

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OKALOOSA COUNTY, FLORIDA
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023



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JD PEACOCK II

CLERK OF THE CIRCUIT COURT AND COMPTROLLER, OKALOOSA COUNTY, FLORIDA



March 25, 2024

To the Citizens of Okaloosa County:

We are pleased to present to you the Annual Comprehensive Financial Report of Okaloosa County, Florida (the County) for the fiscal year ended September 30, 2023. The Clerk of the Circuit Court and County Comptroller, by authority of the Constitution of the State of Florida, is responsible for both the accuracy of the presented data as well as the completeness and fairness of the presentation, including all disclosures. This report was prepared by the Finance Department under the supervision of the Clerk of Court & Comptroller. This report contains three major sections: the Introductory, the Financial, and the Statistical.

The County prepares the basic financial statements to meet the requirements of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis (MD&A) - for State and Local Governments* (GASB 34) reporting model requiring the County to report in five parts, including, Management's Discussion and Analysis, Government-wide Financial Statements, major Fund Financial Statements, Budgetary Comparisons for certain funds and the Notes to the Financial Statements.

The report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with generally accepted accounting principles in the United States (GAAP). Because the costs of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and dependable in all material respects.

The County's financial statements have been audited by the certified public accountants of the firm of Warren Averett CPAs and Advisors. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended September 30, 2023, are fairly presented in conformity with GAAP.

The report of independent accountants is presented as the first component of the financial section of this report.

Okaloosa County is a non-charter county established under the Constitution and the Laws of the State of Florida. This Annual Comprehensive Financial Report (Annual Report) includes the funds of the primary government (the Board of County Commissioners, the Clerk of Court & Comptroller, the Property Appraiser, the Sheriff, the Supervisor of Elections, and the Tax Collector).

Generally accepted accounting principles require that organizations for which the County is financially accountable be reported with the primary government (the County) as the reporting entity, however none of the organizations met this criterion. This Annual Report does not include the Okaloosa County School District or any other independent agency of Okaloosa County.

ECONOMIC CONDITION AND OUTLOOK



Okaloosa County is one of Florida's youngest counties, created in 1915 by an act of the state legislature. Okaloosa County is in the panhandle of Northwest Florida. The city of Crestview, near its geographical center, is the County seat. The current estimated population is 217,642 full time residents. As more people flock to Florida, we continue to see some of America's best and brightest choose to call Okaloosa County home.

Occupying a large portion of Okaloosa County is one of the world's largest military reservations. Established in 1935, Eglin Air Force Base covers over 724 square miles in Okaloosa and two neighboring counties and contains the 919th Special Operations Wing, Duke Field. Eglin Air Force Base is an Air Force Materiel Command base serving as the focal point for all Air Force Armaments. Eglin is responsible for development, acquisition, testing, deployment, and sustainment of all air-delivered non-nuclear weapons. Based upon Eglin's wide range of activities, Eglin will continue its major role in the defense of the United States and in the economy of Okaloosa County. Hurlburt Field, the headquarters of the Air Force Special Operations Command, is also located in Okaloosa County. Hurlburt Field occupies about 6,000 acres in the County. The military presence is a major income-producing source for the County.





Tourism is the leading private income producing source for Okaloosa County. Visitor spending exceeds \$3.18 billion annually with total employment of over 49,394 in tourism-related businesses which generates nearly \$343 million in tax revenues per year, offsetting the cost of services to locals. Tourists may visit Welcome Centers on Okaloosa Island or at the Destin-Fort Walton Beach Airport for information on lodging, local activities, area information, sightseeing and all other things to do during their visit. Approximately 7.8 million visitors are estimated to come to our area annually. Residents and tourists in Okaloosa County have a

full range of attractions and recreational opportunities. Beaches are made up of finely ground, perfectly round quartz crystals carried from the Appalachian Mountains that squeak beneath your bare feet with every step. Kayaking, canoeing, and paddle boarding are great ways to explore the calm, still waters of Choctawhatchee Bay or the gentle Gulf of Mexico waves. Destin Harbor is home to the nation's largest charter fishing fleet and is the epicenter of the local commercial and recreational fishing community. The harbor offers excursions, Gulf-to-Table seafood, live music, unique shops, evening fireworks, and much more. Destin Commons is a large open-air mall with a variety of dining options, family-friendly events, a movie theater, and national brands alongside unique styles found only here. Fort Walton Beach offers a walkable downtown perfect for an evening stroll through the Landing Park, Indian Temple Mound archeological site, shops, and restaurants and bars.



