Ocala City Council: Work Session Agenda - Final
Tuesday, August 11, 2026

Meeting Information

Location
Ocala City Hall
110 SE Watula Avenue
Second Floor - Council Chambers
Ocala, Florida

https://www.ocalafl.gov/meetings

Time
12:00 PM

Council Members
Ire Bethea Sr., Council President
Jay A. Musleh, Pro Tem
Kristen Dreyer
James P. Hilty Sr.
Barry Mansfield

Mayor
Ben Marciano

City Manager
Peter Lee

Mission Statement

The City of Ocala provides fiscally responsible services consistent with the community's current and future expectations.

City Council: Work Session's Strategic Priorities

Priority 1: Economic hub

Priority 2: Fiscally sustainable

Priority 3: Operational excellence

WELCOME!
Citizens are encouraged to participate in City of Ocala meetings. Speakers wishing to provide public comments to the City Council should complete a written public comment form and shall submit said form to the City Clerk prior to the meeting being called to order. Unless otherwise permitted, no person shall be permitted to provide public comments to City Council if they have not completed and submitted a public comment card prior to the meeting being called to order. Speakers will be limited to 3 (three) minutes. Additional time may be granted by the Council President. When recognized, state name and address. Citizen groups are asked to name a spokesperson.

The City of Ocala encourages civility in public discourse and requests that speakers limit their comments to specific motions and direct their comments to the Council. Cell phones should be turned off or set to vibrate.

The order of agenda items may be changed if deemed appropriate by City Council.

Citizens are encouraged to provide comments in writing to the City Clerk before meetings for inclusion into the public record. Citizens may also provide input to council members via office visits, phone calls, letters and e-mail that will become public record. In some instances, i.e., Quasi-Judicial Hearings, these particular contacts may be prohibited.

APPEALS
Any person who desires to appeal any decision at this meeting will need a record of the proceedings and for this purpose may need to ensure that a verbatim record of the proceedings is made that includes the testimony and evidence upon which the appeal is made.

ADA COMPLIANCE
If reasonable accommodations are needed for you to participate in this meeting, please call the City Manager's Office at 352-629-8401 at least 48 hours in advance so arrangements can be made.

1. **Call to Order**
2. **Roll Call**
3. **Public Notice**
4. **Topics for Discussion**
   - **4a.** Fiscal Year 2026-2027 Proposed Budget
5. **Adjournment**

110 SE Watula Avenue
Ocala, FL 34471

www.ocalafl.gov

Ocala

Legislation Text

File #: 2026-2006 Agenda Item #: 4a.

Submitted By: Tammi Haslam

Department: Budget

FORMAL TITLE:
Fiscal Year 2026-2027 Proposed Budget

OCALA'S RELEVANT STRATEGIC GOALS:
Fiscally Sustainable, Operational Excellence

Fiscal Year 2026-27
Proposed Budget

Budget Workshop
August 11, 2026
Council Chambers

Schedule

Date	Time	Description
8/4/26	4:00 PM	Adopted Tentative Millage
8/11/26	12:00 PM	Preliminary Budget Workshop
9/9/26	5:00 PM	Adopt FY27 Fire Assessment Rates (Public Hearing)
9/9/26	5:01 PM	1st Reading Tentative Budget (Public Hearing)
9/15/26	5:01 PM	2nd Reading Final Budget (Public Hearing)

