Taylor, of 183 East Ariel Road, reported that she had received the monthly profit and loss reports that morning and identified several items warranting explanation. She noted a \$291,107.26 entry appearing in May 2026 under Account 03-3015-01 (Federal Disaster Relief), which City Manager Barkley confirmed representing FEMA reimbursement for hurricane-related repairs to city facilities including the VIA Hall, City Hall, parks, benches, and

gazebo. She identified Account 13513493 (Other Miscellaneous Expenses) as carrying approximately \$59,008.30 with no clear breakdown and requested a detailed accounting of those charges. She noted that Account 13513540 (Memberships and Subscriptions) showed expenditures of \$10,879.56 against a budgeted amount of zero, indicating an unaddressed budget overage. She further noted that Account 13513311 (Tax Roll Consultant) showed no payments to date despite a budgeted amount of \$6,000 for Ernie Peterson and indicated she had not yet received copies of all contracted services agreements she had requested the prior June. She identified Account 19519430 (Utility Services) as showing \$22,895.16 in expenditures against a budget of only \$4,000, a delta of approximately \$18,000. She identified Account 19519541 (Website Hosting) as showing \$6,138.85 in expenditures against a \$5,000 budget, with no charges posted from October through April and a \$4,000 charge in May. She further identified Account 24524400 (Inspection Services) as showing \$46,115.65 in expenditures against a budget of only \$10,000—an overage of approximately \$36,000—and noted irregular monthly posting patterns suggesting possible catch-up entries.

Commissioner Werning provided a detailed account of her experience attempting to obtain an updated profit and loss detail report from City Manager Barkley beginning June 15th. She described a chain of events in which her request to City Manager Barkley was forwarded to Deputy City Clerk Jones, who responded by informing Commissioner Werning that the requested reports did not currently exist as public records and would require the creation of a new document. Commissioner Werning disputed that characterization, stating that she had been receiving the same profit and loss detail reports from city staff—including City Manager Barkley, Deputy City Clerk Jones, and former staff members—on a regular basis for years, most recently as late as May 29th of the current fiscal year. She also took issue with Deputy City Clerk Jones having forwarded a partial version of her email to the full Commission and the City Attorney in a manner she characterized as creating a misleading implication that she had circumvented proper channels. Commissioner Werning stated she had always directed her requests to City Manager Barkley, in accordance with the commission-to-staff chain of command and

expressed concern that the resistance to providing routine financial reports raised questions about institutional transparency.

City Manager Barkley responded that the City Charter requires only a quarterly financial report to the Commission, and that with six employees managing all city operations, staff capacity to produce customized reports on demand is limited. He acknowledged that some of the accounting irregularities identified by Commissioner Werning and members of the public are longstanding institutional issues that staff is working to address, and that some differences in line-item posting reflect interpretive judgment rather than error. He noted, however, that a dedicated finance professional on staff is needed to provide sustained oversight and systematic correction of these issues.

Resident Austin Jones challenged the Commission to reflect on what accomplishments have been achieved recently, urging them to consider the community's progress over the last two years. Jones expressed frustration with the perceived finger-pointing at staff, including the few responsible for multiple duties, and questioned what tangible benefits the Commission has brought to Oak Hill. He stressed the importance of the Commission working cohesively to implement positive changes rather than focusing solely on problems.

Deputy City Clerk Jones addressed the Commission, stating that she had not acted insubordinately and that her response regarding public records procedures was consistent with her duties and the city's obligation to treat all commissioners and public requestors consistently. She acknowledged that the reports had historically been provided to Commissioner Werning and expressed a willingness to post routine financial reports online monthly so that all commissioners and the public would have equal and timely access. She affirmed that the accounting issues raised by Commissioner Werning and the public are real and are being addressed in coordination with the city's financial consultant, James Moore, and City Manager Barkley, and emphasized that staff works diligently under significant resource constraints.