Okaloosa County boasts several industrial parks, the most significant of which is the Shoal River Ranch Gigasite located 7 miles east of Crestview. The County currently owns more than 900 acres of industrial zoned land within the 10,500-acre property. July 2023 brought the first tenant commitment for the project as Central Moloney Inc. purchased a 48-acre parcel for a future 300,000 SF electrical transformer manufacturing facility that will employ 350. Other industrial parks of note include the county-owned Okaloosa Industrial Air Park – also in Crestview and located adjacent to the Bob Sikes Airport and its 8,000-foot reinforced runway – and the Fort Walton Beach Commerce & Technology Park, which houses notable DoD contractors including Lockheed Martin, Kratos, Leonardo DRS, Crane



Aerospace & Electronics and Boeing (which opened a new 20,000 SF F/A-18 landing gear repair facility in June 2023).

Seven industrial parks have been developed with a total of over 1,100 acres available. An industrial park near Crestview has an 8,000-foot reinforced runway, capable of handling the largest aircraft, and it has complete utilities and services. A municipal industrial park at Fort Walton Beach offers complete facilities and utility services to companies supplying space-age components to the United States Air Force.

According to the Florida Department of Commerce, Okaloosa County's total labor force as of September 2023 was 108,890 and the unemployment rate was 2.7%. This compares favorably to Florida's unemployment rate of 3.1% percent and the national rate of 3.8%. Okaloosa County's cost of living is consistently below the national average and Florida has no state income tax. Property valuations increased again this year, continuing to provide the County with the opportunity to maintain one of the state's lowest millage rates while also striving to maintain a relatively high level of service to County residents.

MAJOR FUNCTIONAL INITIATIVES

General Government Initiatives

Okaloosa County continues to make tremendous strides with respect to infrastructure improvements. Perhaps most notable is the progress on the Southwest Crestview Bypass project where construction by both the County and FDOT continues to move forward. Once completed, the new roadway will offer an alternative corridor around the southern portion of Crestview as well as offer a new access point to Interstate 10. The first portion of the work, widening of PJ Adams Parkway, is set to open in the late spring/early summer of 2024 and the bypass proper to be completed the following summer (summer of 2025). As the single largest undertaking by Okaloosa County, this project is certainly going to be transformational to the region.



The half-cent local option sales tax, referred to as the Surtax program, continues to be a healthy source of funding for infrastructure needs. Since its inception in 2019 over \$90 million has been collected by the program and currently there are 40 projects either in design, actively under construction, or completed across the entire county. Success from the program has been so great that the Board of County Commissioners decided to utilize excess funds for a dirt road stabilization program. Prior to 2019 there were approximately 200 miles of sand-clay roads the County maintained. Thanks to the dirt road stabilization efforts largely funded through Surtax (over \$10 million allocated to date) there are less than 40 miles of un-stabilized dirt roads remaining. This effort not only improved access and safety conditions, but final stabilization efforts remove the need for routine grading, which means that the annual maintenance costs drop off dramatically and allow those resources (funds, labor, and equipment) to be utilized in other areas.

These substantial infrastructure investments will stimulate growth. In anticipation of this, the County has retained the services of a professional planning consultant to undertake a study of the region north

of Eglin Air Force Base to identify areas into which growth and development should be directed, and those areas in which development should be limited due to potential conflicts with military missions, environmental sensitivity, and other concerns.

As the County continues to grow and its economy diversifies, it becomes increasingly important to ensure that the County's housing stock continues to provide opportunities for families and households of all economic sectors to obtain quality housing. For this reason, the County has developed an Attainable Workforce Housing Strategic Plan which identifies specific policies, programs, and strategies to encourage development of housing throughout the County that is attainable by the County's diverse workforce including our essential workers such as law enforcement, firefighters and emergency medical personnel, teachers, and other workers across the employment spectrum.