$1,269,705,929

Citywide Budget

	FY24-25 Actuals	FY25-26 Adopted Budget	FY25-26 Amended Budget	FY25-26 YTD Actuals	FY26-27 Proposed Budget
Funding Sources					
Cash Balance Forward	0	604,691,257	816,125,472	0	685,275,008
Ad Valorem	50006257.9	53,871,975	53,871,975	53906640.38	57,976,181
Sales & Use Tax	20775226.08	19,373,637	19,373,637	11502008.16	19,995,646
Utility Service Tax	14155534.04	12,300,000	12,300,000	8084162.07	13,620,000
Comm. Service Tax	3504652.08	3,300,000	3,300,000	2263114.68	3,300,000
Local Business Tax	374465.66	436,000	436,000	338706.65	436,000
Permits/Fees/Spec Assess	23582414.67	22,618,111	22,618,111	21510604.53	22,998,349
Intergov. Revenue	28717446.62	12,529,178	62,066,431	14553466.72	12,408,889
Charges For Services	314425242.5	286,642,534	286,876,511	211523198	309,869,164
Judgmts, Fines & Forfeits	1,464,018	1,072,547	1,072,547	1,080,723	1,404,557
Miscellaneous Revenues	114,843,840	57,440,087	57,601,497	69,471,581	65,193,391
Interfund Transfers	94,849,347	78,610,504	84,256,090	56,215,665	77,228,744
Total Sources	**$666,698,444**	**$1,152,885,830**	**$1,419,898,271**	**$450,449,870**	**$1,269,705,929**
Funding Uses					
Salaries & Benefits	143,965,190	161,747,884	167,410,782	122,337,838	178,568,188
Salary Allocations	-1,398,027	-1,467,620	-1,467,620	-978,413	-1,552,092
Operating	284,271,890	297,604,921	324,013,307	209,058,247	318,857,151
Operating Allocations	-24,025,130	-25,001,596	-25,571,347	-16,161,229	-27,213,558
Capital	49,216,766	59,871,925	198,200,971	59,293,262	54,391,227
Non-Operating	12,688,981	21,312,169	22,867,312	18,063,812	24,424,013
Transfers To Other Funds	94,849,347	78,610,504	84,303,312	56,245,690	77,228,744
Reserves	0	560,207,643	650,099,664	0	645,002,256
Total Uses	**$559,569,016**	**$1,152,885,830**	**$1,419,856,381**	**$447,859,207**	**$1,269,705,929**

