



FINANCIAL STEWARDSHIP EVALUATION

2025

Abstract

As a result of the Florida DOGE initiative, Okaloosa County conducted an internal evaluation of the County's financial health, financial and operational policies, and to identify opportunities to increase efficiencies. This report summarizes the results of the internal evaluation.

November 12, 2025

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CHAPTER 1: INTRODUCTION

BACKGROUND

The Okaloosa County Board of County Commissioners (BOCC) has a long-standing commitment to fiscal stewardship as evidenced by its Vision, Mission and Critical County Values:

The **Vision** for the County is: Okaloosa County will excel at providing an unmatched economic opportunity and quality of place and life for all citizens and visitors while maintaining low taxes and limiting regulation.

The **Mission** of the BOCC is to be responsive to citizens in providing an appropriate level of accessible services on a cost-effective basis.

Critical County Values include the following: continual improvement of infrastructure; health, safety, and well-being of the citizens; preservation of natural resources; responsible economic development; leadership; and stewardship.

On January 20, 2025, a presidential executive order established the “Department of Government Efficiency” (DOGE) initiative. The DOGE initiative was formed to increase government efficiency and productivity by modernizing federal technology and software. On February 24, 2025, Florida Governor Ron DeSantis announced the creation of the Florida State Department of Governmental Efficiency (DOGE) task force, tasked with eliminating waste within state and local government, saving taxpayers money, and ensuring accountability in Florida.

On April 1, 2025, Okaloosa County Board of County Commissioners Chairman Paul Mixon requested that County administration work with our external auditor and the Clerk of Court Inspector General (IG) department to evaluate the County’s current financial position and operations to confirm its prudence in financial management and operational efficiencies. The Chairman also requested the implementation of a hiring freeze for all non-essential General Fund supported positions until such time as the evaluation was complete and presented to the BCC for acceptance. The request was unanimously supported, with each Commissioner giving feedback regarding the scope of the evaluation.

This report includes information regarding the financial health of funds managed by the Okaloosa Board of County Commissioners, a description of financial and operational practices of the County, and recommendations for enhancements to efficiency and performance.

EVALUATION TEAM

The evaluation team consisted of the following:

Okaloosa County Administration & Leadership

Participating members of the evaluation team included: John Hofstad, County Administrator; Craig Coffey, Deputy County Administrator (Operations); Sheila Fitzgerald, Deputy County Administrator (Support Services); Jason Autrey, Deputy County Administrator (Development Services); Faye Douglas, OMB Director; Kelly Bird, Human Resources & Risk Management Director; and Dan Sambenedetto, Information Technology Director.

Okaloosa County Clerk of Circuit Court and Comptroller Brad Embry

The Clerk is responsible for providing accounting services to all departments under the Board of County Commissioners, providing an accounting system for all fiscal changes implemented by the Board, handling investments of available county funds, providing financial reporting to the Board and federal and state agencies, and processing accounts payable, among other duties. As County auditor, the Clerk is responsible for conducting a pre-audit of all county expenditures before payment, reviewing proposed contracts before adoption, conducting internal post-audits to determine if financial controls are sufficient and preparing reports for suggesting improvements to management.

Okaloosa County Clerk of Circuit Court Department of Inspector General

The mission of the Department of Inspector General is to improve the efficiency and effectiveness of government operations by providing independent and objective investigative and audit services to the citizens of Okaloosa County. The Department's authority includes any operation under the direction of the Clerk of Circuit Court and Comptroller or the Board of County Commissioners departments under the control of the County Administrator. It also includes other functions for which the BCC provides financial support. The Department of Inspector General is committed to the prevention and detection of misuse of county resources as well as ensuring an effective system of internal controls. The Department strives to provide value added investigations and audits to help improve the efficiency and effectiveness of government operations.

Warren Averett

Warren Averett is the County's external auditor providing professional auditing services which include auditing the financial statements of Okaloosa County. As part of this fiscal stewardship evaluation, Warren Averett assisted with comparing historical financial results to available benchmarks to illustrate the County's financial condition.

GOALS

Shortly after the April 1, 2025 directive of the Board of County Commissioners, County Administration met with Warren Averett, the County's external auditor, the Clerk of Courts and Inspector General's office to determine the appropriate scope, goals and desired outcome of the fiscal stewardship evaluation. The scope was further modified upon the release of the Florida DOGE Guide developed by the Executive Office of the Governor's Department of Government Efficiency. Stated goals and desired outcomes include:

- Provide evidence that Okaloosa County is fiscally conservative, is a good fiduciary of taxpayer funds and is committed to fiscal responsibility
- Describe the financial policies and practices that are in place to prevent wasteful spending and control against fraud
- Demonstrate that taxpayer funds are spent on core functions of local government and that resources are allocated in a manner that aligns with the pressing needs of Okaloosa County and that essential services are delivered efficiently and effectively
- Identify "pain points" or other areas that may need additional analysis
- Identify specific initiatives that should be undertaken to improve operational efficiencies; streamline operations; or to enhance the sustainability of county finances or improve the annual budgeting process
- Identify opportunities for enhanced public transparency

CHAPTER 2: FINANCIAL HEALTH

PROPERTY TAX BURDEN

Okaloosa County has maintained a flat millage rate of 3.8308 for nearly a decade. Okaloosa County has the ninth lowest county government operating millage in the state¹. When combined with the School Board Operating and Independent Special Districts County-Wide levies, Okaloosa County has the fifth lowest millage in the state¹. Okaloosa's Per Capita County Government Property Tax Levy is \$443.32, the 15th lowest in the state and well below the state average per capita of \$784.13.²

FINANCIAL CONDITION

The Okaloosa County Board of County Commissioners has not experienced any of the financial emergency or distress indicators listed in 218.503(1) Florida Statutes, nor anticipates experiencing any in the future.

Warren Averett, the County's external auditor, performed a financial analysis of the Board of County Commissioner's finances utilizing the Florida Auditor General's Financial Condition Assessment (FCA), which is a structured process designed to help auditors and local governments evaluate the fiscal health of local government entities. The results of the assessment did not warrant any communication of deteriorating financial condition to management or governance for the fiscal year ending September 30, 2024. Long-term debt per capita is lower than peer counties, which is a positive sign for fiscal sustainability. Overall, Okaloosa County's financial condition is generally stable with several favorable trends, especially in net position growth and debt management. A summary of the FCA and assessment report is included in **Appendix A**.

CREDIT / BOND RATINGS

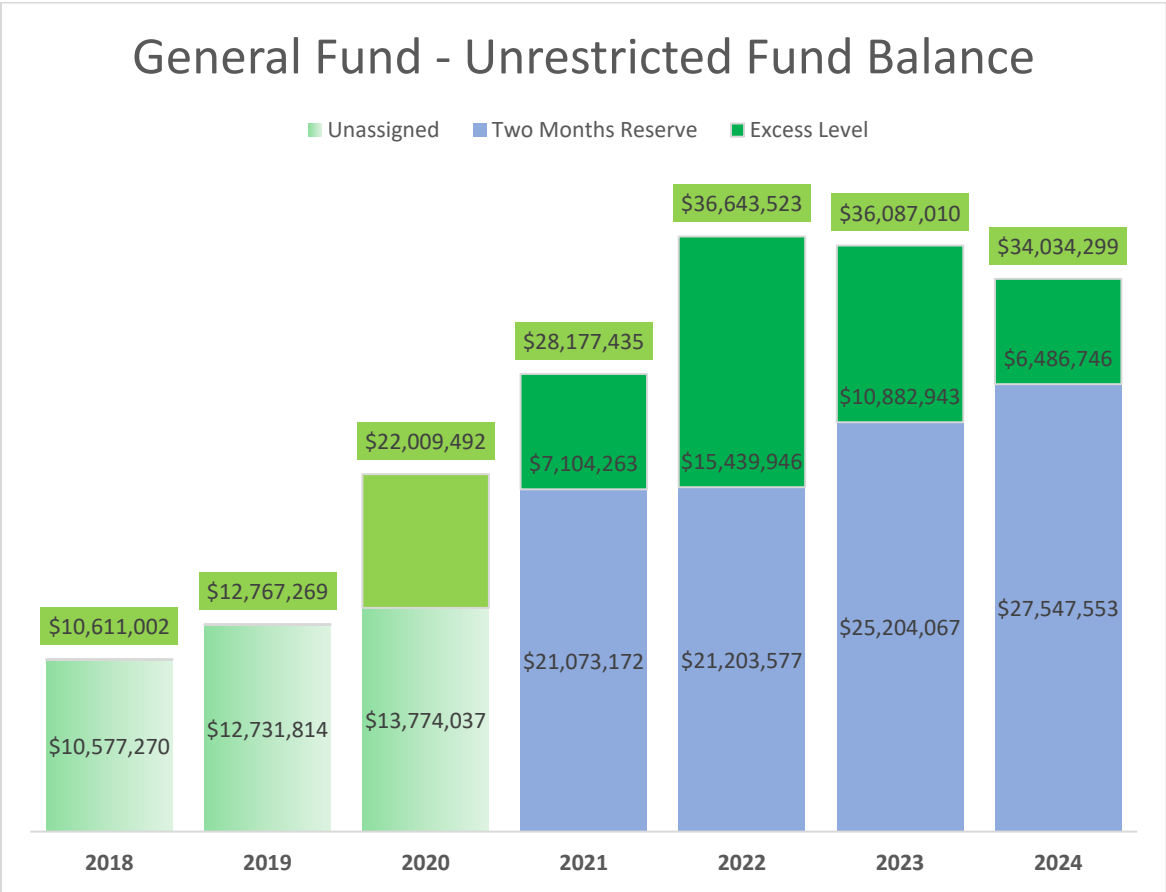
Okaloosa County has a AAA (triple-A) bond rating for its general obligation bonds, which was upgraded from AA+ in 2024. This bond rating is indicative of the County's capacity to repay debt which is supported by strong financial management, economic resilience, and low long-term liabilities. This high rating signifies an "exceptionally strong" financial profile with a stable outlook. Factors such as a growing general fund reserve level, stable economic growth and low unemployment contribute to the high rating.

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1. Florida Department of Revenue – 2024 Millage Rates - https://floridarevenue.com/property/Documents/millage_taxes_levied.xlsx
 2. Florida Tax Watch – “2023 How Florida Counties Compare” – https://floridataxwatch.org/Portals/FTW/How-Counties-Compares-2023-FINAL_pdf%20PROOF.pdf

RESERVES

Okaloosa County established a General Fund Balance and Reserve policy on September 20, 2022. The policy allows the County to maintain continuity of operations in adverse conditions while being mindful of our fiduciary responsibility to taxpayers. It establishes an ideal total minimum reserve level for the purposes of mitigating against risk of natural disasters and economic emergencies and enhances the ability of the County to mitigate economic changes that severely impact the County’s ability to continue operations and provide services. Per policy, the General Fund will strive to maintain an ideal total minimum reserve as unrestricted fund balance of no less than two months (17%) of audited operating expenditures, consistent with the Government Finance Officers Association (GFOA) recommendation. Provided that unrestricted fund balance requirements have been met, the County may use excess amounts to offset operating expenditures or revenue losses in a subsequent fiscal year budget; for unanticipated budgetary shortfalls; for one-time expenditures or capital initiatives; for transfers to other funds for expenditures having no funding sources; or similar uses as approved by the Board. For audited general fund expenditures for the fiscal year ending 2024, the total unrestricted fund balance was \$34 million of which \$27.5 million represents the minimum reserve level of two months.

The following graphic reflects a history of the unassigned fund balance, the ideal two-month reserve level and excess funds that exceed the minimum reserve level. Excess funds have been used in recent years for major capital projects such as the District One Medical Examiner Building and the South Okaloosa Extension Office Building.



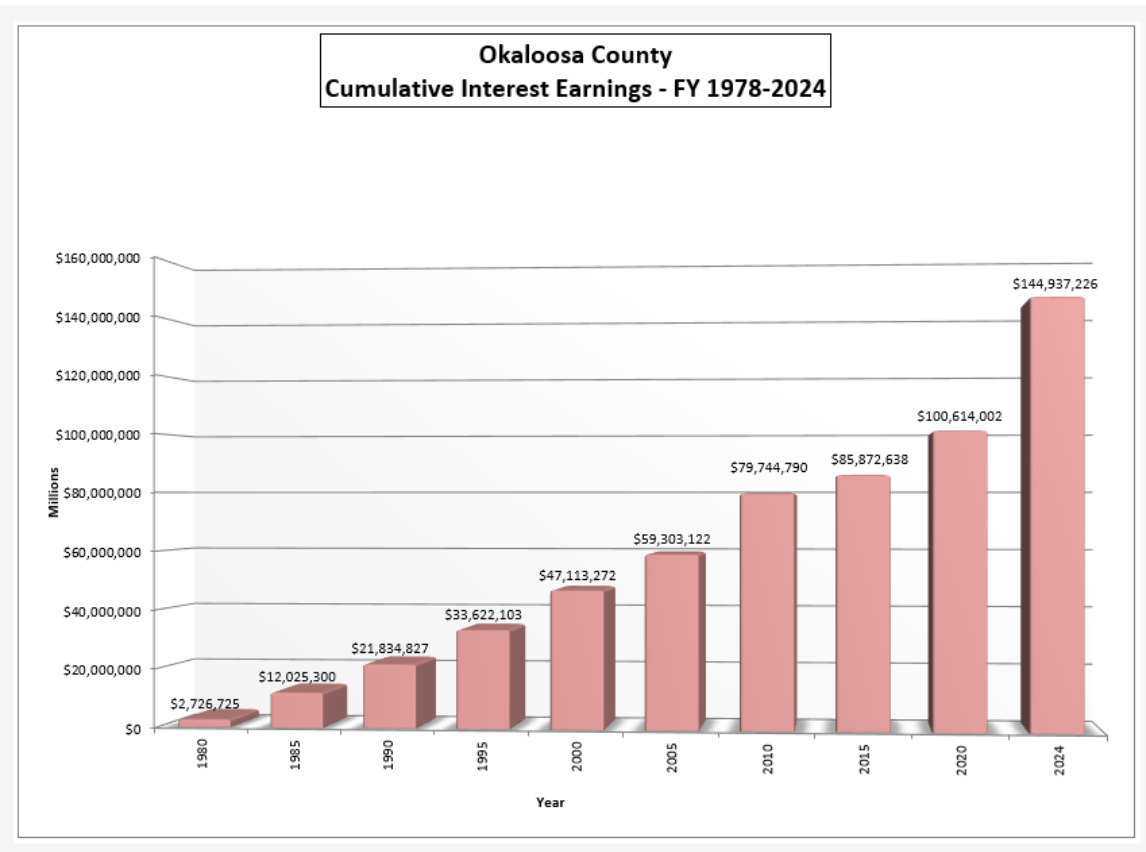
INVESTMENTS

Okaloosa County established an investment policy on November 15, 2016, which was most recently amended on November 4, 2024. The policy is compliant with 218.415, Florida Statutes. The Clerk of Courts is charged with the responsibility to make investments on behalf of the Board and maintains the day-to-day responsibility for the administration of the investment program. The Clerk establishes and maintains a set of written internal controls designed to protect the County's funds and ensure proper accounting and reporting of the securities transactions. All monetary assets of the Okaloosa County Board of County Commissioners which are recorded to the General Fund, Special Revenue Funds, Capital Project Funds, Debt Service Funds, Enterprise Funds, Internal Service Funds, and Trust and Agency Funds, are administered in accordance with the policy. The primary objectives of all investment activities for the County are safety of principal and maintenance of adequate liquidity and secondarily, return maximization. Quarterly and annual reports are provided to the County that detail investment performance.

The County has a very healthy reserve of cash and investments. As of the fiscal year ending 2024, the County maintains a strong reserve position, holding approximately 14 months of cash and investments on hand, with an average return of 5.2%. Despite elevated short-term interest rates, the County's investment portfolio has outperformed Florida Prime (LGIP) over the past decade. The decline in the County's debt-to-net-position ratio further reflects prudent financial management and effective use of surplus cash and investments.

Quarterly and annual investment performance reports can be viewed on the Clerk's website at:

<https://okaloosaclerk.com/about-finance-accounting/county-reports/>



CHAPTER 3: FINANCIAL MANAGEMENT

CLERK AND COMPTROLLER

In addition to serving as the Clerk of the Circuit Court, the Clerk also serves as Comptroller for the Board of County Commissioners. The Clerk's Finance team upholds a strong culture of fiscal responsibility through established review and approval processes that ensure compliance, transparency, and accountability in all expenditures. Each transaction is evaluated for public purpose, alignment with the County's purchasing policies, contractual compliance, and validates that expenditures are coded properly for financial reporting and audit purposes. Supporting documentation is reviewed for accuracy and completeness prior to payment. These internal control practices provide assurance that public funds are managed responsibly, safeguarded from misuse, and expended in accordance with applicable laws and established financial controls and best practices.