Public Safety Initiatives

The Department of Corrections and Public Safety (Emergency Management, Emergency Medical Services and Beach Safety) function as independent departments. The Department of Corrections and County Jail continue to deal with population growth, while trying their best to mitigate those increases and study future impacts. The County dedicates a great deal of financial and personnel resources for public safety initiatives and facilities, like the Emergency Operations Center, which engages in 24/7 all-hazards threat monitoring 365 days per year. The Public Safety Department has obtained funding to upgrade the technological capabilities of the Emergency Operations Center this year by leveraging the County surtax funds. Upgrading of the Secondary EOC is also in progress. Emergency Medical Services continue to review and improve their function to enhance this much needed service. These enhancements include updated and more-advanced life-saving equipment as well as aggressive replacement of aging response vehicles, including modifications to practices following the latest, most-effective medical protocols. Okaloosa County became only the third county in the state to implement a field blood-delivery program in order to provide premier-level lifesaving capabilities to victims experiencing acute blood loss due to trauma and other conditions. EMS further partnered with NWFSC to graduate 9 Paramedics who were currently serving as EMT's in our system, promoting from within and building a culture of confidence and excellence. New public outreach instructional classes have been implanted and a Community Paramedicine plan is in the initial planning stages. The Beach Safety Division continues to provide premier-level life/safety functions beach-front and has established two Park Ranger programs to promote safety and public engagement along our beautiful shoreline. Infrastructure Surtax funding provided the opportunity to complete a Sheriff's Office Training Center improvement in West Crestview, and projects are in place and underway to improve the security of schools and improve emergency communications throughout the County. The Sheriff was active and involved in many of these public safety initiatives throughout the year from a capital and operational perspective.



Physical Environment Initiatives

Physical environment initiatives primarily relate to water/wastewater improvements, solid waste, and stormwater. County Water & Sewer continued to focus efforts on resiliency projects that include



rehabilitation, replacement, and upgrades of aging infrastructure to minimize the risk of sanitary sewer overflows. From FY2021 until now, 6.3 miles of gravity sewer has been lined with cured-in-place pipe installation with over 24 miles planned in future years. Construction of the Okaloosa County/Niceville/Eglin Air Force Base reclaimed water project continued and will be completed mid FY2023. In addition to gravity sewer rehab and the reclaimed water project, efforts have continued in adding redundant alarm systems, generators, and bypass pumps in our most vulnerable Lift Stations. To meet the increased loading from septage/FOG and account for future system growth, the design-build contract for the Arbennie Pritchett Water Reclamation Facility Solids Handling Expansion was executed for an amount of \$9.3 million dollars. In-house staff also completed the installation of water mains along PJ Adams and began water main relocations for the Southwest Crestview Bypass.

Solid Waste continues remediation and monitoring of the closed landfill facilities. Contracts for solid waste service are competitively procured and negotiated to maintain cost effective solutions. The solid waste contract services generated over \$14M in revenue and managed over 160,000 tons of waste for approximately 34,000 homes. Stormwater assessments are levied to meet the growing needs of certain deteriorating infrastructure, while attempting to determine some long-term resolution.



Transportation Initiatives

Transportation needs continue to be an area of vital importance to the citizens and elected officials of the County. Maintenance and enhancement of existing roadways and bridges is a high priority, but the limitation for significant improvement generally is hampered by limited resources. The approval of the half-cent discretionary infrastructure surtax, to improve infrastructure, stormwater management and public safety in Okaloosa County is providing a healthy source of income for infrastructure improvements. Leveraging this funding source for initiatives has proven to be advantageous when seeking funds from state sources such as FDOT and FDEP. In addition to the Southwest Crestview Bypass, the County is using the Surtax program to jump start roadway improvements on the heavily congested SR 85.