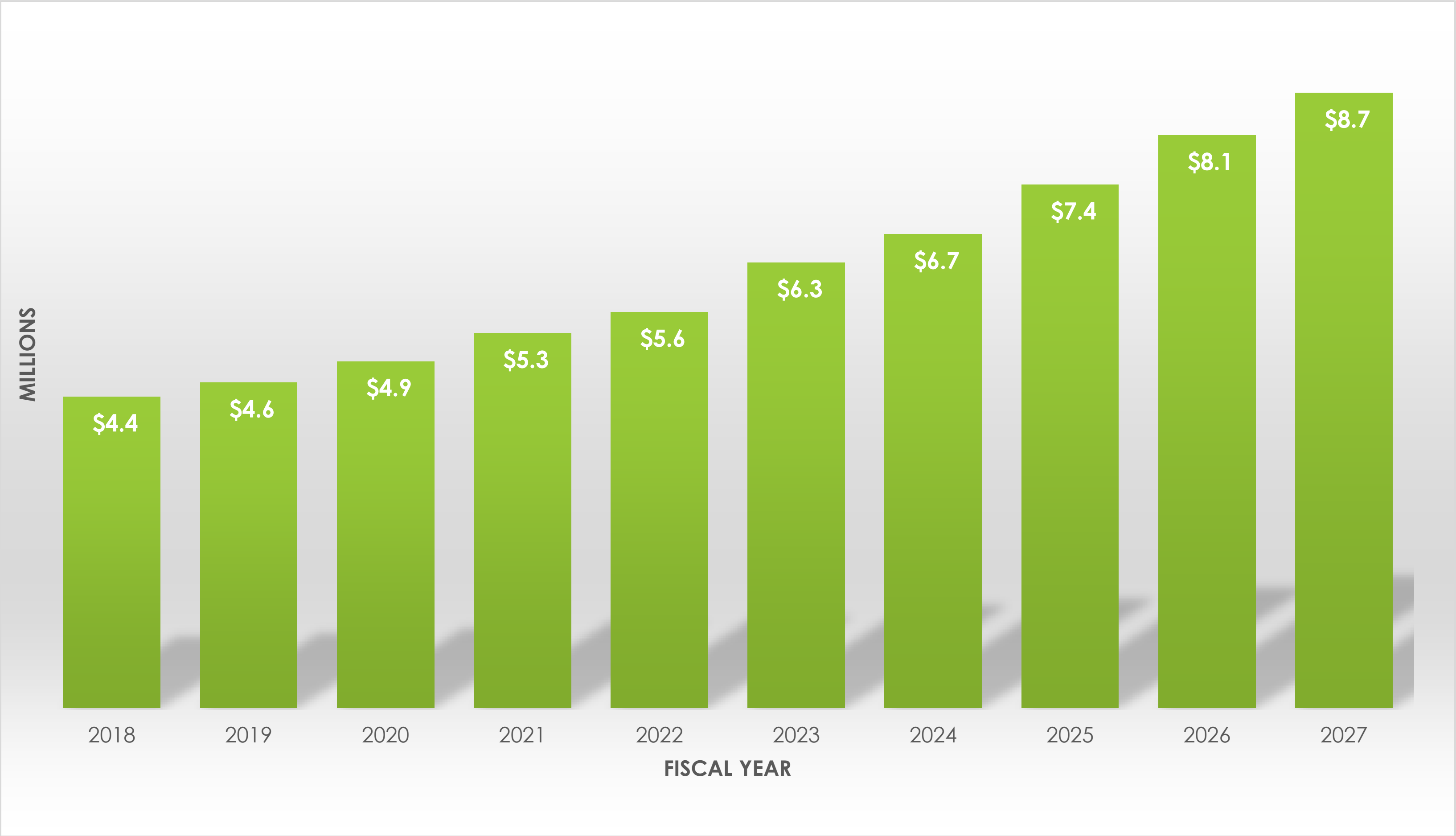
GENERAL

fund

$207,375,596

OCALA

VALUE OF A MILL



6.6177 MILLAGE RATE

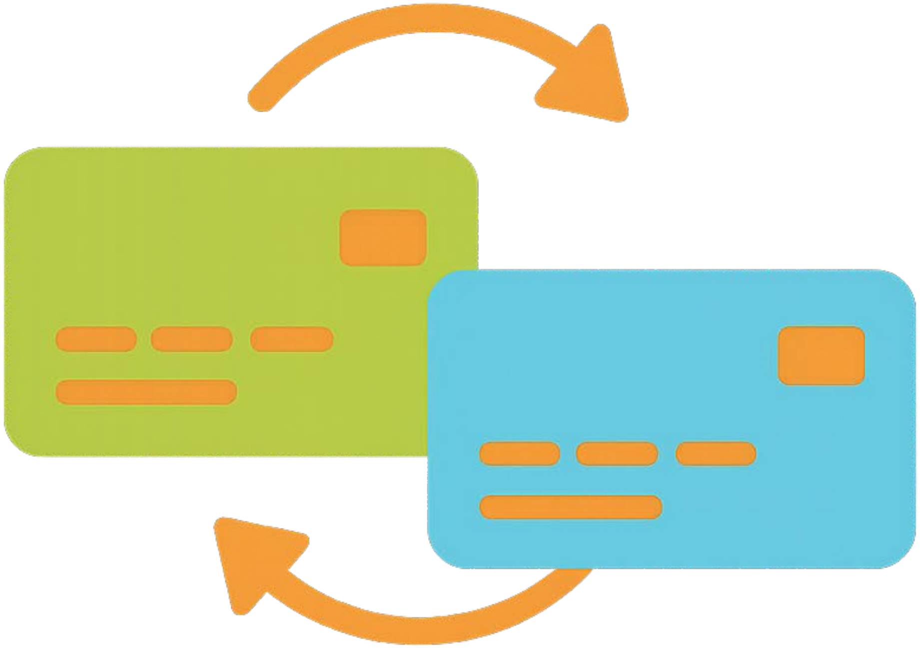
Fiscal Year	Ad Valorem Revenue
2026-2027	$57,711,538
2025-2026	$53,526,012
Difference	$4,185,526

AD VALOREM REVENUE

Fund	Millage	FY26-27 Amount	Increase Over FY25-26
General	5.4927	$47,900,655	$3,473,992
Road Improvement	.7500	$6,520,589	$474,356
Police/Fire Improvements	.2500	$2,180,196	$158,119
Neighborhood Enhancements	.1250	$1,090,098	$79,059
Total	6.6177	$57,711,538	$4,185,526