Financial Transparency reports can be viewed on the Clerk's website: <https://okaloosaclerk.com/about-finance-accounting/county-reports/>

CLERK INSPECTOR GENERAL

The Clerk of Circuit Court and Comptroller Department of Inspector General (IG) serves to protect the integrity, accountability, and transparency of local government. The IG investigates fraud, waste, abuse, mismanagement, misconduct, and other violations involving County and Clerk employees, departments, programs, and contractors. Their goal is to provide meaningful, independent and objective investigations and audits to the citizens of Okaloosa County.

Every two years the IG office will conduct a risk assessment of all County departments. Each department will be given a questionnaire addressing the following: Internally Managed Systems, Public Facing Programs, Departmental Staff, and Cybersecurity Training. Each of the responses will be applied to a standard matrix and given a score of 1, 2, or 3. One (1) being low risk, two (2) being moderate risk, and three (3) being high risk. The scores are then compiled and multiplied by a given weight to determine the departments with the highest to lowest risk. Included in the score is a multiplier based on whether the department was recently audited or it had been a period of time since their last audit. An Audit Plan is then constructed based on risk and approved by the Clerk of Court and Comptroller. The departments who score the highest risk will be placed on the audit plan for that year or the following year based on how many audits are anticipated and number of staff. The Audit Plan is re-evaluated at the end of the year, and adjustments are made if necessary/applicable. A copy of all audit reports is posted on the Clerk of Court's website.

Reports of fraud, waste, abuse of authority, mismanagement, contractor violations and employee misconduct can be made to the IG via a fraud hotline, by mail or anonymously using an online reporting link.

Refer to **Appendix B** for the Okaloosa County Clerk of Circuit Court and Comptroller Policy No. 2000 for more information regarding the purpose, authority and responsibility of the Clerk's Department of Inspector General.

Information on the role of the Inspector General, copies of audit and investigative reports, and instructions to report fraud, waste and abuse may be found at: <https://okaloosaclerk.com/inspector-general/>

FINANCIAL AUDITS

A financial statement audit is a critical process for Florida local governments, ensuring accuracy, compliance, and transparency in their financial reporting. By conducting regular audits, local governments can enhance their financial management, build public trust, and demonstrate accountability to their constituents.

A financial statement audit is an examination of the County's financial statements, conducted by an independent auditor. The purpose of this audit is to ensure that the financial statements are accurate, complete, and prepared in accordance with established accounting standards. The auditor reviews various financial records and transactions to verify their authenticity and compliance with relevant guidelines and regulations. In addition to providing transparency, the financial statement audit also provides assurance regarding the County's compliance with various laws, regulations, and standards that govern its financial operations, as well as enhance financial management by facilitating better decision-making and more efficient use of public resources.

Annual Comprehensive Financial Reports can be viewed on the County's budget page at:

<https://myokaloosa.com/bcc/budget>

ETHICS AND FRAUD

Fraud prevention techniques employed by the Board of County Commissioners include policies, procedures, and employee training. Management addresses fraud risk by encouraging strong ethical behavior using the following tools:

- The Code of Conduct and Ethics Policy outlines State of Florida code of ethics and standards of conduct.
- Ethics and Standards of Conduct along with other Human Resource policies are included in the Employee Orientation binder. Employees are required to acknowledge receipt of the policies and that they will abide by the policies and procedures. Violations of these policies may result in disciplinary action.
- The County's Leadership Institute includes Ethics Training in one of five sessions.
- County employees with outside employment or businesses are required to submit an "Outside Work" request form that is vetted by the County Attorney and approved by the County Administrator to eliminate any conflict of interest.
- Certain employees are required to comply with financial disclosure requirements on an annual basis and those that participate in procurements or grants management are required to sign a conflict-of-interest statement.
- Criminal background checks are conducted on all County employees with financial background checks also conducted on upper-level management with financial responsibilities.
- As outlined in the Anti-Fraud policy within the Human Resources Policy Manual, anyone who has reason to believe that fraud, waste or abuse has been committed by an employee, elected official, vendor, contractor, or any other party or entity that has a business relationship with the County, is encouraged to report the concern to the Human Resources Director, the County Administrator, a County Commissioner or the County Attorney. Reports may be made anonymously through an online form on the County's website.

The Form and other information regarding Florida's "Whistle-Blower's Act" may be viewed at:

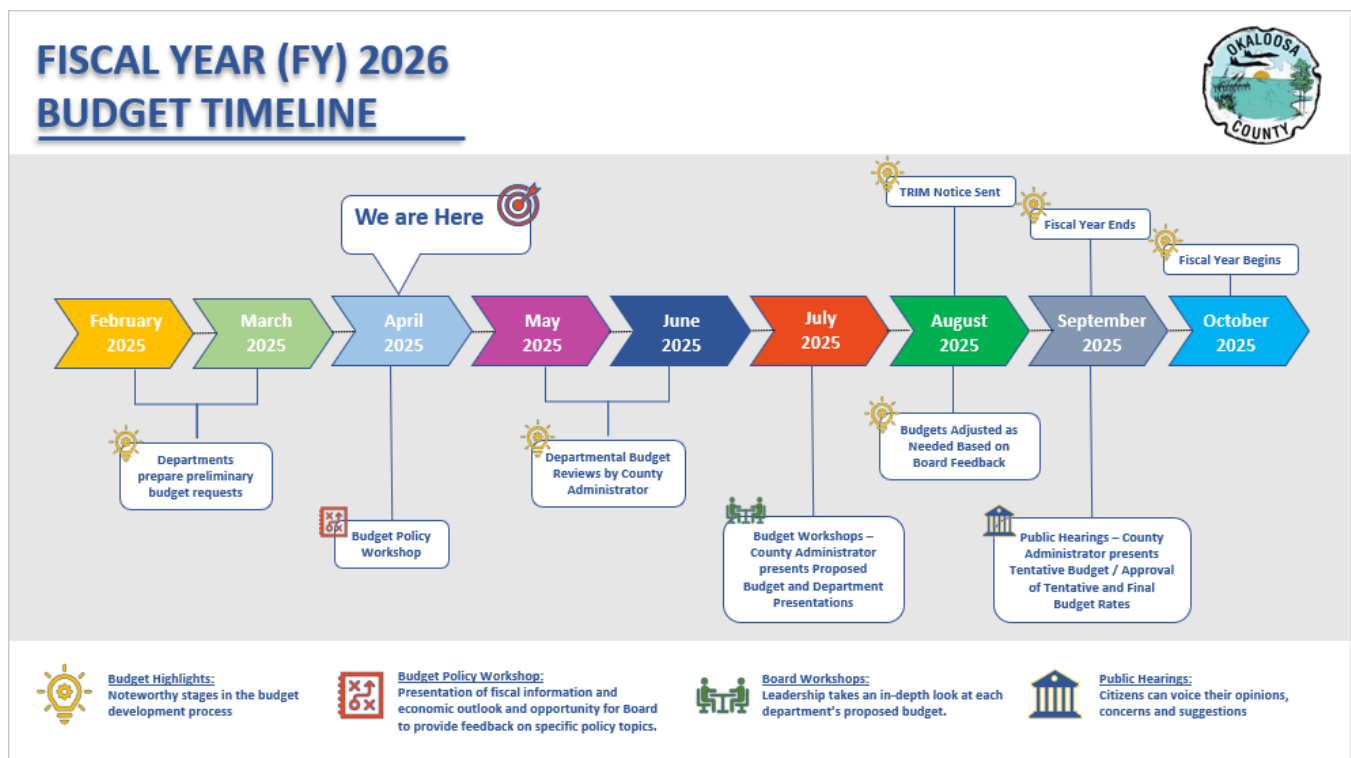
<https://myokaloosa.com/bcc-whistle-blower>

FRAUD AWARENESS AND PREVENTION TRAINING

The Office of Management and Budget, in partnership with the County's external auditor and the Clerk's Inspector General Office, host periodic fraud awareness and prevention training for all employees who have a role in financial, grants, or procurement management. The next training will be held in early 2026.

BUDGETING

The Okaloosa County Board of County Commissioner's budget serves as the key tool for setting operational and capital project spending priorities and is legally enacted each fiscal year. Preparation of the proposed budget for direct spending by the BOCC is the responsibility of the County Administrator, supported by the Office of Management and Budget and in accordance with State of Florida statutes. As reflected in the budget timeline graphic below, the budget development process begins each year in February as departments prepare their preliminary budget requests. A budget policy workshop is typically held in April to provide the Board with financial and economic information and to solicit feedback on specific policy/spending topics. After preparation, the proposed budget is then presented to the citizens and the BOCC at two public hearings in September. These hearings are also used to set the annual property tax millage rate as prescribed by Truth in Millage (TRIM) statutory requirements. All budgets are required to be balanced, with all expenditures supported by identified funding sources. The priority of the Office of Management and Budget is to develop an accurate, realistic, and sustainable County budget.



Approved Budget documents can be viewed on the County's budget page at:

<https://myokaloosa.com/bcc/budget>

PROCUREMENT/CONTRACTING

The County maintains a central procurement system which promotes efficiency, economy, and fair and open competition to reduce the appearance and opportunity for favoritism or impropriety, and to inspire public confidence that all purchases and contracts are awarded equitably and economically. All procurement activities are conducted in strict compliance with the Okaloosa County Purchasing Manual. The purchasing manual addresses the process by which contracts are awarded and issued to include a delineation of authority and responsibility for approval using dollar value thresholds. The process for soliciting procurements and awarding contracts is clear and transparent.

The purchasing department encourages vendor competition in the following ways:

- Advertisement of procurements via the County website, BidNet and the newspaper (for construction projects).
- The use of a nationwide e-procurement system which has a large reach
- Participating in vendor awareness opportunities on topics such as “How to do business with Okaloosa County”

Okaloosa County has a robust purchasing card (P-Card) policy. The Purchasing Card Program allows cardholders to purchase low dollar approved commodities and services directly from vendors and is designed to improve efficiency. Employees receive extensive training prior to the issuance of a P-Card. When infractions are issued, employees receive additional training. The Purchasing Division and the Finance Department monitor the performance of the program.

The County has established standard templates for contracts to streamline the contracting process and reduce legal risks. Each template includes:

- Provisions for timelines, clear performance clauses and performance metrics
- Provisions for termination for convenience, cause, insolvency and failure to adhere to public records laws
- Liquidated damages for construction contract which utilize FDOT liquidated damages schedules
- Clause covering governing law, venue and waiver of jury trial to avoid extended and expensive litigation

Management of contracts is handled at the department level with expectations to track the life cycles of contracts, performance, compliance and completion deadlines. The Purchasing Department utilizes a contract management system which tracks termination dates for contracts, bond documentation and certificates of insurance. A registry of all contracts and leases is maintained on the County’s procurement web page.

All County employees who are responsible for implementing the procurement process within their department/division attend periodic training classes provided by the Purchasing Division. The Purchasing Department works with County employees daily to ensure they obtain the operational items needed for their departments. Violation of procurement policies and procedures may be grounds for disciplinary action and/or suspension of procurement/P-Card privileges.

Okaloosa County regularly conducts an evaluation of insourcing vs. outsourcing for recurring activities or services. Some examples include a periodic evaluation of legal counsel, building and lawn maintenance, and custodial and clerical services.

PROPERTY ACQUISITION, DISPOSITION AND MANAGEMENT

The policy guiding the acquisition and disposition of real property is in Chapter 18 of the Okaloosa County Code of Ordinances. The policy establishes alternative procedures for the acquisition and disposition of real property that are supplemental to the statutory methods available to the County under Florida law. One or more appraisals are obtained for every purchase for which the contract amount exceeds \$10,000. The purchase price of property is generally set below or at appraisal value; however, the purchase price may also be set based on factors such as location, necessity or alignment with County priorities. All purchases exceeding \$50,000 must be approved by the Board of County Commissioners. A justification regarding purchase price is included in each property purchase request. The policy also includes the process by which real property may be declared as surplus and methods of disposal. The County has also adopted a Tangible Personal Property Manual.

To ensure all property is accounted for and to handle any discrepancies, the County follows a regular and systematic inventory process. Every year, the Purchasing department begins a methodical inventory of all property and assets. The process is a careful and collaborative effort between the Fixed Assets Coordinator and each Department's designated representative and is designed to ensure the integrity of records and to track each item through its lifecycle.

The inventory process starts with generating a comprehensive asset listing for each department's property custodian. This report is the custodian's roadmap, detailing all equipment, from high-value machinery to attractive personal property items like laptops and projectors. Once the physical count is complete, the data is uploaded to the fixed asset system. Any discrepancy triggers an investigation to find the root cause. Staff will conduct and investigate and report findings. This multi-step process ensures that the County maintains an accurate and transparent accounting of all County assets. It's a closed-loop system where each step—from physical verification to discrepancy resolution—builds accountability and reduces the chance of future errors.

GRANTS MANAGEMENT

For the Fiscal Year 2024, Okaloosa County managed over \$198 million in federal and state financial assistance. The Grants Policy and Procedures Manual establishes uniform guidelines instructing Okaloosa County personnel in the pursuit of grant funding and the management of grant awards. For each grant, a pre-application risk assessment and review of the funding opportunity is conducted using a pre-application risk assessment form. The funding opportunity is assessed to determine:

- alignment with the department's core mission and the County's strategic priorities
- the dollar amount of the funding opportunity
- availability of required match (cash/in-kind)
- sustainability of the program/project without additional funding
- the project's complexity
- department training and prior experience with the funding program or granting agency
- department staffing level
- the anticipation of a subaward and the subrecipient experience
- potential to fund potential long-term operations and maintenance costs without budgetary increases

All grant applications must be approved by the Board of County Commissioners or the County Administrator, in limited circumstances.

RISK MANAGEMENT

Okaloosa County BOCC operates under a comprehensive risk management program designed to balance fiscal responsibility with effective protection of the County's assets and employees. As part of the overall risk strategy, the County operates a self-insured Workers' Compensation program. This approach allows the County to manage claims in-house, maintaining close oversight of costs, employee safety, and recovery outcomes. A Third-Party Administrator (TPA) assists in the technical management of claims, ensuring compliance with state requirements and supporting efficient claims processing.

In addition to Workers' Compensation, the County has adopted a partially self-insured property insurance model with a substantial self-insured retention (SIR) of \$100,000. The high retention level reflects the Board's deliberate decision to assume greater direct control of financial risk to reduce ongoing long-term insurance premiums. By retaining a greater portion of the risk, the County can allocate funds more effectively while continuing to safeguard against catastrophic loss through layered excess coverage. The County uses a "quilt" method, meaning multiple insurance carriers share responsibility for providing different tiers of coverage. In 2024, the Board of County Commissioners made the strategic decision to assume one of the layers previously covered by an outside insurer. In addition to the healthy self-insured reserve, the County has established a Property Reserve account to plan for any future losses associated with the property program.

The County's health program is managed with the same strategic focus on cost control and employee well-being. The County partners with an independent insurance consultant, who, by contract, receives no bonuses or commissions and works exclusively with public entities. This ensures that all recommendations are objective and in the best interest of the County and its employees. County staff continuously monitor the overall health of the insurance plan using data to identify areas for improving employee wellness. Through a robust wellness program, the County works to address the top health issues and promote preventive care by offering incentives for education and coaching programs. This proactive approach supports employee wellness and helps control long-term insurance costs.

Currently the County's health program operates under a 100% pro-share agreement with our healthcare carrier. Under this model, after all claims and administrative fees are paid, the County receives 100% of any remaining funds. When the plan performs well and generates savings, these funds are retained to offset increases in future years. Building on the success of this structure, the County is currently exploring transitioning to a self-insured insurance program. This model would provide greater control over costs and claims management.

OTHER SPENDING

Non-profit funding assistance – During the development of the Fiscal Year 2026 budget, the Board of County Commissioners did not allocate funding for non-profits. Historically, the annual cumulative amount allocated to non-profits was approximately \$250,000, a very small percentage of the County's annual general fund budget. When non-profit assistance was provided in prior fiscal years, it was consistent with the General Fund Nonprofit Funding Policy statement requiring that general fund dollars could only be used to: support nonprofits that provided a service or function which the County may otherwise be compelled to provide; reduce the overall cost of government; or assist in providing economic opportunity or enhancement of the quality of place and life for residents.

Green New Deal - Okaloosa County has not adopted any policies related to climate change or made expenditures for items such as electric vehicles, charging stations, solar power, sustainable building certification, staff training or other climate-related programs.

Diversity, Equity and Inclusion - Okaloosa County has not adopted any policies related to diversity, equity or inclusion or made expenditures for training, educational materials, or any other items related to diversity, equity or inclusion.