The Destin-Fort Walton Beach Airport (VPS), along with the General Aviation Airports in Destin at the Destin Executive Airport (DTS) and in Crestview at the Bob Sikes Airport (CEW), continued to enhance all facets of aviation activity with significant growth throughout the year. Recent FDOT economic impact studies detail over \$2B in economic impact generated annually from Okaloosa County's three airport system. The US Department of Transportation and FDOT helped fund projects at the County's airports



related to facility expansions and safety improvements. At the Destin-Fort Walton Beach Airport, a new signatory carrier, Sun Country, began direct service to Minneapolis/St. Paul and the airport now offers direct flights to fifty (50) destinations with five airline partners. Passenger traffic is up 149% since 2016, as VPS served nearly 2.3 million passengers in 2023. Plans for an expanded baggage claim area, which will add two additional carousels and 15,000 square feet of lobby space, are moving forward with construction expected to commence in 2024. The Bob Sikes Airport has welcomed new corporate tenants and enjoyed significant hangar and facility expansions by the Fixed Base Operator, Emerald Coast Aviation, and businesses operating on the field. The Destin Executive Airport continues to grow serving tourism, leisure, and business travel needs.

Economic Environment Initiatives

The economy of the County relates mainly to tourism and the military, evidenced by the County's purchase of the Fairgrounds complex for renovation and further event enhancement, although there are other growing aspects being emphasized and explored. The Tourist Development Council's "Destination Stewardship" program elevates the visitor experience and improves the economic impact of stays by engaging visitors and locals in unique locations and experiences of the Destin-Fort Walton

Beach area to fulfill the destination's brand promise to get kids on the water, as well as to address core challenges of improving mobility and accessibility to adventures, friendliness, and pride in place. Financial assistance in the form of housing assistance and assistance related to the many veterans located in the area are also included in Economic Environmental initiatives. Community Redevelopment agencies in several cities within the County utilize portions of Ad Valorem Tax dollars to enhance economic development in those designated areas.

Human Service Initiatives

The funding for human service activities in the County includes mosquito control, animal welfare, health care, Medicaid, elder services, day care service, mental health services and court-related child protection services expenditures. These activities, particularly state aid for Medicare and Medicaid, account for well over half of the dollars spent in this functional category. A portion of the operation of the Okaloosa County Health Department is another human service initiative in the County. Mosquito control, which covers over 650,000 acres, funding is supplemented by grant funding which aids in management of vector disease control initiatives.

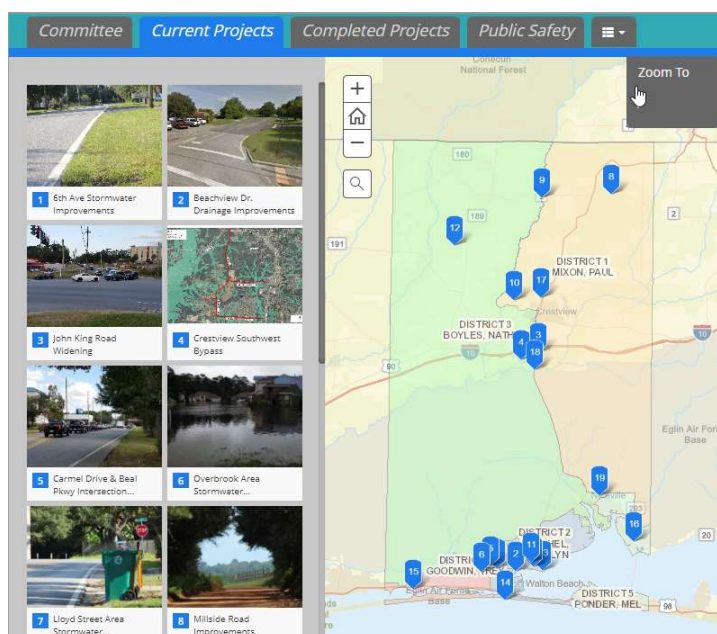
Culture/Recreation Initiatives

Culture and Recreational activities are an important element of funding in this diverse County ranging from the beautiful beaches to parks throughout the County, especially in the rural areas of the north county. A horse arena attracts equestrian enthusiasts for rodeos and other competitive events. The Countywide Library Cooperative provides all citizens access to tools for success in education, work, and life. It supports member Municipal libraries through funding allocations, technology infrastructure, and countywide digital services that ensure eBooks, audios, magazines, and continuing education courses are available 24/7/365. Tourist Development continues utilizing bed tax to protect and restore Okaloosa County's natural resources, including artificial reef deployments, and the purchase of property to expand waterfront access and amenities at the Shalimar Bridge and Cristobal Road in Mary Esther.