Fire Assessment

- Adopted mid-fiscal year 2021
- Proposed budget includes no change to the current rates, structure, or methodology
- Revenue target of $18.2M
- Rates were published in the newspaper on 7/31/2026 and will also be included on an insert in the Truth In Millage notices
- Public Hearing scheduled for 9/9/2026 to adopt final rates



FUND TRANSFERS

ENTERPRISE FUND TRANSFERS

Department/Fund	Amount
Electric	$20,053,287
Ocala Fiber Network	$1,095,181
Sanitation	$2,479,425
Water Resources	$6,122,248
Total	$29,750,141

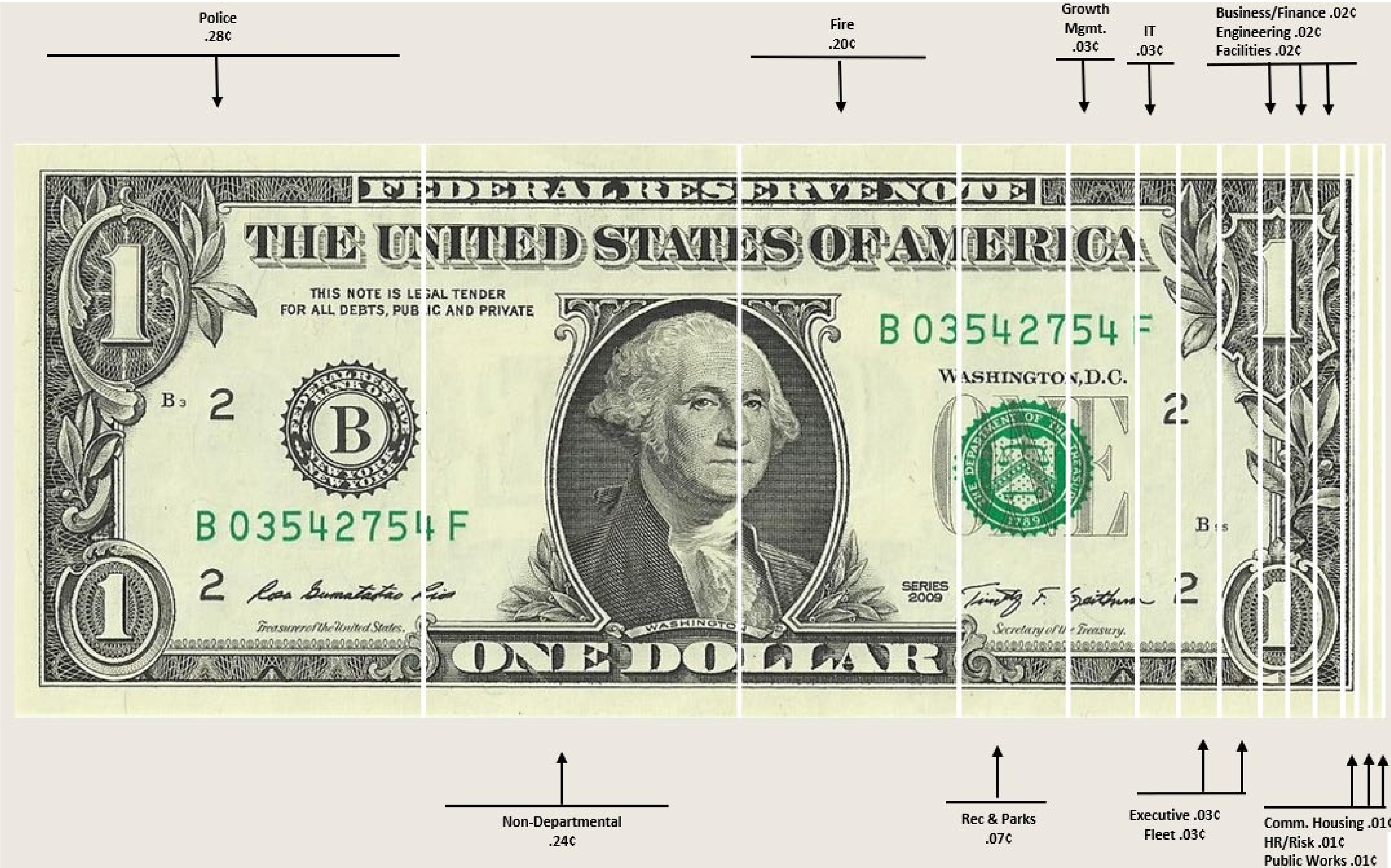

RESERVES

Community Sponsorships

- Dr. Martin Luther King, Jr. Commemorative Commission, Inc. ($10,000)
- Marion County Children's Alliance ($10,000)
- Marion County Veterans Helping Veterans ($10,000)
- Marion Cultural Alliance ($10,000)
- Community Foundation of Ocala/Marion ($100,000)

EMPLOYEE BENEFITS

General Fund Dollars at Work



General Fund

	FY24-25 Actuals	FY25-26 Adopted Budget	FY25-26 Amended Budget	FY25-26 YTD Actuals	FY26-27 Proposed Budget
Funding Sources					
Cash Balance Forward	0	62,000,000	81,228,237	0	71,421,522
Revenues	116,905,770	96,336,951	101,023,955	91,568,560	106,190,413
Interfund Transfers	31,254,772	29,763,661	30,069,581	20,146,014	29,763,661
Total Sources	**$148,160,542**	**$188,100,612**	**$212,321,773**	**$111,714,574**	**$207,375,596**
Funding Uses					
Salaries & Benefits	95,587,090	105,533,477	110,230,968	80,593,806	119,443,949
Allocations	-14,991,226	-16,292,398	-16,292,398	-9,975,263	-17,623,869
Operating	34,399,752	41,479,249	45,333,413	26,035,716	42,680,838