CHAPTER 4: OPERATIONAL POLICIES AND PRACTICES

HUMAN RESOURCES/PERSONNEL

Okaloosa County has consistently reviewed its priorities to balance fiscal responsibility and employee support. The County recognizes the importance of maintaining a sustainable and fair compensation and benefits system while safeguarding long-term financial stability.

Unlike some organizations, Okaloosa County does not offer bonuses to employees, even for longevity of service. Instead, the County relies more on a measured approach to compensation adjustments. Since 2019, only one merit-based increase has been approved by the Board. When granted, merit increases are not automatic; they must be justified by performance metrics that show achievement above standard expectations. The County has adjusted wages as necessary to be in full compliance with the \$15 per hour minimum wage by 2026. Other salary adjustments are made in strict accordance with the County's Human Resources Manual.

In addition to compensation efforts, the County has taken steps to enhance its leave policies, supporting both employees and organizational stability. In October 2024, the County transitioned from its traditional annual/sick leave accrual system to a consolidated Paid Time Off (PTO) program. The PTO model was introduced to simplify administration, give employees flexibility in managing their time off, and reduce the County's future liability related to large leave balances. This change reflects the County's proactive efforts to modernize the benefits system and ensure financial stability and responsibility.

The County continues to find ways to eliminate duplicative services and streamline processes. In November 2022, the County combined the Human Resources and Risk Management Departments into a single unit. This has resulted in cost savings and better coordination in many processes involving both divisions. The County also has an "Employee Suggestion Program" in which employees can be rewarded for making suggestions that result in improved productivity, safety, and/or operating savings for the County.

The HR and Risk Management Department continues to assess risk as part of their day-to-day duties and develops procedures to prevent fraud. For example, measures are in place to confirm the identity of any employee who requests changes related to payroll, such as direct deposit banking details. There have been several fraudulent payroll scams that have been prevented through these procedures.

In regard to workforce training, Okaloosa County aligns its practices with DOGE priorities by maintaining compliance-focused training programs. The County does not participate in Diversity, Equity, and Inclusion (DEI) initiatives or training. Employees are required to participate in prohibited harassment training, which ensures essential training narrowly tailored to compliance and workplace standards without expanding into DEI related activities.

With regards to contract labor under temporary staffing agreements, the Human Resources Department undertakes a monthly review of temporary staff utilization to verify eligibility for employment under FRS standards and confirm compliance with employee hiring criteria. A review of temporary staff expenditures is made during the annual budget process to determine if cost savings may be recognized by creating new permanent positions to meet staffing needs. The Human Resources Department routinely reviews the listing of vacant positions to determine which departments may need support to fill the position, if the position is unnecessary and should be eliminated or to identify job description modifications to better suit department needs.

The County does not offer vehicle allowances; rather, take home vehicles are considered on the basis of work responsibility. Assignment of vehicles is further detailed within Chapter XIX of the Human Resources Manual. Associated taxable income for take home vehicles is administered by the Human Resources payroll department.

REGULATORY FOOTPRINT AND BUSINESS & DEVELOPMENT SUPPORT

The Okaloosa County Board of County Commissioners have always been diligent in maintaining a less restrictive regulatory climate, despite continuous and fast paced growth. The County maintains a mostly administrative approval process, eliminating much of the risk and uncertainty inherent in public approval processes. In addition, review fees have remained consistently low. However, Okaloosa, like many jurisdictions struggles with inefficient processes, lack of training, cumbersome procedures that lead to delays, and frustration among developers, builders and staff. The Growth Management Department has recently developed a plan to streamline these processes, and implementation is under way. In addition, the County recently modified the organizational structure to improve efficiency related to development services combining the Water & Sewer, Public Works, and Growth Management divisions under one Deputy County Administrator. Refer to **Appendix C** for more information on the Growth Management Division's implementation plan for improvements as well as examples of rolling back regulation.

CAPITAL PROJECTS/INFRASTRUCTURE/TRANSPORTATION INVESTMENTS

Okaloosa voters approved a half-cent (.5%) sales tax increase in 2018 to help address infrastructure needs of the County due to rapid growth, aging roads & stormwater systems, and the demand for improved public safety. A citizens' advisory committee reviews and makes recommendations to the Board of County Commissioners on all project spending and allocations to ensure accountability. Every recommendation by the Infrastructure Surtax Advisory Committee is presented to the Okaloosa County Board of County Commissioners for review and approval. Other sources of funds for general government capital projects are general fund revenues, such as property tax, gas tax, or specific purpose municipal service taxing unit (MSTU).

All sources of revenue are available to be utilized as matching sources for any available federal, state, or special purpose grants. To the greatest extent possible, Okaloosa County seeks to leverage its funds with other sources, such as grants or in partnerships with state agencies, such as the Florida Department of Environmental Protection and FDOT. In one example, Okaloosa County leveraged approximately \$36M in Infrastructure Surtax funds in combination with \$64M from Triumph Gulf Coast and \$100M from the Florida Department of Transportation (FDOT) to complete the Southwest Crestview Bypass and Interstate-10 Interchange projects.

Capital projects for enterprise funds within the Water & Sewer and Airport Departments are implemented using a variety of enterprise fund revenues, grants or loans. Tourism Development Taxes are used for eligible tourism-related capital projects and land acquisition.

PUBLIC INFORMATION AND TRANSPARENCY

The Okaloosa County Public Information office implements a multi-faceted strategy to inform the public on various issues that include: how to view live public meetings online and in person, where to find emergency preparedness resources, a how-to guide on the process for creating a subdivision/development, daily beach conditions, how taxes are spent and general information on County departments. Okaloosa County distributes information in three primary ways:

- Traditional Press Releases – emailed to leadership, local and regional media companies and local agencies.
- Social media: Okaloosa County distributes information about County government using social platforms that includes, YouTube, Facebook, NextDoor, X (formerly Twitter) Instagram and LinkedIn with an overall audience of 167,000.
- Website (MyOkaloosa.com) – Okaloosa County updates the website regularly for each department while also serving as a point of direct information for emergency situations such as tropical activity that may affect the residents and visitors in Okaloosa County.

Beginning in 2018, Okaloosa County Public Information staff implemented an annual Communications Survey to solicit information from the public on how they receive information from their county government. The survey explores what residents would like to see improved around the County, how and where they receive information from the County and general sentiment on their quality of life. It also asks residents what part of the County they live in, if they know who their elected officials are, where to view meetings, which departments they interact with the most and if they approve of the job that their county government is doing. The results of the survey are published in the County's Annual Report that is distributed both in print and online at MyOkaloosa.com. The results are used to inform staff and leadership on the issues that concern residents to help guide public policy and initiatives to better serve Okaloosa residents.

Okaloosa County Public Information staff remains mindful of new opportunities and methods that may reach more residents. With the advent and implementation of technology like AI and increased smartphone use, Public Information staff remains committed to responsibly using new technology while ensuring accurate and timely information is distributed.

INFORMATION TECHNOLOGY AND CYBER SECURITY

Efficient Information Technology and effective cybersecurity protocols are critical to protect public data, maintain essential services, comply with state mandates and safeguard against cyberattacks. The practices and protocols employed by the Information Technology division include the following:

Controls against duplicative or wasteful technology spending - IT is responsible for directing the management of technology and data for the County and recommends and/or approves county wide enterprise technologies that eliminate or reduce duplicative or wasteful technology spending. Many technologies are centralized due to the robust county fiber optic network. The IT department meets with each user department regularly and during the budget process to evaluate enterprise, client technology and subscription-based software with the express goal of eliminating wasteful technology spending from each budget.

Identification of unused software licenses, software packages and/or duplicative software - IT reviews every department's technology budget each year during the budget process to identify and evaluate licensing and software. Additionally, enterprise software budgeted directly in IT is constantly monitored for scope and licenses to ensure proper use and compliance.

Inventory practices for technology hardware to identify unused, outdated, or missing equipment - With oversight from Purchasing, IT performs yearly account inventory for all capitalized equipment. Additionally, all technology connected to county networks are vetted and monitored. Only equipment approved by IT is physically allowed to connect to county networks. Tight inventory controls eliminate unused, outdated or missing equipment. Additionally, all unused or outdated equipment are either repurposed or sent to Purchasing for dispossession in accordance with the Tangible Property Manual.

Mobile device need, usage review, and giveback - Mobile device need is identified by each department and approved by IT. IT disseminates and monitors each mobile device using MDM software. During budget review, IT identifies underutilized mobile county devices by department and verifies continuing need. When an employee separates, IT is notified, and appropriate precautions are made to disable credentials and retrieve equipment.

Insourcing vs. Outsourcing for Information Technology - IT evaluates opportunities for insourcing or outsourcing on an annual basis during budget development. For example, the County outsourced fiber optic splicing for many years until it was determined to be more cost effective and could provide a higher level of service to bring the function in house.

Cybersecurity and IT related fraud: Okaloosa County has implemented NIST 2.0 Cyber Security Framework policies and have active security awareness training for all employees with monthly security campaigns to keep employees aware and accountable. IT implements MFA, least privilege access controls, and robust reporting and logging procedures as well as other appropriate security controls.

In the past 24 months, our Perimeter Security that includes our firewalls and intrusion protection/detection systems have prevented approximately 206,400 critical severity attacks from over 100 categories and 169,600 high severity attacks from over 60 categories. For Endpoint security, we have reported approximately 210 spyware/grayware detections over the same period for which all were quarantined or mitigated and removed before data was compromised.

CHAPTER 5: RECOMMENDATIONS

OPERATIONAL ENHANCEMENTS

- 1) **Develop a formal strategic plan.** The County has not developed a formal strategic plan since 2018, relying more on informal strategic planning and Board direction for the planning and expenditure of funds. Whenever there is an environment of elected officials, where change in the composition of the Board of County Commissioners can vary from each election year, there is risk that planning and communication of the overall goals can differ and fluctuate from the prior administration's goals, which could potentially lead to confusion on execution of the strategic plan by the workforce of the County. A strategic plan also ensures that the pursuit of grant opportunities is aligned with county priorities.
- 2) **Utilize new Enterprise Resource Planning (ERP) system for operational enhancements.** The County, in partnership with the Clerk of Courts, will be implementing Workday, a new ERP system in 2025-2026. Designed for both desktop and mobile users, Workday's suite of applications spans finance, human capital management, payroll, grants, budgeting and analytics to bring the entire organization under one modern, agile, easy-to-use system delivered in the cloud. There are many advantages to the new system that will result in operational enhancements, including: streamlining operations, improving operational performance, hiring and retention of employees, enhancing reporting requirements for grants, project management, and the use of real time data and insights for decision making.
- 3) **Implement additional employee training in the areas of contract management, procurement, and insurance compliance.** There have been instances of deficiencies in these areas identified within various Clerk Inspector General reports. The Human Resources and Office of Management and Budget are currently working to identify training opportunities and implement during the 2026 calendar year.
- 4) **Implement a new Cost Allocation Plan.** The Office of Management and Budget is working with an accounting firm to update the existing cost allocation plan. An accurate plan ensures that the full costs of services provided to the public are accurately accounted for; helps in equitable sharing of the cost of shared facilities and support services between departments and funds; and ensures the accuracy of cost-based user fees for public services. It is expected the Cost Allocation Plan will be in effect beginning October 1, 2026 (FY 26-27).
- 5) **Partner with the Clerk's Finance office to identify opportunities to improve budgeting and financial management practices.** The Clerk of Circuit Court serves as the County's comptroller; however, most budget and financial activities for the Board of County Commissioners are conducted within the Office of Management and Budget. Opportunities to regularly evaluate existing policies and processes relative to budgeting, investments, debt management and reserve policies may enhance operations and optimize financial management.
- 6) **Enhance the use of performance measures and performance management systems and align with the annual budget.** The County utilizes performance measures and metrics; however, opportunities exist to improve tracking and reporting and alignment with the annual budget.
- 7) **Streamline Building Permit and Development Approval Processes in Okaloosa County.** As identified within Appendix C, the Growth Management Director has identified a plan for improving efficiency, transparency and stakeholder satisfaction. Implementation of this plan is underway.

ENHANCED PUBLIC TRANSPARENCY

- 8) **Utilize new Enterprise Resource Planning (ERP) system for enhanced transparency.** The County, in partnership with the Clerk of Courts, will be implementing Workday, a new ERP system in 2026. It is anticipated that this new system will have many opportunities for enhanced transparency including a citizen-facing portal for improving public engagement.

AREAS FOR ADDITIONAL ANALYSIS

- 9) **Additional Financial Analysis.** Opportunities exist to undertake additional financial analysis to explore opportunities to decrease spending. Activities that may be considered include:
- a. Examination of historical spending to identify spikes over fiscal years and identify potential areas of significant or rapid spending growth.
 - b. Detailed Budget to Actual Review to examine variances, highlight overspending or flag underutilized allocations.
 - c. Evaluation of revenue efficiency to review current collection methods, identify departments with high volumes of receivables and explore opportunities for automation.
 - d. Risk-based sampling or trend reviews of purchasing card usage and travel expenses.
 - e. Benchmarking relative to personnel, such as management to employee ratios, personnel to county population, etc.

APPENDIX A: Warren Averett Information

- Financial Conditions Summary
- Financial Conditions Report

APPENDIX B: Inspector General Information

- Policy No. 2000 (IG establishment)
- 2025 Work Plan

APPENDIX C: General County Information

- Florida Department of Revenue County Millage Rate Information
- Growth Management “Streamlining Building Permit and Development Approval Processes in Okaloosa County”
- Okaloosa County Board of County Commissioners Organizational Chart
- Links to policies and other information

Appendix A

Okaloosa County, Florida

Results of Financial Condition Assessment

09.30.2024

The Florida Auditor General's Financial Condition Assessment (FCA) is a structured process designed to help auditors and local governments evaluate the fiscal health of local governmental entities. At the request of Okaloosa County, Florida Warren Averett, LLC provided this additional analysis to assist in understanding the results of the financial condition assessment. The formal assessment as provided in Florida Auditor General's format is found as an addendum to this document. The results of the assessment did not warrant any communication of deteriorating financial condition to management or governance for the year ended September 30, 2024.

The key components of the assessment are as follows:

1. Financial Indicators

These are ratios and trends used to evaluate fiscal health. Examples include:

- Current ratio
- Unassigned fund balance as a percentage of expenditures
- Change in net position
- Debt service coverage ratio

These indicators are not definitive on their own but serve as analytical tools to flag areas needing further investigation.

2. Data Accumulation

Auditors use:

- Audited financial statements for the past five years
- Population data from the University of Florida's Bureau of Economic and Business Research
- Millage rates and taxable property values from the Florida Department of Revenue
- Inflation adjustments using the municipal cost index from American City and County Magazine

3. Benchmarks

Benchmarks are developed to compare an entity's financial indicators with similar entities. These are grouped by:

- Population size
- Taxable property value
- Governmental function (e.g., counties, municipalities, special districts)

A summary of the results is as follows for the year ending September 30, 2024:

1. Overall Financial Health

Summary of Ratings:

- Favorable: 41.7%
- Unfavorable: 12.5%
- Inconclusive: 45.8%

This means that while many indicators are positive, a significant portion are inconclusive, and a smaller portion are unfavorable.

Legend
GF = General Fund
G = Governmental Funds
P = Proprietary Funds

2. Results by Indicator

As noted in the accompanying excel document Okaloosa County had 10 favorable financial indicators in the assessment.

❖ Favorable Indicators:

- **Net Position Growth:** Okaloosa County’s net position is growing faster than the benchmark, indicating improving overall financial health.
- **Debt Management:** Long-term debt per capita is lower than peer counties, which is a positive sign for fiscal sustainability.
- **Revenue & Operating Margins:** Both excess revenues and operating income ratios are well above benchmarks, showing strong fiscal performance.
- **Liquidity & Fund Balances:** Most liquidity and fund balance indicators are trending positively or are close to benchmarks.
- **Intergovernmental Support:** Okaloosa County’s reliance on intergovernmental revenues is stable and matches peer averages.

❖ Unfavorable Indicators:

Okaloosa County had 3 unfavorable indicators in the assessment. Detailed information on each unfavorable indicator is as follows:

- **Fund Balance Ratios:** In the General Fund are below benchmarks, which could indicate less financial cushion. Okaloosa County has a formal fund balance policy for its General Fund and is in compliance with the policy at September 30, 2024. Significant improvements have been made over a 10-year period to bolster reserves. However, the majority of funding from the General Fund comes from ad valorem taxes and Okaloosa County’s millage rate is significantly lower than 10 out of 11 peer Counties. This may be a factor leading to the unfavorable indicator to its peers.