Future Initiatives

The County was heavily impacted by the COVID-19 pandemic but saw a rebound, breaking records in revenue and occupancy. Future planning initiatives include building up financial reserves, establishing a budget reserve policy, and allocating resources prudently. The half-cent discretionary infrastructure surtax has enabled the county to launch many projects which will benefit county residents. There are currently 28 active projects, including the Northwest Crestview bypass corridor study. Revenue in this fund has exceeded expectations which has allowed for many key infrastructure projects to be completed. The County will continue to monitor road and stormwater needs consistent with the availability of funds.

One tax increment area was established around Interstate 10 to alleviate congestion in the countywide



transportation system and enhance the flow of traffic throughout the County. The County also has an eye on the future of the economy. Currently, there are two main drivers to the County's economy – the military mission and tourism. To create other opportunities, the County recently purchased 600+ acres at the Shoal River Ranch property east of Crestview to preserve and to sell to a large manufacturer for use as a production plant.

Additionally, the County has used a grant from Triumph Gulf Coast to build out water and sewer lines and an economic support grant from the State to construct roadways to the site. This ensures the site will be 'shovel-ready' for a manufacturer as soon as possible. The creation of a manufacturing plant will ensure financial stability and growth for Okaloosa County for years to come.

Quality of life issues will continue to be reviewed around culture and recreation. A referendum to expand the tourist development taxing district countywide was approved by voters on October 5, 2021, which will provide additional funding to address tourism-related issues such as mobility, accessibility, and public safety.

FINANCIAL INFORMATION

Readers of this report are encouraged to read Management's Discussion and Analysis (MD&A). The MD&A provides basic financial information about the County and an overview of the County's activities. The government-wide financial statements, consisting of a Statement of Net Position and a Statement of Activities, provide a comprehensive financial picture of the County, split between governmental activities and business-type activities. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting, where all assets, liabilities, revenues, and expenses of the County are reported. The fund financial statements provide information concerning the County's funds and are prepared from the County's accounting records. The County's accounting records for general governmental operations are maintained on a modified accrual basis, with revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received, and the liabilities are incurred. Accounting records for the County's proprietary funds are maintained on an accrual basis. The County's fiscal year is October 1 to September 30.

Section 11.45, Florida Statutes, requires an annual audit of all County agencies. The County has directed that the annual audit be more extensive than that required by Florida Statutes by requiring that the annual audit be a single audit covering all the funds and account groups of the County. This requirement has been complied with, and the unmodified opinion of the auditors has been included in this report.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022.

The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for presentation of state and local government financial reports. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to program standards, GAAP, and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current Annual Comprehensive Financial Report conforms to the Certificate of Achievement Program requirements, and it will be submitted to the GFOA to determine its eligibility for another certificate.

A comprehensive annual financial report of this nature could not have been prepared without the dedicated efforts of a considerable number of individuals. I want to especially thank the entire staff of the Finance Department for their invaluable assistance in the preparation of this report. I would also like to thank the members of the County's independent external auditors. I would also like to thank the Board of County Commissioners and their staff, and the other Constitutional Officers for their personal interest and dedicated support in planning and conducting the financial operations of the County in a responsible manner.

JD Peacock II
Okaloosa County Clerk & Comptroller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Okaloosa County
Florida**