Capital	4,001,273	1,783,774	9,428,978	4,309,209	3,337,917
Non-Operating	1,064,157	188,000	218,750	207,454	184,000
Transfers To Other Funds	18,433,792	12,352,039	14,475,582	11,578,805	12,734,089
Reserves	0	43,056,471	48,923,105	0	46,618,672
Total Uses	**$138,494,837**	**$188,100,612**	**$212,318,398**	**$112,749,729**	**$207,375,596**

DOWNTOWN DEVELOPMENT DISTRICTS

- Proposed budget provides a flat millage for all districts

District	Proposed Millage	FY26-27 Revenue	FY25-26 Revenue	Difference
District A	1.7185	83,659	79,946	3,713
District B	1.6332	56,676	53,324	3,353
District C	1.4699	24,308	22,927	1,380
Totals		**$164,643**	**$156,197**	**$8,445**

CITY OF OCALA

YOUR PENNY AT WORK

OCALA

60%

20%

20%

ENTERPRISE
funds

AIRPORT FUND

AIRPORT FUND

	FY24-25 Actuals	FY25-26 Adopted Budget	FY25-26 Amended Budget	FY25-26 YTD Actuals	FY26-27 Proposed Budget
Funding Sources					
Cash Balance Forward	0	3,454,213	4,183,537	0	3,605,324
Charges For Services	833,635	615,716	615,716	663,332	600,563
Miscellaneous Revenues	1,704,751	1,506,966	1,506,966	1,247,294	1,657,842
Interfund Transfers	0	0	0	0	0
Total Sources	**$2,538,387**	**$5,576,895**	**$6,306,219**	**$1,910,626**	**$5,863,729**
Funding Uses					
Salaries & Benefits	633,075	792,317	792,317	563,885	852,800
Operating	895,546	872,154	1,492,177	649,152	971,048
Capital	615,299	0	866,972	197,382	58,682
Non-Operating	4,500	0	0	0	0
Reserves	0	3,912,424	3,154,753	0	3,981,199
Total Uses	**$2,148,420**	**$5,576,895**	**$6,306,219**	**$1,410,418**	**$5,863,729**