- **Cash and Investments to Current Liabilities:** In the governmental funds means Okaloosa County has less liquidity available to cover its short-term obligations in its governmental funds compared to similar counties. Okaloosa County is funding the Southwest Crestview Bypass through a variety of sources to include Triumph funds and cost reimbursement grants. As a result, Okaloosa County has significant receivables at year end which will ultimately be converted to cash. This may be a factor leading to the unfavorable indicator to its peers.
- **Total Expenditures to Population:** Is below benchmark means Okaloosa County is spending less per person for services than the average of its peer counties. While viewed as unfavorable in this analysis it could be an indicator of efficiency or cost control. However, Okaloosa County should understand if there are service gaps that could indicate an underinvestment in services to citizens.

❖ **Inconclusive Areas:**

- Okaloosa County had 11 inconclusive indicators at September 30, 2024. There are no strong signals for fiscal stress or strength for these indicators. The overall inconclusive rating is based on a strict interpretation of Appendix A of the Florida Auditor General Condition Assessment Rating Guide. As an example, Okaloosa County has a favorable rating in financial indicator 7 Long term debt to population. However, an inconclusive rating in financial indicator 13 debt service expenditures to total expenditures. Okaloosa County's annual debt service is below the benchmark. However, Okaloosa County's five-year trend data is impacted by the required adoption of GASB 96 which requires payments on subscription-based information technology arrangements to be recorded as debt service rather than operating expenditures contributing to the inconclusive rating.
- While further analysis of the inconclusive trends may be beneficial, several inconclusive indicators revolve around fund balance data or cash & investment data which may be linked to factors described in the unfavorable areas above.

1. Other Key Data (2024)

- Population: 221,806
- Taxable Property Value: \$29.0 billion
- Operating Millage Rate: 3.8308 (unchanged since 2020)

Conclusion on the Results of the Financial Condition Assessment

- Okaloosa County's financial condition is generally stable with several favorable trends, especially in net position growth and debt management.
- Continued monitoring and efforts to strengthen reserves would be prudent.

ENTITY FINANCIAL INDICATOR RESULTS

ENTITY: **C04500 - Okaloosa County**

FINANCIAL INDICATORS:		2020	2021	2022	2023	2024
1	Change in Net Position/ Beginning Net Position	9.67 %	29.62 %	18.77 %	13.26 %	21.63 %
2	Unassigned and Assigned FB + Unrestricted Net Position	\$ 65,128,908	\$ 67,707,119	\$ 69,894,977	\$ 80,551,650	\$ 97,797,333
3GF	Unassigned and Assigned FB/ Total Expenditures - GF	20.01 %	22.75 %	27.12 %	23.26 %	21.08 %
3G	Unassigned and Assigned FB/ Total Expenditures - G	11.72 %	12.27 %	15.94 %	15.53 %	16.00 %
4GF	Cash & Investments/ Current Liabilities - GF	211.52 %	318.54 %	321.72 %	255.38 %	341.05 %
4G	Cash & Investments/ Current Liabilities - G	875.97 %	1133.79 %	1141.27 %	926.23 %	905.80 %
4P	Cash & Investments/ Current Liabilities - P	503.94 %	505.98 %	408.93 %	424.75 %	472.52 %
5G	Cash & Investments/ (Total Expenditures/ 12) - G	878.88 %	1061.19 %	1265.95 %	1087.11 %	1159.99 %
5P	Cash & Investments/ (Total Operating Expenses/ 12) - P	1455.96 %	1551.76 %	1529.75 %	1431.81 %	1574.13 %
6G	Current Liabilities/ Total Revenues - G	7.70 %	6.90 %	8.68 %	9.95 %	9.22 %
6P	Current Liabilities/ Total Operating Revenues - P	22.62 %	21.68 %	26.69 %	28.49 %	26.11 %
7	Long-Term Debt/ Population - G	\$ 358	\$ 306	\$ 374	\$ 339	\$ 311
8	Excess of Revenues Over (Under) Expenditures/ Total Revenues - G	7.89 %	11.48 %	6.09 %	-1.70 %	13.60 %
9	Operating Income (Loss)/ Total Operating Revenues - P	6.05 %	15.17 %	14.39 %	-1.42 %	5.94 %
10G	Intergovernmental Revenues/ Total Revenues - G	25.11 %	29.65 %	20.24 %	19.61 %	19.31 %
10P	Intergovernmental Revenues/ Total Operating Revenues - P	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
11G	Unassigned and Assigned FB/ Total Revenues - G	10.79 %	10.87 %	14.97 %	15.79 %	13.83 %
11P	Unrestricted Net Position/ Total Operating Revenues - P	48.83 %	48.36 %	44.26 %	52.03 %	60.93 %
12	Total Revenues/ Population - G	\$ 994	\$ 1,078	\$ 927	\$ 1,002	\$ 1,226
13	Debt Service Expenditures/ Total Expenditures - G	2.91 %	2.72 %	1.46 %	3.88 %	2.99 %
14	Total Expenditures/ Population - G	\$ 915	\$ 954	\$ 870	\$ 1,019	\$ 1,059
15G	Accumulated Depreciation/ Capital Assets - G	49.87 %	51.13 %	50.56 %	50.38 %	51.66 %
15P	Accumulated Depreciation/ Capital Assets - P	40.94 %	40.67 %	41.12 %	40.62 %	41.55 %
16G	Pension Plan Ratio % - General Employees (A)	78.85 %	96.40 %	82.89 %	82.38 %	83.70 %
16F	Pension Plan Ratio % - Fire (A)					
16P	Pension Plan Ratio % - Police (A)					
16C	Pension Plan Ratio % - Combined (A)					
17	OPEB Funded Ratio %					
18	Operating Millage Rate	3.8308	3.8308	3.8308	3.8308	3.8308

Indicators Using Constant \$

(A) With the implementation of GASB Statements 67 and 68, the calculation of "Plan Fiduciary Net Position as a Percentage of Total Pension Liability" replaced "Funded Ratio".

FINANCIAL INDICATORS

ENTITY: C04500 - Okaloosa County

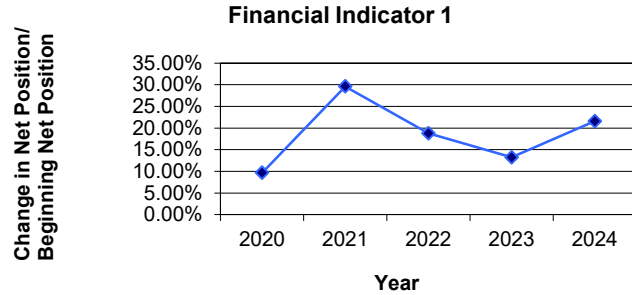
Benchmark Group:

OVERALL RATING:

Inconclusive

Summary of financial indicator ratings:

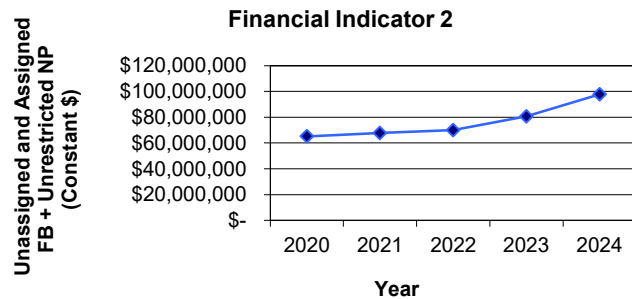
Favorable 41.7%
Unfavorable 12.5%
Inconclusive 45.8%



Unfavorable =

Favorable =

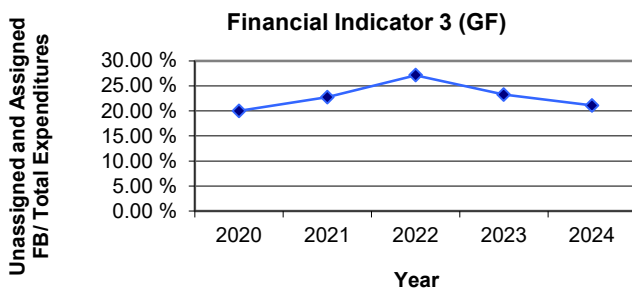
Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	124%	Y5 Entity	21.63%
Y2 to Y5 Diff	-27%	Y5 Bench	18.50%
Y3 to Y5 Diff	15%	Y5 Entity to Bench Diff	17%
Trend:	Favorable	Benchmark Comparison:	Inconclusive
Overall Rating:		Favorable	



Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	50%	Y5 Entity	\$ 97,797,333
Y2 to Y5 Diff	44%	Y5 Bench	\$ 116,969,326
Y3 to Y5 Diff	40%	Y5 Entity to Bench Diff	-16%
Trend:	Favorable	Benchmark Comparison:	Inconclusive
Overall Rating:		Favorable	



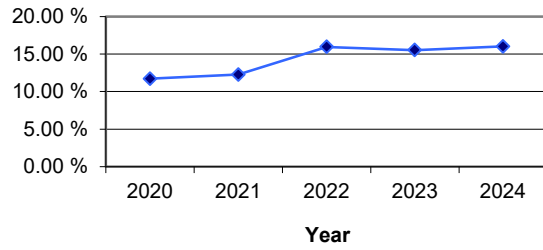
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	5%	Y5 Entity	21.08%
Y2 to Y5 Diff	-7%	Y5 Bench	41.28%
Y3 to Y5 Diff	-22%	Y5 Entity to Bench Diff	-49%
Trend:	Unfavorable	Benchmark Comparison:	Inconclusive
Overall Rating:		Unfavorable	

Unassigned/ Assigned FB/
Total Expenditures

Financial Indicator 3 (G)



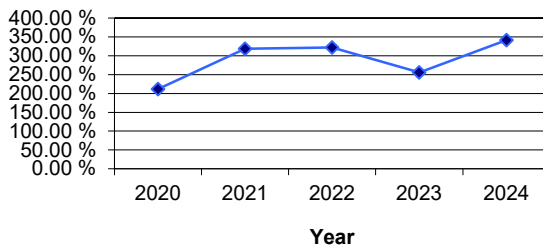
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	37%	Y5 Entity	16.00%
Y2 to Y5 Diff	30%	Y5 Bench	24.45%
Y3 to Y5 Diff	0%	Y5 Entity to Bench Diff	-35%
Trend:	Inconclusive	Benchmark Comparison:	Inconclusive
Overall Rating:		Inconclusive	

Cash & Investments/
Current Liabilities

Financial Indicator 4 (GF)



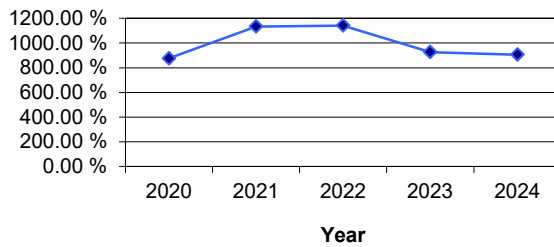
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	61%	Y5 Entity	341.05%
Y2 to Y5 Diff	7%	Y5 Bench	691.42%
Y3 to Y5 Diff	6%	Y5 Entity to Bench Diff	-51%
Trend:	Favorable	Benchmark Comparison:	Unfavorable
Overall Rating:		Inconclusive	

Cash & Investments/
Current Liabilities

Financial Indicator 4 (G)



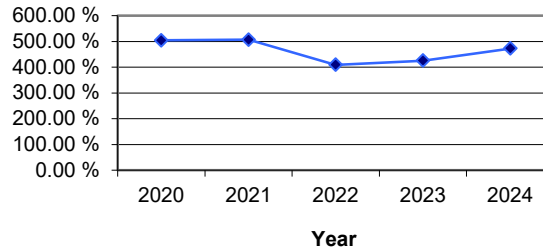
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	3%	Y5 Entity	905.80%
Y2 to Y5 Diff	-20%	Y5 Bench	1075.99%
Y3 to Y5 Diff	-21%	Y5 Entity to Bench Diff	-16%
Trend:	Unfavorable	Benchmark Comparison:	Inconclusive
Overall Rating:		Unfavorable	

Cash & Investments/
Current Liabilities

Financial Indicator 4 (P)

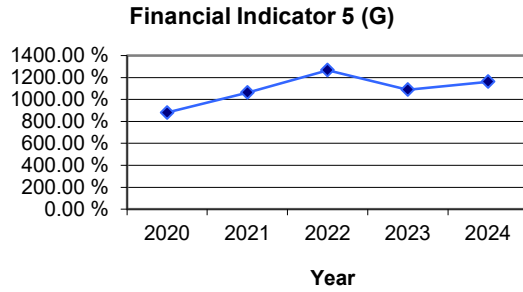


Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	-6%	Y5 Entity	472.52%
Y2 to Y5 Diff	-7%	Y5 Bench	585.40%
Y3 to Y5 Diff	16%	Y5 Entity to Bench Diff	-19%
Trend:	Favorable	Benchmark Comparison:	Inconclusive
Overall Rating:		Favorable	

Cash & Investments/
(Total Expenditures/ 12)

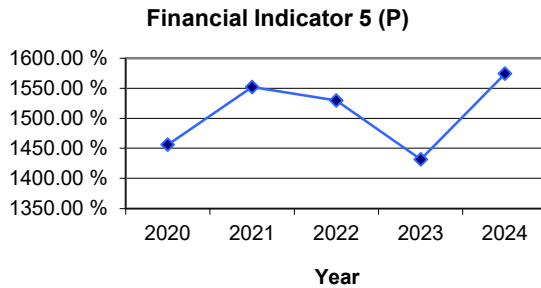


Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	32%	Y5 Entity	1159.99%
Y2 to Y5 Diff	9%	Y5 Bench	1102.95%
Y3 to Y5 Diff	-8%	Y5 Entity to Bench Diff	5%
Trend:	Inconclusive	Benchmark Comparison:	Inconclusive
Overall Rating:		Inconclusive	

Cash & Investments/
(Total Oper Exp/ 12)

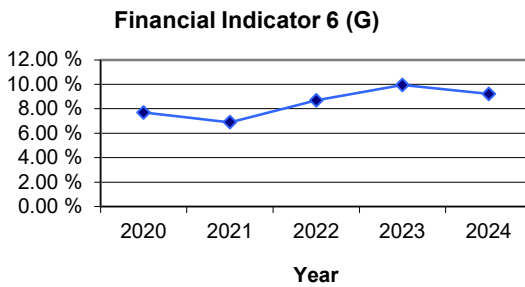


Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	8%	Y5 Entity	1574.13%
Y2 to Y5 Diff	1%	Y5 Bench	1337.16%
Y3 to Y5 Diff	3%	Y5 Entity to Bench Diff	18%
Trend:	Inconclusive	Benchmark Comparison:	Inconclusive
Overall Rating:		Inconclusive	

Current Liabilities/
Total Revenues

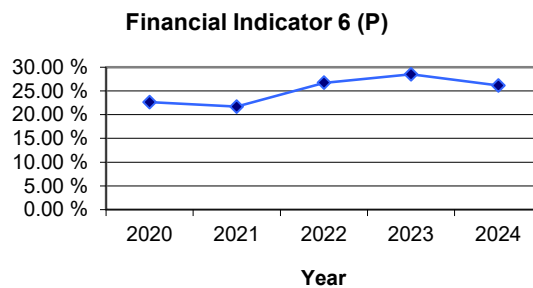


Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	20%	Y5 Entity	9.22%
Y2 to Y5 Diff	34%	Y5 Bench	8.50%
Y3 to Y5 Diff	6%	Y5 Entity to Bench Diff	8%
Trend:	Inconclusive	Benchmark Comparison:	Inconclusive
Overall Rating:		Inconclusive	

Current Liabilities/ Total
Operating Revenues



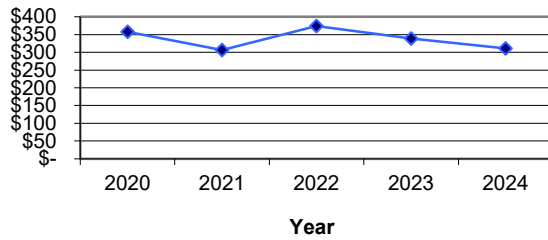
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	15%	Y5 Entity	26.11%
Y2 to Y5 Diff	20%	Y5 Bench	21.14%
Y3 to Y5 Diff	-2%	Y5 Entity to Bench Diff	24%
Trend:	Inconclusive	Benchmark Comparison:	Inconclusive
Overall Rating:		Inconclusive	

Long-Term Debt/
Population (Constant \$)

Financial Indicator 7



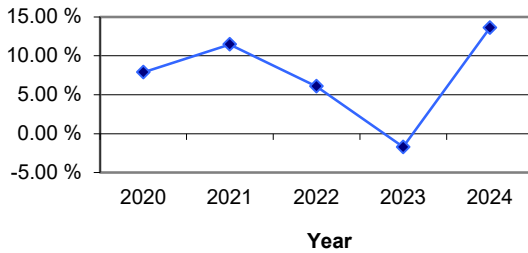
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	-13%	Y5 Entity	\$ 311
Y2 to Y5 Diff	2%	Y5 Bench	\$ 402
Y3 to Y5 Diff	-17%	Y5 Entity to Bench Diff	-23%
Trend:	Favorable	Benchmark Comparison:	Inconclusive
Overall Rating:		Favorable	