Vice Mayor Catigano expressed agreement that the monthly report should be made publicly available and posted online and emphasized that the Commission's role is to direct City Manager Barkley as a

body rather than through individual commissioner interactions with staff. He acknowledged that the Commission has not been sufficiently unified in providing direction and that this lack of cohesion has contributed to the persistence of the issues being discussed. He noted that a budget amendment should have been brought before the Commission when building inspection costs (Account 24524400) began significantly exceeding the budgeted amount—an issue he estimated had been apparent since at least December.

City Manager Barkley confirmed that James Moore had provided notice of its intent to terminate its contract with the city, anticipated to take effect in September. He reiterated that hiring a dedicated in-house finance professional remains the most effective long-term solution, noting that the position has been posted on the city's website and on the OnDemandStar contract platform. Commissioner Werning requested that the posting be corrected to remove the city employment application, as the position is being filled on a contract basis, and asked that applications be copied to all commissioners for review.

The Commission and Deputy City Clerk Jones reached an informal consensus that the profit and loss report would be sent to all commissioners by email monthly and posted publicly on the city's website. Commissioner Drollinger and Vice Mayor Catigano supported this resolution as a practical step forward. City Manager Barkley expressed openness to exploring a transition to a municipal-grade financial software platform—such as the type used by other Florida municipalities—as a longer-term solution to improve accounting accuracy and reporting reliability, noting that the transition had been under discussion with James Moore prior to their notice of termination.

Financial Impact & Community Benefit

Several recurring and one-time fiscal concerns were identified during public input. The FEMA Federal Disaster Relief reimbursement of \$291,107.26 represents one-time revenue from hurricane recovery efforts, funding documented repairs to public facilities including the VIA Hall, City Hall, parks, and related infrastructure—directly benefiting the community by restoring public assets. The Inspection Services account (24524400) is currently overbudgeted by

approximately \$36,000 against a budget of \$10,000, a recurring shortfall that City Manager Barkley linked to the city's transition to a new building inspection contract structure; a formal budget amendment was not brought to the Commission, raising oversight concerns. The Website Hosting account (19519541) shows \$6,138.85 in expenditure against a \$5,000 budget. Memberships and Subscriptions (13513540) reflect \$10,879.56 in unbudgeted expenditures. The Utility Services account (19519430) reflects \$22,895.16 in expenditure against a \$4,000 budget. These overages collectively underscore the need for a dedicated finance professional, currently being recruited on a contract basis, to bring discipline and accuracy to the city's financial reporting. Proper line-item coding and monthly public reporting will improve transparency, protect taxpayer funds, and strengthen the Commission's ability to monitor fiscal performance throughout the year.

D. FINAL COMMENTS FROM MAYOR AND COMMISSIONERS

Commissioner Hyatt offered an apology to Deputy City Clerk Jones regarding comments made at a prior meeting, acknowledging that the remarks had been unfair. Commissioner Hyatt also recognized Wayne Weeks, who was identified as the incoming commissioner-elect for the seat she will vacate in November.

Vice Mayor Catigano reiterated that the Commission's most effective tool is to act as a unified body in providing clear direction to City Manager Barkley and acknowledged that divisiveness within the Commission has impeded progress on systemic issues. He expressed a commitment to improved cohesion going forward.

E. ADJOURNMENT

A motion to adjourn was made by Vice Mayor Catigano and seconded by Commissioner Werning. The motion carried unanimously.

The meeting was adjourned.

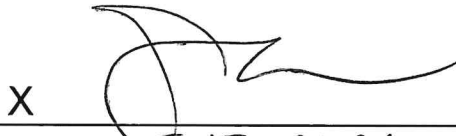
Minutes prepared by ClerkMinutes on behalf of the City of Oak Hill.
These minutes are a summary record of the proceedings of the Budget Workshop held June 29, 2026, and are subject to approval by the City Commission at a subsequent meeting. A full audio/video recording of this meeting is available on the City's official website in accordance with Florida public records law.

X



Ricky Taylor
Mayor

X


JANET SHIRA

~~John Barkley~~
City Administrator