ELECTRIC FUND

ELECTRIC FUND

	FY24-25 Actuals	FY25-26 Adopted Budget	FY25-26 Amended Budget	FY25-26 YTD Actuals	FY26-27 Proposed Budget
Funding Sources					
Cash Balance Forward	0	18,892,885	41,191,435	0	46,377,286
Intergovernmental Revenue	1,016,517	0	0	-137,293	0
Charges For Services	210,957,933	183,557,748	183,557,748	136,344,138	195,467,334
Judgements, Fines & Forfeits	157,560	159,047	159,047	96,157	160,070
Miscellaneous Revenues	7,297,837	1,255,360	1,255,360	11,405,888	1,381,302
Interfund Transfers	3,146,050	16,460	16,460	0	16,460
Total Sources	**$222,575,897**	**$203,881,500**	**$226,180,050**	**$147,708,890**	**$243,402,452**
Funding Uses					
Salaries & Benefits	21,499,065	24,560,852	24,560,852	18,509,666	25,558,797
Allocations	-935,754	-1,064,183	-1,064,183	-709,455	-1,080,961
Operating	138,105,667	133,116,657	133,384,387	99,790,762	145,238,345
Capital	955,725	2,884,184	4,659,761	2,265,915	2,521,970
Non-Operating	205,180	0	0	101,184	0
Transfers To Other Funds	39,469,786	33,265,522	33,265,522	22,177,015	42,815,963
Reserves	0	11,118,468	31,372,935	0	28,348,338
Total Uses	**$199,299,670**	**$203,881,500**	**$226,179,274**	**$142,135,085**	**$243,402,452**

GOLF FUND

GOLF FUND

	FY24-25 Actuals	FY25-26 Adopted Budget	FY25-26 Amended Budget	FY25-26 YTD Actuals	FY26-27 Proposed Budget
Funding Sources					
Cash Balance Forward	0	105,376	-110,155	0	610,017
Charges For Services	2,092,426	1,723,662	1,723,662	1,391,827	2,181,864
Miscellaneous Revenues	18,497	0	0	2,115	0
Interfund Transfers	376,496	648,996	889,933	673,601	0
Total Sources	**$2,487,420**	**$2,478,034**	**$2,503,440**	**$2,067,543**	**$2,791,881**
Funding Uses					
Operating	2,579,103	2,011,479	2,011,479	1,409,004	2,311,362
Capital	275,766	293,555	318,961	64,797	170,000
Transfers To Other Funds	173,000	173,000	173,000	115,333	173,000
Reserves	0	0	0	0	137,519
Total Uses	**$3,027,869**	**$2,478,034**	**$2,503,440**	**$1,589,134**	**$2,791,881**

OCALA FIBER NETWORK FUND

OCALA FIBER NETWORK FUND

	FY24-25 Actuals	FY25-26 Adopted Budget	FY25-26 Amended Budget	FY25-26 YTD Actuals	FY26-27 Proposed Budget
Funding Sources					
Cash Balance Forward	0	5,830,104	13,308,013	0	5,713,306
Intergovernmental Revenue	106,708	0	0	-51,289	0
Charges For Services	8,270,625	8,149,772	8,149,772	5,802,399	8,429,955
Intergovernmental Revenue	556,025	0	0	253,479	0
Total Sources	**$8,933,358**	**$13,979,876**	**$21,457,785**	**$6,004,590**	**$14,143,261**
Funding Uses					
Salaries & Benefits	3,259,566	3,924,213	3,924,213	2,571,903	4,169,174
Allocations	-2,570,580	-2,826,193	-2,826,193	-1,884,129	-2,918,789
Operating	2,607,033	3,368,538	3,929,789	2,160,800	4,015,630
Capital	2,903,114	5,665,343	9,935,419	1,356,729	6,414,968
Non-Operating	2,708	0	0	0	0
Transfers To Other Funds	1,095,181	1,095,181	1,095,181	730,121	1,095,181
Reserves	0	2,752,794	5,399,376	0	1,367,097
Total Uses	**$7,297,021**	**$13,979,876**	**$21,457,785**	**$4,935,424**	**$14,143,261**