Excess Rev Over (Under)
Exp/ Total Revenues

Financial Indicator 8



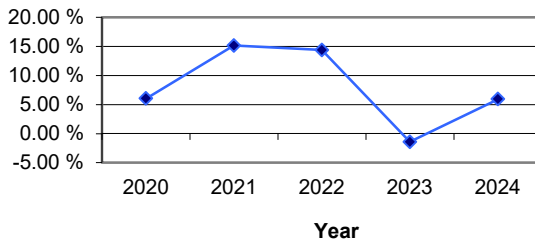
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	72%	Y5 Entity	13.60%
Y2 to Y5 Diff	19%	Y5 Bench	5.69%
Y3 to Y5 Diff	123%	Y5 Entity to Bench Diff	139%
Trend:	Favorable	Benchmark Comparison:	Favorable
Overall Rating:		Favorable	

Operating Income (Loss)/
Total Operating Revenues

Financial Indicator 9



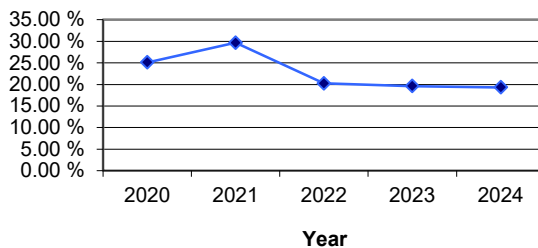
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	-2%	Y5 Entity	5.94%
Y2 to Y5 Diff	-61%	Y5 Bench	0.37%
Y3 to Y5 Diff	-59%	Y5 Entity to Bench Diff	1505%
Trend:	Inconclusive	Benchmark Comparison:	Favorable
Overall Rating:		Favorable	

Intergov'tl Revenues/
Total Revenues

Financial Indicator 10 (G)



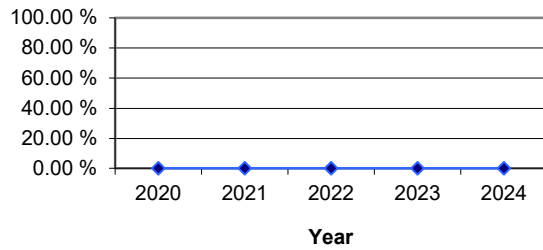
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	-23%	Y5 Entity	19.31%
Y2 to Y5 Diff	-35%	Y5 Bench	19.49%
Y3 to Y5 Diff	-5%	Y5 Entity to Bench Diff	-1%
Trend:	Favorable	Benchmark Comparison:	Inconclusive
Overall Rating:		Favorable	

Intergov'tl Revenues/
Total Operating Revenues

Financial Indicator 10 (P)



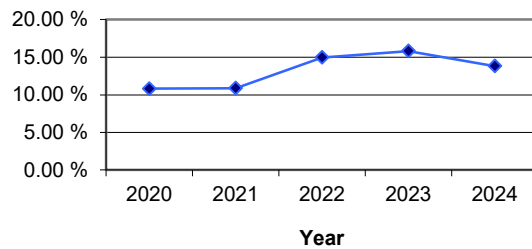
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff		Y5 Entity	0.00%
Y2 to Y5 Diff		Y5 Bench	0.00%
Y3 to Y5 Diff		Y5 Entity to Bench Diff	
Trend:		Benchmark Comparison:	
Overall Rating:		N/A	

Unassigned/ Assigned FB/
Total Revenues

Financial Indicator 11 (G)



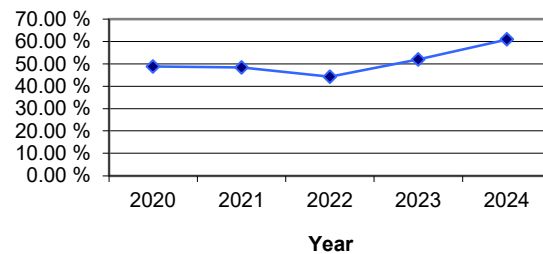
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	28%	Y5 Entity	13.83%
Y2 to Y5 Diff	27%	Y5 Bench	22.74%
Y3 to Y5 Diff	-8%	Y5 Entity to Bench Diff	-39%
Trend:		Benchmark Comparison:	Inconclusive
Overall Rating:		Inconclusive	

Unrestricted Net Position/
Total Operating Revenues

Financial Indicator 11 (P)



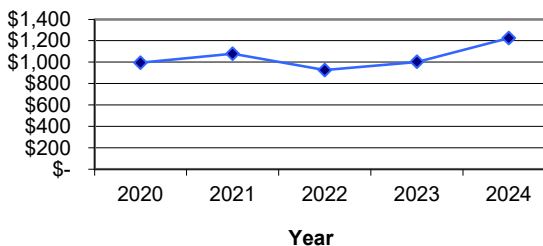
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	25%	Y5 Entity	60.93%
Y2 to Y5 Diff	26%	Y5 Bench	76.84%
Y3 to Y5 Diff	38%	Y5 Entity to Bench Diff	-21%
Trend:		Benchmark Comparison:	Inconclusive
Overall Rating:		Favorable	

Total Revenues/
Population (Constant \$)

Financial Indicator 12



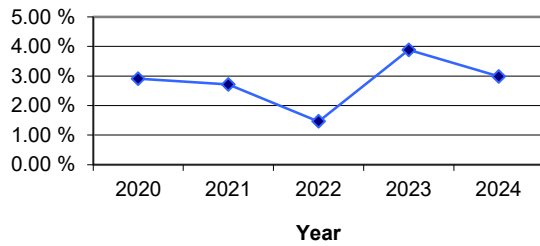
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	23%	Y5 Entity	\$ 1,226
Y2 to Y5 Diff	14%	Y5 Bench	\$ 1,318
Y3 to Y5 Diff	32%	Y5 Entity to Bench Diff	-7%
Trend:		Benchmark Comparison:	Inconclusive
Overall Rating:		Favorable	

Debt Service Exp/
Total Expenditures

Financial Indicator 13



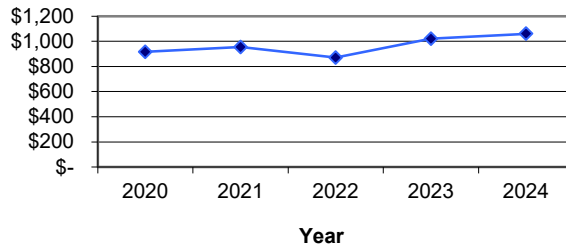
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	3%	Y5 Entity	2.99%
Y2 to Y5 Diff	10%	Y5 Bench	3.66%
Y3 to Y5 Diff	104%	Y5 Entity to Bench Diff	-18%
Trend:		Benchmark Comparison:	Inconclusive
Overall Rating: Inconclusive			

Total Expenditures/
Population (Constant \$)

Financial Indicator 14



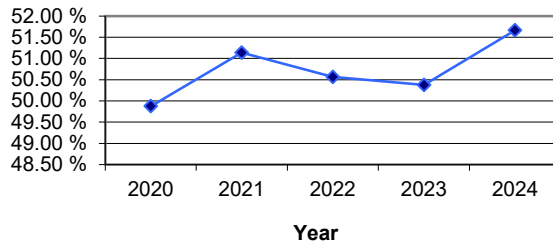
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	16%	Y5 Entity	\$ 1,059
Y2 to Y5 Diff	11%	Y5 Bench	\$ 1,234
Y3 to Y5 Diff	22%	Y5 Entity to Bench Diff	-14%
Trend:		Benchmark Comparison:	Inconclusive
Overall Rating: Unfavorable			

Acc Depreciation/
Capital Assets

Financial Indicator 15 (G)



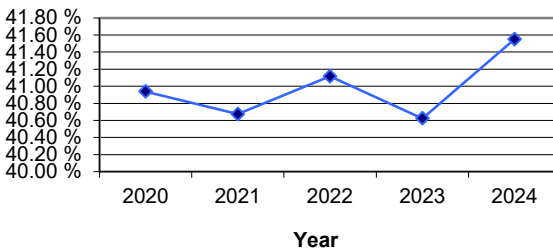
Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	4%	Y5 Entity	51.66%
Y2 to Y5 Diff	1%	Y5 Bench	51.95%
Y3 to Y5 Diff	2%	Y5 Entity to Bench Diff	-1%
Trend:		Benchmark Comparison:	Inconclusive
Overall Rating: Inconclusive			

Acc Depreciation/
Capital Assets

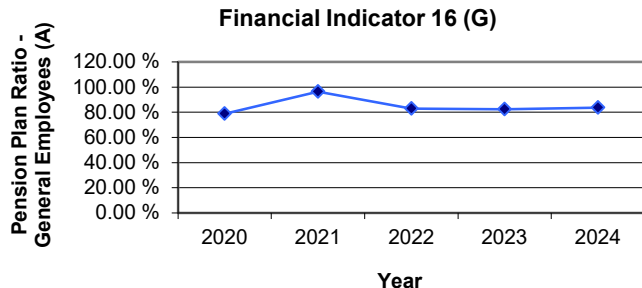
Financial Indicator 15 (P)



Unfavorable =

Favorable =

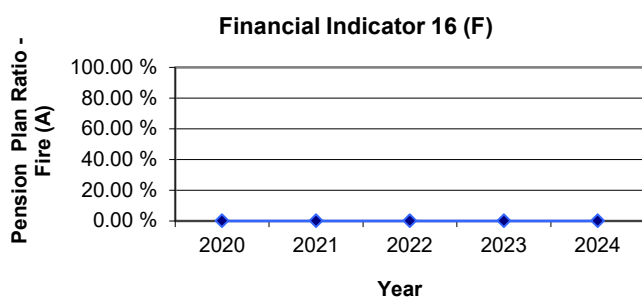
Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	1%	Y5 Entity	41.55%
Y2 to Y5 Diff	2%	Y5 Bench	56.37%
Y3 to Y5 Diff	1%	Y5 Entity to Bench Diff	-26%
Trend:		Benchmark Comparison:	Inconclusive
Overall Rating: Inconclusive			



Unfavorable =

Favorable =

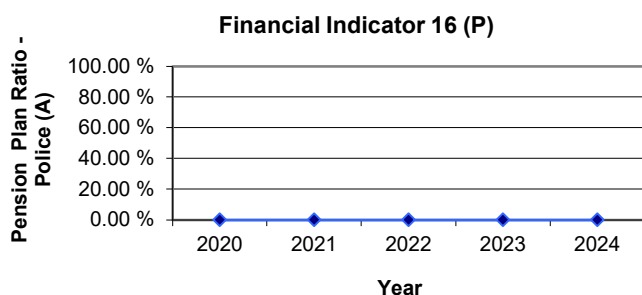
Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	6%	Y5 Entity	83.70%
Y2 to Y5 Diff	-13%	Y5 Bench	82.38%
Y3 to Y5 Diff	1%	Y5 Entity to Bench Diff	2%
Trend:		Benchmark Comparison:	Inconclusive
Overall Rating:		Inconclusive	



Unfavorable =

Favorable =

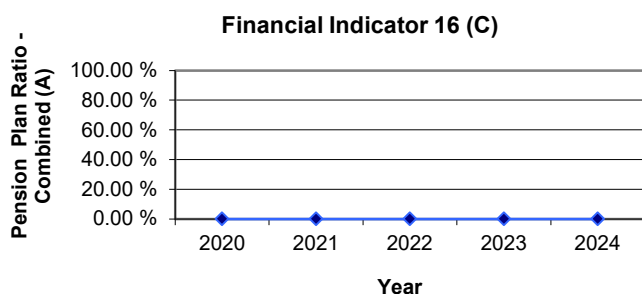
Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff		Y5 Entity	
Y2 to Y5 Diff		Y5 Bench	0.00%
Y3 to Y5 Diff		Y5 Entity to Bench Diff	
Trend:		Benchmark Comparison:	
Overall Rating:		N/A	



Unfavorable =

Favorable =

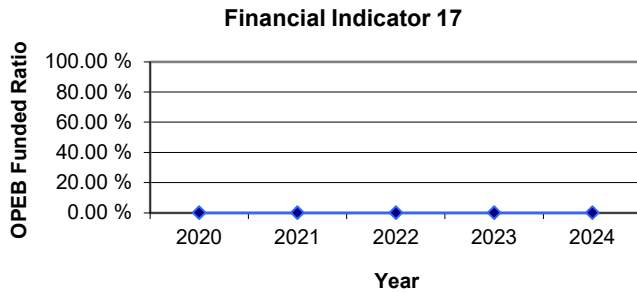
Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff		Y5 Entity	
Y2 to Y5 Diff		Y5 Bench	0.00%
Y3 to Y5 Diff		Y5 Entity to Bench Diff	
Trend:		Benchmark Comparison:	
Overall Rating:		N/A	



Unfavorable =

Favorable =

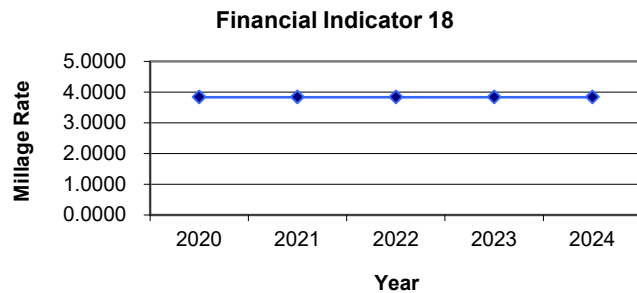
Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff		Y5 Entity	
Y2 to Y5 Diff		Y5 Bench	0.00%
Y3 to Y5 Diff		Y5 Entity to Bench Diff	
Trend:		Benchmark Comparison:	
Overall Rating:		N/A	



Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff		Y5 Entity	
Y2 to Y5 Diff		Y5 Bench	0.00%
Y3 to Y5 Diff		Y5 Entity to Bench Diff	
Trend:		Benchmark Comparison:	
Overall Rating:		N/A	



Unfavorable =

Favorable =

Trend Information		Benchmark Comparison Information	
Y1 to Y5 Diff	0%	< 5.0000	Low
Y2 to Y5 Diff	0%	5.0000 - 9.4999	Medium
Y3 to Y5 Diff	0%	9.5000 +	High
		Y5 Entity	3.8308
Trend:	Inconclusive	Benchmark Comparison:	Favorable
Overall Rating:		Favorable	

(A) With the implementation of GASB Statements 67 and 68, the calculation of "Plan Fiduciary Net Position as a Percentage of Total Pension Liability" replaced "Funded Ratio".

Recap of Financial Indicators

1	Favorable	Favorable	10	41.7%
2	Favorable	Unfavorable	3	12.5%
3 (GF)	Unfavorable	Inconclusive	11	45.8%
3 (G)	Inconclusive		24	
4 (GF)	Inconclusive	N/A	5	
4 (G)	Unfavorable		29	
4 (P)	Favorable			
5 (G)	Inconclusive			
5 (P)	Inconclusive			
6 (G)	Inconclusive			
6 (P)	Inconclusive			
7	Favorable			
8	Favorable			
9	Favorable			
10 (G)	Favorable			
10 (P)	N/A			
11 (G)	Inconclusive			
11 (P)	Favorable			
12	Favorable			
13	Inconclusive			
14	Unfavorable			
15 (G)	Inconclusive			
15 (P)	Inconclusive			

16 (G)	Inconclusive
16 (F)	N/A
16 (P)	N/A
16 (C)	N/A
17	N/A
18	Favorable

ENTITY FINANCIAL DATA

ENTITY: **C04500 - Okaloosa County**

Data Element	Data Element Description	2020	2021	2022	2023	2024
01	Change in Net Position - Gov-Wide - G	19,227,065	64,603,053	53,059,755	44,515,060	82,235,582
02	Beginning Net Position - Gov-Wide - G	198,849,214	218,076,279	282,679,332	335,739,087	380,254,147
03	Cash and Investments - GF	17,502,769	28,842,764	38,724,279	34,362,798	48,565,606
04	Cash and Investments - G	136,733,050	199,291,361	239,500,708	248,266,135	280,458,232
05	Current Liabilities - GF	8,274,884	9,054,581	12,036,488	13,455,483	14,240,146
06	Current Liabilities - G	15,609,329	17,577,514	20,985,416	26,803,802	30,962,599
07	Unassigned/Assigned FB - GF	21,874,037	27,660,327	36,149,828	35,502,956	33,760,435
08	Unassigned/Assigned FB - DSF			47,663	(49,397)	(26,761)
09	Unassigned/Assigned FB - CPF				7,100,000	12,699,961
10	Long-Term Debt - G	72,952,863	72,313,908	97,556,519	91,082,923	85,148,498
11	Intergovernmental Revenues - G	50,899,401	75,476,389	48,930,859	52,831,631	64,845,423
12	Total Revenues - G	202,690,173	254,575,750	241,754,731	269,477,913	335,805,123
13	Debt Service Expenditures - G	5,437,034	6,119,027	3,321,332	10,641,471	8,665,377
14	Total Expenditures - GF	109,323,868	121,607,276	133,289,296	152,659,734	160,137,679
15	Total Expenditures - G	186,692,382	225,360,107	227,024,668	274,047,290	290,131,731
16	Excess Rev Over (Under) Exp - G	15,997,791	29,215,643	14,730,063	(4,569,377)	45,673,392
17	Cash and Investments - P	100,978,315	107,414,509	119,119,960	130,718,160	150,543,037
18	Current Liabilities - P	20,037,724	21,229,067	29,129,715	30,775,400	31,859,449
19	Unrestricted Net Position	43,254,871	47,359,161	48,305,536	56,202,764	74,346,071
20	Intergovernmental Revenues - P					
21	Total Operating Revenues - P	88,582,184	97,921,617	109,146,197	108,020,302	122,009,911
22	Total Operating Expenses - P	83,226,191	83,065,051	93,442,731	109,554,862	114,763,151
23	Operating Income (Loss) - P	5,355,993	14,856,566	15,703,466	(1,534,560)	7,246,760
24	Total All Revenues	291,272,357	352,497,367	350,900,928	377,498,215	457,815,034
25	Total All Expenditures/Expenses	269,918,573	308,425,158	320,467,399	383,602,152	404,894,882
26	Capital Assets - G	427,455,410	438,981,070	460,050,732	489,685,596	507,725,513
27	Accumulated Depreciation - G	213,189,250	224,471,973	232,617,113	246,684,095	262,305,833
28	Capital Assets - P	514,940,877	552,871,485	581,500,132	624,686,807	651,855,785
29	Accumulated Depreciation - P	210,804,153	224,872,318	239,088,273	253,761,329	270,843,206
30	Pension Plan Ratio % - General (A)	78.85	96.40	82.89	82.38	83.70
31	Pension Plan Ratio % - Fire (A)					
32	Pension Plan Ratio % - Police (A)					
33	Pension Plan Ratio % - Combined (A)					
34	OPEB Funded Ratio %					
35	Taxable Property Value (in millions)	19798.1647	21103.6139	24097.2632	26958.0499	29009.5087
36	Population	203,951	213,204	215,751	219,260	221,806
37	Operating Millage Rate	3.8308	3.8308	3.8308	3.8308	3.8308
38	Price Index	1.000	1.108	1.209	1.226	1.235

(A) With the implementation of GASB Statements 67 and 68, the calculation of "Plan Fiduciary Net Position as a Percentage of Total Pension Liability" replaced "Funded Ratio".

2023 Benchmarks

Financial Indicator	Description	Y5 Benchmark
01	Change in Net Position / Beginning Net Position	18.50 %
02	Unassigned and Assigned FB + Unrestricted Net Position	\$ 116,969,326
03GF	Unassigned and Assigned FB / Total Expenditures - GF	41.28 %
03G	Unassigned and Assigned FB / Total Expenditures - G	24.45 %
04GF	Cash & Investments / Current Liabilities - GF	691.42 %
04G	Cash & Investments / Current Liabilities - G	1075.99 %
04P	Cash & Investments / Current Liabilities - P	585.40 %
05G	Cash & Investments / (Total Expenditures / 12) - G	1102.95 %
05P	Cash & Investments / (Total Operating Expenses / 12) - P	1337.16 %
06G	Current Liabilities / Total Revenues - G	8.50 %
06P	Current Liabilities / Total Operating Revenues - P	21.14 %
07	Long-Term Debt / Population - G	\$ 402
08	Excess of Revenues Over (Under) Expenditures / Total Revenues - G	5.69 %
09	Operating Income (Loss) / Total Operating Revenues - P	0.37 %
10G	Intergovernmental Revenues / Total Revenues - G	19.49 %
10P	Intergovernmental Revenues / Total Operating Revenues - P	
11G	Unassigned and Assigned FB / Total Revenues - G	22.74 %
11P	Unrestricted Net Position / Total Operating Revenues - P	76.84 %
12	Total Revenues / Population - G	\$ 1,318
13	Debt Service Expenditures / Total Expenditures - G	3.66 %
14	Total Expenditures / Population - G	\$ 1,234
15G	Accumulated Depreciation / Capital Assets - G	51.95 %
15P	Accumulated Depreciation / Capital Assets - P	56.37 %
16G	Pension Plan Ratio % - General Employees	82.38 %
16F	Pension Plan Ratio % - Fire	
16P	Pension Plan Ratio % - Police	
16C	Pension Plan Ratio % - Combined	
17	OPEB Funded Ratio %	

BENCHMARK GROUPING

UNADJUSTED

2023 Figures for Benchmark C18 - Governmental/Proprietary Funds, Pop 155,000 - 309,999, & TPV \$12,500,000,000 - 44,999,999,999

Entity	Indicator #																												Tax Prop Value	Millage Rate	Population
	FI-1	FI-2	FI-3gf	FI-3g	FI-4gf	FI-4g	FI-4p	FI-5g	FI-5p	FI-6g	FI-6p	FI-7	FI-8	FI-9	FI-10g	FI-10p	FI-11g	FI-11p	FI-12	FI-13	FI-14	FI-15g	FI-15p	FI-16g	FI-16f	FI-16p	FI-16c	FI-17			
C00100 - Alachua County	12.26%	\$ 132,235,242	49.85%	37.64%	788.63%	1645.80%	595.20%	1157.72%	898.02%	4.82%	12.34%	\$ 335	17.85%	1.87%	23.71%		30.92%	44.10%	\$ 1,188	4.09%	\$ 976	70.93%	70.39%	82.38%				6.79%	21393.2151	7.6414	293,040
C00300 - Bay County	16.17%	\$ 93,435,311	30.80%	17.41%	744.83%	845.52%	519.14%	965.56%	1260.07%	9.20%	19.44%	\$ 1,164	3.34%	3.87%	28.55%		16.83%	87.95%	\$ 1,561	4.56%	\$ 1,509	46.14%	48.08%	82.38%					26490.6524	5.4362	187,545
C00800 - Charlotte County	3.37%	\$ 270,001,502	61.21%	34.89%	272.44%	1593.28%	409.99%	1381.80%	1121.33%	6.76%	20.16%	\$ 364	6.46%	11.53%	11.86%		32.64%	64.36%	\$ 2,478	5.60%	\$ 2,318	44.04%	50.30%	82.38%					26868.0753	6.1687	204,126
C00900 - Citrus County	1.01%	\$ 118,942,841	47.01%	26.39%	553.32%	1007.47%	780.58%	1104.73%	2146.34%	8.18%	22.01%	\$ 272	10.44%	3.93%	24.22%		23.63%	129.41%	\$ 1,066	4.02%	\$ 955	48.41%	46.59%	82.38%					13582.9107	8.0375	162,240
C01000 - Clay County	7.36%	\$ 103,130,817	43.24%	24.07%	717.14%	1105.10%	1203.78%	1445.21%	1718.48%	10.98%	12.53%	\$ 324	-0.74%	-5.33%	21.14%		24.24%	132.77%	\$ 1,006	2.90%	\$ 1,014	52.98%	54.69%	82.38%					16985.5029	5.5471	231,042
C02600 - Hernando County	4.51%	\$ 145,594,309	48.23%	25.19%	1071.96%	1197.15%	514.42%	1321.62%	1852.85%	8.59%	26.69%	\$ 284	6.58%	11.06%	16.39%		23.53%	105.67%	\$ 1,074	2.66%	\$ 1,003	49.92%	47.38%	82.38%					14837.9982	7.6190	204,265
C03000 - Indian River County	2.80%	\$ 185,314,913	67.21%	33.42%	796.40%	1311.53%	1068.66%	1474.41%	1673.50%	8.32%	13.59%	\$ 37	11.21%	-4.11%	20.26%		29.67%	121.33%	\$ 1,458	0.75%	\$ 1,294	58.12%	68.93%	82.38%				84.82%	26591.7535	3.5475	167,781
C03600 - Leon County	0.46%	\$ 28,135,156	22.46%	11.54%	471.93%	429.35%	99.18%	720.49%	396.72%	13.34%	45.22%	\$ 123	4.58%	-35.66%	9.56%		11.01%	-21.32%	\$ 964	2.87%	\$ 920	68.89%	85.47%	82.38%					23136.4540	8.3144	301,724
C04200 - Martin County	7.61%	\$ 149,146,560	38.92%	25.36%	970.15%	950.40%	454.03%	956.16%	879.43%	7.48%	16.96%	\$ 447	10.82%	-5.05%	18.48%		22.62%	65.88%	\$ 2,167	4.95%	\$ 1,933	59.27%	51.42%	82.38%					31689.2919	6.6017	162,847
C04500 - Okaloosa County	12.69%	\$ 79,770,859	23.26%	15.53%	255.38%	926.23%	424.75%	1087.11%	1431.81%	9.95%	28.49%	\$ 333	-1.70%	-1.42%	19.61%		15.79%	52.03%	\$ 993	3.88%	\$ 1,010	50.38%	40.62%	82.38%					26958.0499	3.8308	219,260
C05400 - Santa Rosa County	7.56%	\$ 70,876,533	47.13%	25.38%	836.57%	1001.45%	873.57%	697.30%	2493.77%	5.76%	19.78%	\$ 193	0.65%	16.87%	25.61%		25.21%	131.44%	\$ 860	2.15%	\$ 855	50.44%	56.19%	82.38%					16109.3307	6.0953	202,772
C05900 - Sumter County	146.18%	\$ 27,047,876	16.06%	16.54%	818.21%	898.64%	81.53%	923.26%	173.65%	8.67%	16.52%	\$ 952	-1.26%	6.90%	14.43%		16.75%	8.40%	\$ 1,004	5.53%	\$ 1,017	23.92%		82.38%					20523.0839	5.1900	155,318
Averages:	18.50%	\$ 116,969,326	41.28%	24.45%	691.42%	1075.99%	585.40%	1102.95%	1337.16%	8.50%	21.14%	\$ 402	5.69%	0.37%	19.49%		22.74%	76.84%	\$ 1,318	3.66%	\$ 1,234	51.95%	56.37%	82.38%					45.81%		

Appendix B



**Department of Inspector General
Okaloosa County Clerk of Circuit Court and Comptroller**

SECTION: Department of Inspector General

POLICY NO.: 2000

SUBJECT: Purpose, Authority, and Responsibility

EFFECTIVE DATE: May 11, 2015

Revised: October 15, 2020

2000 Purpose, Authority, and Responsibility

The Okaloosa County Clerk of the Circuit Court and the Department of Inspector General has defined the purpose, authority, and responsibility of the Department of Inspector General activities in a charter consistent with the *International Standards for the Professional Practice of Internal Auditing* and *Principles and Standards for Offices of Inspector General* and approved by the Clerk of the Circuit Court. The Inspector General Charter defines the nature of assurance, investigations, and consulting services provided by the Department of Inspector General.

Legal Authority

Section 1.(d), Article VIII, State Constitution, provides for the election of certain County Officers including a Clerk of the Circuit Court (Clerk). The latter part of this section specifies that, “. . . the clerk of the circuit court shall be ex officio clerk of the board of county commissioners, auditor, recorder and custodian of all county funds” (emphasis supplied). Section 16, Article V, State Constitution, also specifies that the Clerk shall have the duties quoted above.

Pursuant to the legal authority and responsibility cited above, the Clerk has established the Department of Inspector General (the Department) to fulfill the responsibilities of the office as they relate to pre and post auditing functions.

Pursuant to the legal authority and responsibility cited above, the Clerk has established a Fraud, Waste and Abuse Policy to facilitate the development of internal controls that will provide for the detection, prevention, and reporting of fraud, waste and abuse directed against County government. The intent of this policy is to promote awareness of the potential for fraud, waste and abuse throughout the County, and to provide guidelines and assign responsibility for the development of adequate internal controls and systems.

Fraud, Waste and Abuse Policy

The Okaloosa County Clerk of the Circuit Court is committed to preventing fraud, waste and abuse and maintaining an environment in which internal controls can be established and improved. The Clerk has adopted a Fraud, Waste and Abuse Policy

to aid in the detection, prevention and reporting of fraudulent activities by employees, contractors, vendors, citizens, and other entities that have a business relationship with Okaloosa County, and to promote awareness of the potential for fraud throughout the County.

The Department of Inspector General is authorized to conduct investigations into allegations of Fraud, Waste or Abuse of Clerk or BoCC resources or assets pursuant to Clerk policy (7804). Upon notification of suspected fraud, the Department of Inspector General shall conduct an administrative review all allegations, suspicions and complaints of unethical or fraudulent conduct by Clerk employees. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service or position/title.

Definition of Inspector General

The Inspector General (IG) is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objective by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The primary purposes of the Inspector General are to 1) assist all members of County management in the effective discharge of their responsibilities by providing an independent appraisal function to examine and evaluate management functions and, 2) through its reports and memorandums, furnish analyses, appraisals, recommendations, and information on functions or activities reviewed.

Fulfilling this purpose benefits public officials, as well as management, by providing information about the adequacy and effectiveness of internal controls and the quality of performance in carrying out assigned responsibilities.

Fulfilling the primary purpose of the Department also results in a secondary benefit of assisting the County's external auditors. The results of internal audits can be used by the external auditors to supplement their work, thereby reducing the volume of work performed by them and possibly reducing or slowing the increases in cost of the external audit.

Fraud, Waste and Abuse Policy

The Okaloosa County Clerk of the Circuit Court has formally adopted an anti-fraud policy entitled Policy against Fraud, Waste and Abuse (see *Fraud, Waste and Abuse Policy 7408*). This policy gives the Department primary responsibility for investigating suspected fraudulent activity as defined in the policy. Waste and abuse are also included and defined in the policy.

The Department either investigates or refers every complaint over which it has jurisdiction under the above-mentioned policy. Complaints can be made via e-mail, phone, Clerk's external web site, regular mail, fax, interoffice mail, and by personal contact.

The Department determines if fraud, waste or abuse has taken place based only on the evidence found, guided by applicable laws, rules, and regulations. If an investigation substantiates allegations by enough relevant, credible evidence, then the Department makes written recommendations to the appropriate authorities.

Fraud is defined by the Association of Certified Fraud Examiners in its Fraud Manual as:

"Any intentional or deliberate act to deprive another of property or money by guile, deception, or other unfair means"

Fraud, Waste & Abuse is also defined in the Clerk's Fraud, Waste and Abuse policy as:

Fraud refers to, but is not limited to, any dishonest or fraudulent act to include forgery or alteration of any document; misappropriation of funds, supplies, etc.; improper handling or reporting of money or financial transactions; misrepresentation of information on documents; theft, destruction or intentional disappearance of records or any asset; accepting or seeking anything of material value from vendors or persons providing services or materials to the Clerk's Office, for personal benefit; authorizing or receiving payments for goods not received or services not performed; reimbursement of expenses that were not made for the exclusive benefit of the Clerk of Courts and County Comptroller; any computer-related activity involving the alteration, destruction, forgery or manipulation of data for fraudulent purposes or misuse or misappropriation of Clerk of Court owned software or hardware; or unauthorized time away from work or use of Clerk of Courts and County Comptroller time for personal business.

Waste refers to the unnecessary incurring of costs as a result of inefficient practices, systems or controls.

Abuse refers to violations and circumventions of departmental or agency regulations which impair the effective and efficient execution of operations.

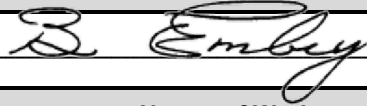
Scope

The scope of the Department's authority includes any operation under the direction of the Clerk of Court and BoCC.

The scope of the Department's work includes the following general areas:

- Review the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.
- Review the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on operations and reports, and determine whether the organization is in compliance.
- Review managerial controls established to prevent or detect fraud, and determine if such controls are appropriately designed and implemented, and are operating effectively.
- Review the means of safeguarding assets and, as appropriate, verify the existence of such assets.
- Appraise the economy, efficiency, and effectiveness with which resources are employed and management's operational control not strictly within the scope of financial statements.
- Review operations or programs to ascertain whether the results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- Review of County contracts with organizations receiving funding and organizations paying or collecting revenue for the County.
- Investigate allegations of fraud, waste or abuse received from citizens, vendors, employees, contractors, management, or personal observation.
- Examine accounting systems and fiscal operations.
- Conduct unannounced cash drawer counts to prevent or detect misappropriation.
- Review internal control procedures and practices (paying particular attention to high exposure or high risk areas) covering both revenues and expenditures.
- Review and evaluate adequacy and effectiveness of procedures controlling receipt and disbursement of restricted grants and contributions.
- Review and evaluate the accuracy and propriety of cost allocations among program activities, where appropriate.
- Evaluate whether there is a proper balance between cost of controls and the risks assumed by a unit.
- Review and test records of activities for compliance with applicable laws, regulations, policies, and procedures.
- Examine the accuracy and effectiveness of budgeting, including compliance with statutory provisions.