SANITATION FUND

SANITATION FUND

	FY24-25 Actuals	FY25-26 Adopted Budget	FY25-26 Amended Budget	FY25-26 YTD Actuals	FY26-27 Proposed Budget
Funding Sources					
Cash Balance Forward	0	4,519,594	9,010,581	0	3,470,170
Permits, Fees, Spec. Assess.	51,974	32,940	32,940	32,511	31,500
Intergovernmental Revenue	-5,960	0	0	0	0
Charges For Services	16,957,008	20,000,000	20,000,000	12,556,508	24,568,000
Miscellaneous Revenues	755,237	0	0	234,031	0
Interfund Transfers	1,129,587	0	477,837	0	0
Total Sources	**$18,887,847**	**$24,552,534**	**$29,521,358**	**$12,823,050**	**$28,069,670**
Funding Uses					
Salaries & Benefits	4,724,440	5,405,437	5,405,437	3,901,096	5,456,406
Operating	8,638,729	10,546,370	10,620,042	6,596,073	10,219,364
Capital	3,490,157	1,602,360	3,966,501	1,970,525	2,692,817
Transfers To Other Funds	2,479,425	2,479,425	2,479,425	1,652,950	2,479,425
Reserves	0	4,518,942	7,049,953	0	7,221,658
Total Uses	**$19,332,752**	**$24,552,534**	**$29,521,358**	**$14,120,644**	**$28,069,670**

WATER RESOURCES FUND

WATER RESOURCES FUND

	FY24-25 Actuals	FY25-26 Adopted Budget	FY25-26 Amended Budget	FY25-26 YTD Actuals	FY26-27 Proposed Budget
Funding Sources					
Cash Balance Forward	0	21,111,994	28,341,838	0	16,425,027
Intergovernmental Revenue	9,693	0	0	0	0
Charges For Services	54,578,767	57,461,173	57,461,173	40,362,303	58,908,140
Miscellaneous Revenues	1,022,822	99,017	99,017	1,030,508	117,160
Interfund Transfers	4,978,950	42,740	62,067	0	42,740
Total Sources	**$60,590,232**	**$78,714,924**	**$85,964,095**	**$41,392,811**	**$75,493,067**
Funding Uses					
Salaries & Benefits	9,833,815	12,284,521	12,284,521	9,082,267	13,630,904
Allocations	-135,523	-138,769	-138,769	-92,513	-143,283
Operating	16,864,157	19,297,788	19,336,536	12,160,921	19,369,576
Capital	701,433	1,696,394	3,065,530	1,269,943	1,609,627
Non-Operating	250,261	0	0	0	0
Transfers To Other Funds	23,016,029	29,172,617	31,172,617	19,448,411	17,858,366
Reserves	0	16,402,373	20,243,660	0	23,167,877
Total Uses	**$50,530,172**	**$78,714,924**	**$85,964,095**	**$41,869,030**	**$75,493,067**

FISCAL YEAR 2026-27
CIP Information

FISCAL YEAR 2026-27
CIP Information

$71,197,968

48 projects

Electric

	Project	Amount
1	Overhead/Underground/Construction/Boring	6,317,848
2	Dearmin to White 69kV	3,000,000
3	Shaw Substation Relay Support	950,000
4	Underground Primary Cable Replacement	1,500,000
5	Adv. Metering Infrastructure (AMI) Meter Repl. Prog.	1,500,000
6	White Substation - Station Relocation - Phase 3	3,000,000
7	Substation Security Upgrade - Phase 8	45,000
8	Shaw Substation TX4 Addition	500,000
9	College Substation - Phase 2	3,000,000
10	Airport - Electric Capacity Upgrades	500,000
	TOTAL	**$20,312,848**

Engineering Facility Construction & Modification

	Project	Amount
1	Design/Build Fire Training Center	$ 500,000
2	Mary Sue Rich Addition Design	$ 85,000
3	Splash Pad Design	$ 75,000
	TOTAL	**$ 660,000**

Engineering

	Project	Amount
	Transportation Engineering	
1	Parking Lot Improvement Program (PLIP)	400,000
2	Transportation Rehabilitation and Improvement Program (TRIP) Depts. 020/023	5,725,000
3	Southeast 18th Avenue at Southeast 5th Street Roundabout	500,000
4	Southwest 27th Avenue Safety Improvements	900,000
	Stormwater Engineering	
1	Drainage Rehab and Improvement Program (DRIP)	1,400,000
	TOTAL	**$8,925,000**