- Examine compliance with and effectiveness of payroll and personnel policies and procedures.
- Examine payroll documentation for evidence of timecard fraud.

OKALOOSA COUNTY CLERK OF COURTS		
INSPECTOR GENERAL		
ANNUAL WORK PLAN 2025		
January - December 2025		
Approved by Clerk of Courts:  Date: 1/8/2025		
Area	Nature of Work	Estimated Budget Hrs.
Audit Activity		
BCC - Purchasing	Internal/External consideration of Risk	400
BCC - Transit	Audit of MV contract with BCC Transit; Controls, accuracy, etc.	200
Clerk - HR	Internally Managed Systems - Risk/Internal Control	200
BCC - Housing Programs	Audit of NSP and SHP programs within GM	250
Clerk - Statute Cybersecurity	Review of Clerk cybersecurity under FS 282.3185	175
BCC - DOC Commissary Annual	Annual compliance per FS 951.23	100
Investigations		
Various Allegations / Administrative Reviews	Reserve for Administrative Reviews and Investigations	450
Guardianship		
Guardianship Audits	Audit Guardianship Accountings and Inventories	1000
Guardianship Compliance	Monitoring, Plan Review and Court Correspondence	600
Special Assignments / Reviews		
Various	Reserve	350
Migration to Odyssey	Establishing processes in new software for Guardianship	190
Monitoring Activities		
Yearly Inventory Adjustment	Inventory adjustment review	60
P-Card - County and Clerk	Review P-Card Compliance	135
Travel, Per diem, Fuel	Monitor	100
Other Activities		
General Administration	General Administration of IG and Accreditation	300
Internal Control Testing	Surprise Cash Counts	130
Annual Inventories	Annual Inventories, Fleet, Public Works, Water & Sewer.	120
Fraud, Waste & Abuse	Maintain Hotline/Survey	100
Quality Assurance Compliance	Peer review goals	150
IG SUV	Maintain clerk SUV, gas, etc.	50
SIA	?	
Consulting		
Clerk Areas	Policy review, Clerk Vehicle Fuel Reconciliation, Separation of Duties, Cash Jury Payments, Reorg, etc.	180
Board Areas	Purchasing, Fleet, Corrections, W&S, Public Works, Separation of Duties, etc.	240
External Audit	Assistance to External Auditors	26
Subtotal of Hours		5,506
Hours Available for Assignments*		5,506

*Based on 4 FTE less holidays, PTO, Q/A & Professional Development.

Appendix C

Millage Rates by County

2024

County	County-Wide Levies						Sub Total (County Wide Millage)	Less Than County-Wide Levies					Sub Total (Aggregate Millage)	Total Millage Rate
	County Government Operating	County Government Debt Service	County Government Dependent Special District	School Board Operating	School Board Debt Service	Independent Special Districts		County Government Operating	County Government Dependent Special District	Independent Special Districts	MSTU	Municipal		
Monroe	2.6929			2.8640		0.4344	5.9913			0.3844	0.6820	1.1709	2.2373	8.2286
Brevard	2.9207		0.5218	6.3110		0.2081	9.9616		0.2574	0.0931	0.7894	3.6015	4.7414	14.7030
Volusia	3.2007		2.3885	5.2850		0.2081	11.0823		0.9562	0.8382	0.3418	4.4081	6.5443	17.6266
Collier	3.2203		0.0246	4.3132		0.1926	7.7507			1.0020	0.5177	0.4698	1.9895	9.7402
Sarasota	3.2288	0.0712	0.0856	6.1310		1.2723	10.7889				0.5485	1.3794	1.9279	12.7168
Indian River	3.5475	0.0639		5.7530			9.3644		1.9299	1.2587	0.6424	0.9663	4.7973	14.1617
Walton	3.6000			4.2880		0.0218	7.9098		0.0418	1.1014		0.2015	1.3447	9.2545
Lee	3.7623			5.2860		0.2895	9.3378	0.8112		1.7472	0.0799	2.0545	4.6928	14.0306
Okaloosa	3.8308			5.3790		0.0218	9.2316			1.1929	0.1363	1.7062	3.0354	12.2670
Marion	4.2900			5.3230	1.0000		10.6130		0.0374	0.2022	3.6967	1.6179	5.5542	16.1672
Orange¹	4.4347	4.1700		6.4640			15.0687		0.0135	0.5589	3.1433	2.5343	6.2500	21.3187
Palm Beach	4.5000			6.3140		1.4058	12.2198		1.7816	0.1677		3.2738	5.2231	17.4429
Dade	4.5740	0.4271		6.4680	0.1340	0.7589	12.3620	0.5051	1.5992	0.0274		3.9490	6.0807	18.4427
Pinellas	4.5947		0.0913	5.8220		1.0159	11.5239	0.7703		0.9892	0.7491	4.0296	6.5382	18.0621
Seminole	4.8751			5.2790		0.1793	10.3334				2.0049	2.4794	4.4843	14.8177
Sumter	4.8900			5.0550			9.9450		0.0732	0.1911		0.9464	1.2107	11.1557
Lake	5.0364	0.0918		6.1220		0.2940	11.5442			0.3974	0.9183	2.9429	4.2586	15.8028
Franklin	5.2222			4.1240		0.0218	9.3680			0.2677		1.0618	1.3295	10.6975
Bay	5.4362			5.3110		0.0218	10.7690	0.0850		0.0773	0.5729	1.1684	1.9036	12.6726
Saint Johns	5.5141			5.2780		0.2081	11.0002		1.2983	0.1931	0.0139	0.5596	2.0649	13.0651
Clay	5.5471			6.2340		0.1793	11.9604				2.8306	0.4822	3.3128	15.2732
Hillsborough	5.6026	0.0604		5.3880		0.7268	11.7778		0.5336	0.4872	2.6876	2.4998	6.2082	17.9860
Broward	5.6389	0.0301		6.3110	0.1545	0.7089	12.8434		0.0094	0.9880	0.0237	5.9657	6.9868	19.8302
Gulf	5.9000			5.3880		0.0218	11.3098		0.3852		0.1117	0.8919	1.3888	12.6986
Santa Rosa	5.9550			5.3980		0.0218	11.3748			0.5088		0.2548	0.7636	12.1384
Manatee	6.0826			6.2990		0.3785	12.7601			0.4898	0.4577	0.9423	1.8898	14.6499
Charlotte	6.2519			6.4960		0.0394	12.7873			0.2382	2.1233	0.6287	2.9902	15.7775
Martin	6.5776			5.7500		0.6207	12.9483				2.6028	1.1758	3.7786	16.7269
Escambia	6.6165			4.8470		0.4261	11.8896				0.8579	0.9221	1.7800	13.6696
Polk	6.6348			5.2960			11.9308			0.3531	0.4779	2.6188	3.4498	15.3806
Osceola¹	6.7960	0.0666	0.3000	5.3430			12.5056			0.4481	0.8528	1.0693	2.3702	14.8758
Hendry	6.8022			5.2470		3.7701	15.8193			0.3459		1.0136	1.3595	17.1788
Nassau	6.8822			6.3290		0.2081	13.4193	1.5777		0.0593		1.3254	2.9624	16.3817
Saint Lucie	7.0516			6.2480		3.6239	16.9235		0.1311		0.8527	3.6539	4.6377	21.5612
Taylor	7.2426			5.5920		0.2936	13.1282		1.0216			1.0766	2.0982	15.2264
Baker	7.2916			5.3200		0.8756	13.4872			0.1836		0.9659	1.1495	14.6367
Hernando	7.3690			6.2710		0.1909	13.8309				1.0239	0.2697	1.2936	15.1245
Pasco	7.4292	0.2401		6.3310		0.1909	14.1912			0.2242	2.4297	0.4917	3.1456	17.3368
Highlands	7.6000			5.3440			12.9440			0.1966		1.2594	1.4560	14.4000
DeSoto	7.6153			5.3440		0.1909	13.1502				2.1563	0.9780	3.1343	16.2845
Alachua	7.6180			6.2610		1.4500	15.3290			0.2145	1.4588	3.8072	5.4805	20.8095
Columbia	7.8150			5.3910		0.2937	13.4997					1.2599	1.2599	14.7596
Jefferson	7.8266			5.3320			13.1586			0.1266		0.9186	1.0452	14.2038
Okeechobee	7.9000			5.3440		0.3000	13.5440			0.2362		0.7221	0.9583	14.5023
Wakulla	7.9000			5.3620		0.0218	13.2838					0.1013	0.1013	13.3851
Jackson	7.9450			5.4000		0.0218	13.3668					0.8580	0.8580	14.2248
Flagler	7.9945	0.2398		5.3650		0.2081	13.8074			0.3152		3.1379	3.4531	17.2605
Citrus	8.0322		0.3147	5.3440		0.5617	14.2526			0.0676	0.5242	0.6622	1.2540	15.5066
Levy	8.2500			5.3560			13.6060			0.3910		1.5986	1.9896	15.5956
Leon	8.3144			5.3840		0.3695	14.0679				0.7500	2.9819	3.7319	17.7998
Hardee	8.3950			5.2840		0.1909	13.8699					0.7303	0.7303	14.6002
Washington	8.5000			4.9460		0.0218	13.4678					1.1089	1.1089	14.5767

	County-Wide Levies							Less Than County-Wide Levies						
County	County Government Operating	County Government Debt Service	County Government Dependent Special District	School Board Operating	School Board Debt Service	Independent Special Districts	Sub Total (County Wide Millage)	County Government Operating	County Government Dependent Special District	Independent Special Districts	MSTU	Municipal	Sub Total (Aggregate Millage)	Total Millage Rate
Gilchrist	8.7000		1.0000	5.3940		0.2936	15.3876					0.4495	0.4495	15.8371
Putnam	8.8441			6.1300			14.9741	0.9713		0.1808		0.9433	2.0954	17.0695
Madison	8.8776			5.3380		0.2936	14.5092					0.9097	0.9097	15.4189
Glades	8.9967			5.2180		0.2301	14.4448			0.4506	3.1000	0.2609	3.8115	18.2563
Gadsden	9.0000			5.3870		0.0218	14.4088					1.8474	1.8474	16.2562
Suwannee	9.0000			5.3930		0.2936	14.6866					1.2312	1.2312	15.9178
Liberty	9.3247			5.4060		0.0218	14.7525					0.5616	0.5616	15.3141
Holmes	9.4916			4.9940		0.0218	14.5074					0.6926	0.6926	15.2000
Dixie	9.8000			5.3630		0.2936	15.4566				3.7000	0.4797	4.1797	19.6363
Calhoun	9.9000			5.2070		0.0218	15.1288					0.1922	0.1922	15.3210
Bradford	10.0000			5.3780			15.3780			0.2873		0.9253	1.2126	16.5906
Hamilton	10.0000			5.5240		0.2936	15.8176					0.7913	0.7913	16.6089
Lafayette	10.0000			5.3920		0.2936	15.6856					0.5694	0.5694	16.2550
Union	10.0000			5.4210		0.7936	16.2146					0.4837	0.4837	16.6983
Duval				5.3400	1.0000	0.2081	6.5481	11.0120				0.3312	11.3432	17.8913

*Aggregate millage rates calculated by dividing total taxes levied by the county-wide taxable value.
School millages are calculated based on school taxable value.
All other millages calculated based on county taxable value.

Data Extract: November 2024

Millage Rates by County

2024

County	County-Wide Levies							Less Than County-Wide Levies						
	County Government Operating	County Government Debt Service	County Government Dependent Special District	School Board Operating	School Board Debt Service	Independent Special Districts	Sub Total (County Wide Millage)	County Government Operating	County Government Dependent Special District	Independent Special Districts	MSTU	Municipal	Sub Total (Aggregate Millage)	Total Millage Rate
Monroe	2.6929			2.8640		0.4344	5.9913			0.3844	0.6820	1.1709	2.2373	8.2286
Duval				5.3400	1.0000	0.2081	6.5481	11.0120				0.3312	11.3432	17.8913
Collier	3.2203		0.0246	4.3132		0.1926	7.7507			1.0020	0.5177	0.4698	1.9895	9.7402
Walton	3.6000			4.2880		0.0218	7.9098		0.0418	1.1014		0.2015	1.3447	9.2545
Okaloosa	3.8308			5.3790		0.0218	9.2316			1.1929	0.1363	1.7062	3.0354	12.2670
Lee	3.7623			5.2860		0.2895	9.3378	0.8112		1.7472	0.0799	2.0545	4.6928	14.0306
Indian River	3.5475	0.0639		5.7530			9.3644		1.9299	1.2587	0.6424	0.9663	4.7973	14.1617
Franklin	5.2222			4.1240		0.0218	9.3680			0.2677		1.0618	1.3295	10.6975
Sumter	4.8900			5.0550			9.9450		0.0732	0.1911		0.9464	1.2107	11.1557
Brevard	2.9207		0.5218	6.3110		0.2081	9.9616		0.2574	0.0931	0.7894	3.6015	4.7414	14.7030
Seminole	4.8751			5.2790		0.1793	10.3334				2.0049	2.4794	4.4843	14.8177
Marion	4.2900			5.3230	1.0000		10.6130		0.0374	0.2022	3.6967	1.6179	5.5542	16.1672
Bay	5.4362			5.3110		0.0218	10.7690	0.0850		0.0773	0.5729	1.1684	1.9036	12.6726
Sarasota	3.2288	0.0712	0.0856	6.1310		1.2723	10.7889				0.5485	1.3794	1.9279	12.7168
Saint Johns	5.5141			5.2780		0.2081	11.0002		1.2983	0.1931	0.0139	0.5596	2.0649	13.0651
Volusia	3.2007		2.3885	5.2850		0.2081	11.0823		0.9562	0.8382	0.3418	4.4081	6.5443	17.6266
Gulf	5.9000			5.3880		0.0218	11.3098		0.3852		0.1117	0.8919	1.3888	12.6986
Santa Rosa	5.9550			5.3980		0.0218	11.3748			0.5088		0.2548	0.7636	12.1384
Pinellas	4.5947		0.0913	5.8220		0.1059	11.5239	0.7703		0.9892	0.7491	4.0296	6.5382	18.0621
Lake	5.0364	0.0918		6.1220		0.2940	11.5442			0.3974	0.9183	2.9429	4.2586	15.8028
Hillsborough	5.6026	0.0604		5.3880		0.7268	11.7778		0.5336	0.4872	2.6876	2.4998	6.2082	17.9860
Escambia	6.6165			4.8470		0.4261	11.8896				0.8579	0.9221	1.7800	13.6696
Polk	6.6348			5.2960			11.9308			0.3531	0.4779	2.6188	3.4498	15.3806
Clay	5.5471			6.2340		0.1793	11.9604				2.8306	0.4822	3.3128	15.2732
Palm Beach	4.5000			6.3140		1.4058	12.2198		1.7816	0.1677		3.2738	5.2231	17.4429
Dade	4.5740	0.4271		6.4680	0.1340	0.7589	12.3620	0.5051	1.5992	0.0274		3.9490	6.0807	18.4427
Osceola	6.7960	0.0666	0.3000	5.3430			12.5056			0.4481	0.8528	1.0693	2.3702	14.8758
Manatee	6.0826			6.2990		0.3785	12.7601			0.4898	0.4577	0.9423	1.8898	14.6499
Charlotte	6.2519			6.4960		0.0394	12.7873			0.2382	2.1233	0.6287	2.9902	15.7775
Broward	5.6389	0.0301		6.3110	0.1545	0.7089	12.8434		0.0094	0.9880	0.0237	5.9657	6.9868	19.8302
Highlands	7.6000			5.3440			12.9440			0.1966		1.2594	1.4560	14.4000
Martin	6.5776			5.7500		0.6207	12.9483				2.6028	1.1758	3.7786	16.7269
Taylor	7.2426			5.5920		0.2936	13.1282		1.0216			1.0766	2.0982	15.2264
DeSoto	7.6153			5.3440		0.1909	13.1502				2.1563	0.9780	3.1343	16.2845
Jefferson	7.8266			5.3320			13.1586			0.1266		0.9186	1.0452	14.2038
Wakulla	7.9000			5.3620		0.0218	13.2838					0.1013	0.1013	13.3851
Jackson	7.9450			5.4000		0.0218	13.3668					0.8580	0.8580	14.2248
Nassau	6.8822			6.3290		0.2081	13.4193	1.5777		0.0593		1.3254	2.9624	16.3817
Washington	8.5000			4.9460		0.0218	13.4678					1.1089	1.1089	14.5767
Baker	7.2916			5.3200		0.8756	13.4872			0.1836		0.9659	1.1495	14.6367
Columbia	7.8150			5.3910		0.2937	13.4997					1.2599	1.2599	14.7596
Okeechobee	7.9000			5.3440		0.3000	13.5440			0.2362		0.7221	0.9583	14.5023
Levy	8.2500			5.3560			13.6060			0.3910		1.5986	1.9896	15.5956
Flagler	7.9945	0.2398		5.3650		0.2081	13.8074			0.3152		3.1379	3.4531	17.2605
Hernando	7.3690			6.2710		0.1909	13.8309				1.0239	0.2697	1.2936	15.1245
Hardee	8.3950			5.2840		0.1909	13.8699					0.7303	0.7303	14.6002
Leon	8.3144			5.3840		0.3695	14.0679				0.7500	2.9819	3.7319	17.7998
Pasco	7.4292	0.2401		6.3310		0.1909	14.1912			0.2242	2.4297	0.4917	3.1456	17.3368
Citrus	8.0322		0.3147	5.3440		0.5617	14.2526			0.0676	0.5242	0.6622	1.2540	15.5066
Gadsden	9.0000			5.3870		0.0218	14.4088					1.8474	1.8474	16.2562
Glades	8.9967			5.2180		0.2301	14.4448			0.4506	3.1000	0.2609	3.8115	18.2563
Holmes	9.4916			4.9940		0.0218	14.5074					0.6926	0.6926	15.2000

	County-Wide Levies							Less Than County-Wide Levies						
County	County Government Operating	County Government Debt Service	County Government Dependent Special District	School Board Operating	School Board Debt Service	Independent Special Districts	Sub Total (County Wide Millage)	County Government Operating	County Government Dependent Special District	Independent Special Districts	MSTU	Municipal	Sub Total (Aggregate Millage)	Total Millage Rate
Madison	8.8776			5.3380		0.2936	14.5092					0.9097	0.9097	15.4189
Suwannee	9.0000			5.3930		0.2936	14.6866					1.2312	1.2312	15.9178
Liberty	9.3247			5.4060		0.0218	14.7525					0.5616	0.5616	15.3141
Putnam	8.8441			6.1300			14.9741	0.9713		0.1808		0.9433	2.0954	17.0695
Orange ¹	4.4347	4.1700		6.4640			15.0687		0.0135	0.5589	3.1433	2.5343	6.2500	21.3187
Calhoun	9.9000			5.2070		0.0218	15.1288					0.1922	0.1922	15.3210
Alachua	7.6180			6.2610		1.4500	15.3290			0.2145	1.4588	3.8072	5.4805	20.8095
Bradford	10.0000			5.3780			15.3780			0.2873		0.9253	1.2126	16.5906
Gilchrist	8.7000		1.0000	5.3940		0.2936	15.3876					0.4495	0.4495	15.8371
Dixie	9.8000			5.3630		0.2936	15.4566				3.7000	0.4797	4.1797	19.6363
Lafayette	10.0000			5.3920		0.2936	15.6856					0.5694	0.5694	16.2550
Hamilton	10.0000			5.5240		0.2936	15.8176					0.7913	0.7913	16.6089
Hendry	6.8022			5.2470		3.7701	15.8193			0.3459		1.0136	1.3595	17.1788
Union	10.0000			5.4210		0.7936	16.2146					0.4837	0.4837	16.6983
Saint Lucie	7.0516			6.2480		3.6239	16.9235		0.1311		0.8527	3.6539	4.6377	21.5612

*Aggregate millage rates calculated by dividing total taxes levied by the county-wide taxable value.
School millages are calculated based on school taxable value.
All other millages calculated based on county taxable value.

Data Extract: November 2024

Streamlining Building Permit and Development Approval Processes in Okaloosa County

Improving Efficiency, Transparency, and Stakeholder Satisfaction

Introduction

Building permitting and development approval processes are critical components in shaping the built environment of any community. Efficient, transparent, and responsive systems not only facilitate growth to include much needed new housing stock, but these processes support economic development and improve public trust. Improving public trust must not be overlooked as this is a critical outcome of efficient, fair, adherent, and well communicated processes as this trust can reduce the probability of future public lobbying for new burdensome regulations.

The Okaloosa County Board of County Commissioners have always been diligent in maintaining a less restrictive regulatory climate, despite continuous and fast paced growth. The County maintains a mostly administrative approval process, eliminating much of the risk and uncertainty inherent in public approval processes. In addition, review fees have remained consistently low. However, Okaloosa, like many jurisdictions struggles with inefficient processes, lack of training, cumbersome procedures that lead to delays, and frustration among developers, builders and staff. This narrative outlines a future vision for streamlining these processes, highlighting best practices, potential benefits, and practical steps for implementation. Many of these changes are currently underway within the County's Growth Management Department and this progress is also noted.

Current Challenges in Permit and Approval Processes

- Complexity and Fragmentation: Multiple departments and agencies may be involved, each with distinct requirements and timelines.
- Manual and Paper-Based Systems: Reliance on physical documents and in-person submissions slows down review and increases the risk of errors.
- Lack of Transparency: Applicants often have limited visibility into application status and review timelines causing the need for repeated contact with the Department leading to frustration and staffing pressures.

- **Inconsistent Communication:** The need for formalized and applicant centric coordination between departments and insufficient guidance for applicants can cause confusion and repeated resubmissions.
- **Regulatory Overlap:** Overlapping State level regulations may create unnecessary hurdles or ambiguity for project approval.

Vision and Progress

A streamlined building permit and development approval process is characterized by clarity, efficiency, and predictability. This vision includes:

- **Centralized Digital Platform:** An online portal for submission, tracking, and management of all applications, accessible to applicants and reviewing agencies.
 - The Growth Management Department will begin taking applications for building and development approvals using a centralized online platform beginning November 3, 2025.
 - Scanning and organization of all current paper records is currently underway. An administrative position has recently been assigned full-time to records management. Digital records management will create efficiency in review as well as prepare the Department for future AI applications.
- **Standardized Requirements:** Clear, consolidated checklists and guidance documents to reduce ambiguity and minimize back-and-forth.
 - The Department has currently published a developer's guide that is available on the Department's website. In addition, the attached process map for building permitting is available. The new digital platform also contains process flows and requirements that are digital checklists creating an understanding of what is required for users.
- **Automated Workflows:** Use of technology to automate routine checks, assign tasks, and notify stakeholders at each stage.
 - The new system does this and will continuously be refined. Applicants will be able to see where a particular project is within the process and what if anything is required. Applicants will also be able to see scheduled inspections or meetings related to projects.
 - Future goals are potential use of currently available AI customer service platforms that will allow enhanced customer service with limited current staff. This application may prevent the need to hire additional staff as workload grows in the future, keeping costs low for applicants.
- **Interdepartmental Collaboration:** Faster and more streamlined information sharing and joint reviews among planning, public works and building.

- It's important that all County departments and external review agencies, not just Growth Management, adhere to the statutory review timelines required by Section 125.022(2), F.S. and Section 553.792, F.S. (30, 60 or 120 days). This must be reiterated and ingrained into process flows with an overall goal of being better than this minimum requires.
- Transparent Timelines, extra-departmental formalized applicant centric communication: Published service standards and real-time updates to keep applicants informed and accountable.
 - The County as an enterprise must take action on a development order or building permit request within 30, 60 or 120 days of an application being deemed complete (depending on application type). These are the Statutorily required time frames, and Okaloosa's goal is to be much faster. Work is underway to streamline interdepartmental reviews for development orders but also internally for building permits. A Planning Department project manager can be responsible for keeping the project on track and for providing consistent time frame oriented applicant centric communication.
- Staff Training and Change Management: Equip staff with the skills and knowledge needed to operate new systems and embrace a culture of customer service.
 - Formal customer service training should be conducted annually, and this will be included in the Department's upcoming budget. Northwest Florida State College offers this training at a very reasonable cost. Staff training will ensure that existing staff and new hires maintain a strong customer service skill set.
 - The Department will provide regular and consistent technology training to staff.
 - When a major change such as a software change happens, the pain associated with this change cannot be borne by the applicants. This change must be managed through formalized interim operations.
- Continuous Improvement: Regular review of processes and feedback loops to identify bottlenecks and implement best practices.
 - The Department recently reclassified and existing underutilized position and filled the Customer Service Specialist position. This staff person will be responsible for continuous improvement and streamlining across all of the Department's functions, reporting to the Department Director. This position is beginning with process mapping and gap analysis to document existing processes, identify pain points, and will be involved in continuous customer engagement with the intent to be actionable regarding issues they have identified.

- One known bottleneck is related to staff turnover. The retirement of one of the Department's two plans reviewers for instance can cause a significant bottleneck. The Department must be as quick as possible to keep all positions filled and be consistently cross-country training and developing staff.
- Staff has recently implemented the "Fast Lane" for easier building permit approvals and shifted these to administrative staff. This new process takes easier permits out of a longer permit queue and allows them to be issued in one day. This new process was enabled by the creation of a new administrative pool staff.
- Once the new online platform is fully functionable, the Department will be looking for ways to implement "One Day Walk-throughs" in the future where single family building permits can be approved in one day.
- Continue to be mindful of regulatory creep or duplication across government: While new regulations are often initiated by citizens through political pathways, they can also be in response to legal issues, changing state laws, or some other external factor.
 - When these instances arise, staff can introduce mindfulness and awareness to how a particular new regulation would affect a process, cost or delivery process for applicants as well as look for ways to mitigate any negative effect as part of any analysis. A recent example of regulator roll back is provided below.
 - In 2021, the Board of County Commissioners adopted Ordinance 21-01 that required, as a local amendment to the Florida Building Code, the application of coastal high hazard area development standards to development in the Coastal A Flood Zone. This was done for the purpose of participating in the National Flood Insurance Program's Community Rating System. However, after the requirement took effect, it was determined that the public benefit derived from the heightened regulatory requirements did not sufficiently offset the cost or difficulty of compliance to private residents, and it was further determined that it was in the public interest to repeal the local technical amendment to the Florida Building Code. Based on this determination, the Board of County Commissioners directed that the local amendments to the Florida Building Code be repealed which was accomplished in March of 2023 with the adoption of Ordinance 23-10.
 - The County has also worked to reduce duplication across government. In 2021, the Florida Legislature created section 559.995 of the Florida Statutes limiting the scope of regulations that local governments could apply to home-based businesses. In consideration of the Legislature's actions, the Growth Management Department and County Tax Collector worked together and merged the Growth Management Department's home occupation

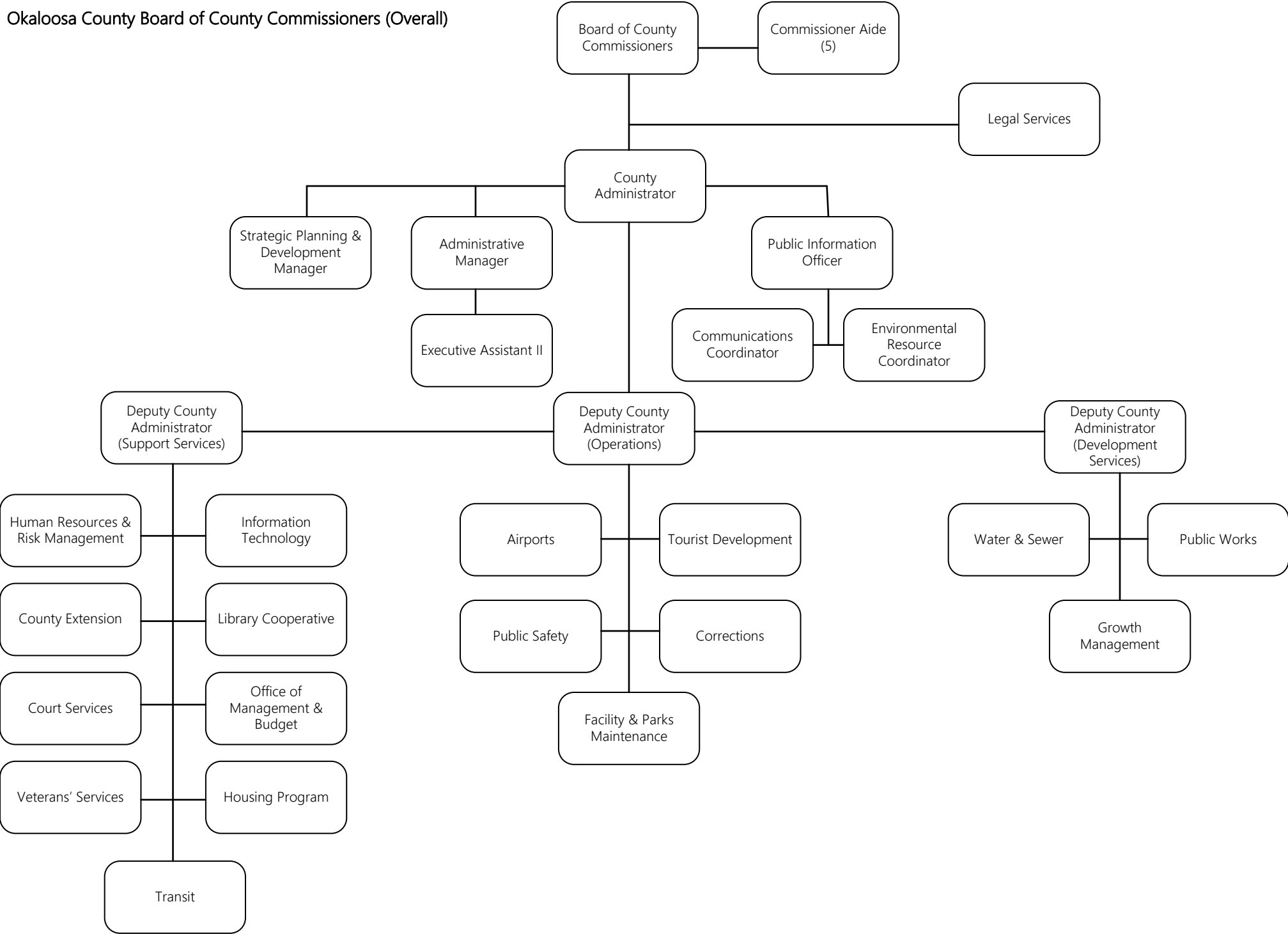
license with the Tax collector's business tax receipt, eliminating the former and revising the business tax receipt to acknowledge the statutory and regulatory requirements. This eliminated an entire (now redundant) license and reduced the cost of opening a home-based business by \$50. An Okaloosa County Business Tax receipt costs only \$35.

- Land Development Code Revision: Staff has identified the need to clarify and amend portions of the Land Development Code.
 - A committee is currently working on some changes that would reduce ambiguity, eliminate outdated requirements and create more certainty/transparency in the review process.
 - The County has also adopted an "administrative variance" approval process to eliminate the need for costly and time intensive public variance processes. Stakeholder collaboration and historical review on commonly requested administrative variances may reveal what regulations are currently onerous and unnecessary while at the same time promoting public trust in the Department by eliminating a nonpublic variance process for these items.

Expected Benefits

- Faster Approvals: Reduced wait times and more predictable project schedules.
- Greater Transparency: Applicants can easily track progress and understand requirements, reducing uncertainty and frustration.
- Improved Compliance and Reduced Applicant Frustration: Clearer guidance and automated checks help ensure code and regulatory requirements are met.
- Cost Savings: Less time spent on administrative tasks and fewer errors translate to financial savings for both the County and applicants.
- Enhanced Public Trust: Transparent, efficient processes foster confidence in the municipality's ability to manage growth and development responsibly thus preventing possible future political pressure for additional regulations.

Okaloosa County Board of County Commissioners (Overall)



Links to Policies and other Information

FAC Understanding Counties and Ad Valorem Taxes - August 2025

<https://www.fl-counties.com/wp-content/uploads/2025/09/Florida-County-Property-Tax-Report-2-1.pdf>

Florida Tax Watch – “2023 How Florida Counties Compare”

https://floridataxwatch.org/Portals/FTW/How-Counties-Compares-2023-FINAL_pdf%20PROOF.pdf

Okaloosa County Surtax Portal:

<https://myokaloosa.com/bcc/infrastructureprojects>

Okaloosa County Board of County Commissioners Policy Links:

Administrative & Financial Policies

<https://myokaloosa.gov/okaloosa-county-board-policies>

- General Fund Balance and Reserve Policy
- Investment Policy

Office of Management and Budget Policies

<https://myokaloosa.gov/okaloosa-county-board-policies>

- Grants Policy and Procedures Manual
- Purchasing Manual
- Tangible Personal Property Manual

Human Resources Policy Manual

<https://myokaloosa.gov/hr/deptdocs>