Facilities Maintenance

Department	Source	Amount
Electric	Electric	10,000
Facilities Maintenance	General	154,500
Fire	General	93,500
Fire	Police/Fire (1/4 Mill)	204,000
Golf	Golf	167,000
Public Works	Sanitation	30,000
Recreation & Parks	General	90,500
Water Resources	Water	71,000
	Total	**$820,500**

Fleet Management

Department	Source	Amount
Airport	Airport	58,682
Electric	Electric	2,353,360
Facilities Maintenance	General	74,148
Fire	Police/Fire (1/4 Mill)	1,022,290
Fire	Infrastructure Sales Surtax	2,674,079
Fire	General	2,278,220
Growth Mgmt	General	5,260
Growth Mgmt	Parking	24,000
Ocala Fiber Network	Ocala Fiber	306,878
Police	Infrastructure Sales Surtax	1,186,936
Public Works	Gas Tax	313,342
Public Works	Sanitation	2,382,817
Public Works	Stormwater	68,551
Recreation & Parks	General	559,730
Water Resources	Water	1,122,827
	TOTAL	**$14,431,120**

Growth Management

	Project	Amount
1	Downtown Streetscape	150,000
2	Downtown Wayfinding	50,000
3	Safe Routes to School Sidewalk & Lighting Upgrades	150,000
4	West Ocala Land Acquisition	1,010,500
5	East Ocala 6th Street Connection	700,000
6	Webb Field Bandshell	500,000
7	North Magnolia Land Acquisition	407,000
8	West Ocala Streetscape	300,000
9	Ocala Fiber Infrastructure for Underserved Areas	200,000
	TOTAL	**$3,467,500**

Information Technology

Department	Source	Amount
Airport	Airport	1,100
Budget	General	3,500
City Clerk's Office	General	8,300
City Manager's Office	General	101,300
Community Housing Svs.	General	5,400
Electric/CSC	Electric	232,260
Engineering	General	47,850
Facilities Maintenance	General	1,650
Finance	General	4,900
Fire	General	295,600
Fleet Management	General	14,800
Growth Management	General/Building	358,700
Human Resources/Risk	General	9,600
Information Tech. & Physical Sec.	Water/Sanitation/General/Fiber	600,950
Ocala Fiber Network	Ocala Fiber Network	16,750
Police Department	Police-Fire (1/4 Mill)	1,083,650
Procurement	General	149,700
Public Works	Gas Tax/Stormwater/Sanitation	26,900
Recreation and Parks	General	8,250
Water Resources	Water	124,500
	TOTAL	**$3,095,660**

Ocala Fiber Network

	Project	Amount
1	Partial Network Equipment/Upgrade	296,402
2	Adding to Customer Base and System Overbuild	1,240,641
3	Annual Fiber Builds - Road Projects	4,670,797
	TOTAL	**$6,207,840**

Recreation & Parks

	Project	Amount
1	Fort King Tennis Center Resurfacing	125,000
2	Replace Driving Range Net	70,000
3	Hampton Pool Deck Resurfacing	265,000
4	Jervey Gantt Playground Replacement & Lighting	400,000
5	Ocala Skate Park Lighting	150,000
6	Bunker Restoration Phase 2	100,000
	TOTAL	**$1,110,000**

Water Resources

	Project	Amount
1	Water/Sewer Line Improvement Program	2,000,000
2	Lift Station Improvement Program	700,000
3	WRF Improvement Program - Wastewater Master Plan	2,000,000
4	Water Impact Line Ext & Capacity Imp (Impact Fee)	150,000
5	CIPP Lining	1,000,000
6	Water, Sewer & Lift Station Reuse Reimbursement	100,000
7	Sewer & Reuse Line Ext & Capacity Imp (Impact fee)	1,000,000
8	Reclaim Water Plan	217,500
9	WTP Improvement Program - Water Master Plan	500,000
10	NW Ocala Water Modeling	2,500,000
11	NE 35th Street-Phase 1B	1,000,000
12	WTP #2 - Well #13	1,000,000
	TOTAL	**$12,167,500**

OCALA

CITY OF OCALA
GOD BE WITH US
MARION COUNTY, FLORIDA


THANK
YOU


Any
Questions?