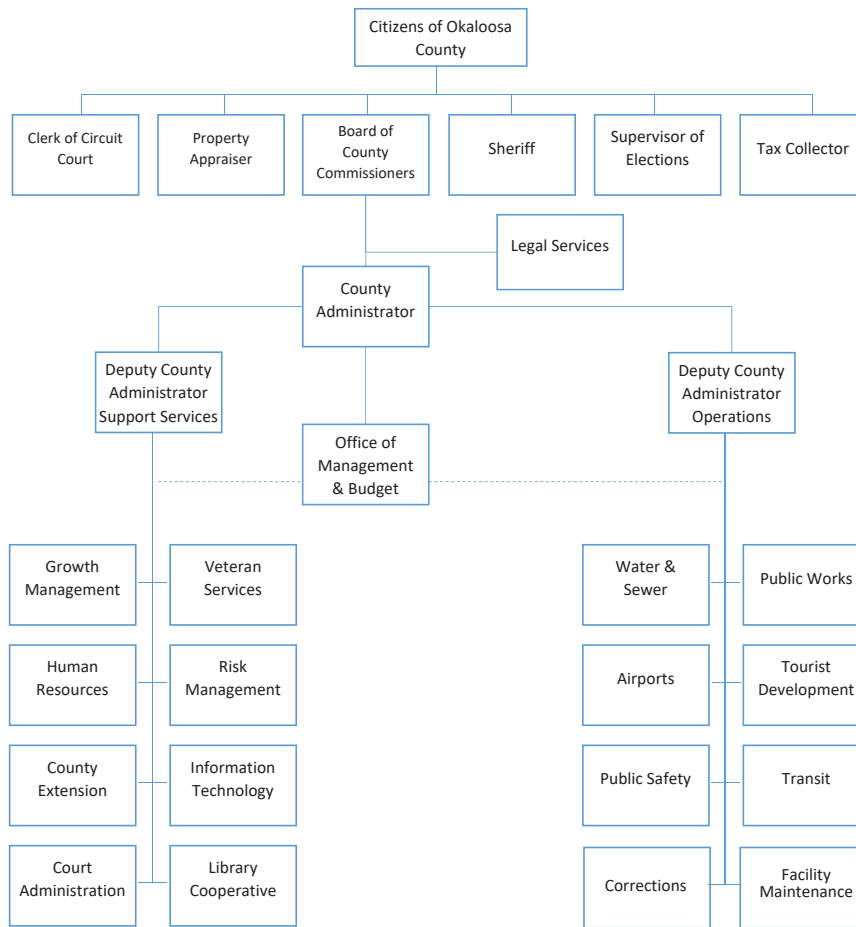
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO

Organizational Chart



**COUNTY OFFICIALS
AS OF SEPTEMBER 30, 2023**

COUNTY COMMISSIONERS

Paul Mixon, District I

Carolyn Ketchel, District II

Nathaniel Boyles, District III

Trey Goodwin, District IV

Mel Ponder, District V

OTHER ELECTED OFFICIALS

JD Peacock II, Clerk of the Circuit Court and County Comptroller

Eric Aden, Sheriff

Ben Anderson, Tax Collector

Mack Busbee, Property Appraiser

Paul Lux, Supervisor of Elections

OTHER OFFICIALS

John Hofstad, County Administrator

INDEPENDENT AUDITORS' REPORT

To the Honorable Chairman and Members of the
Board of County Commissioners and Other Elected Officials
Okaloosa County, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Okaloosa County, Florida, (hereinafter referred to as "County") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Okaloosa County, Florida, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in 2023, the County adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. Our opinion is not modified with respect to this matter.

As discussed in Note 20 to the financial statements, the County corrected errors relating to unbilled and unavailable revenue. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and schedules related to pension and other post employment healthcare benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, nonmajor fund budgetary comparison schedules, and schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, *Rules of the Auditor General*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of passenger facility charges is presented for purposes of additional analysis as specified in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and is not a required part of the basic financial statements of the County. The accompanying schedule of receipts and expenditures of funds related to the Deepwater Horizons Oil Spill is presented for the purpose of additional analysis as required by Florida Statute 288.8018 and the *Rules of the Auditor General*, Chapter 10.557(3)(f), and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, combining financial statements and nonmajor fund budgetary comparison schedules, the schedule of expenditures of federal awards and state financial assistance, the schedule of expenditures of passenger facility charges and the schedule of receipts and expenditures related to the Deepwater Horizons Oil Spill, are fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Warren Averett, LLC". The signature is written in a cursive, flowing style.

Fort Walton Beach, Florida
March 25, 2024

Okaloosa County, Florida

Management's Discussion and Analysis

This discussion and analysis of Okaloosa County's (the County) financial statements is designed to introduce the basic financial statements and provide an analytical overview of the County's financial activities for the fiscal year ended September 30, 2023. This analysis, in conjunction with additional information provided in our letter of transmittal, should assist readers in identifying significant financial issues and changes in the County's financial position. In this Management Discussion and Analysis (MD&A), all amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- At the close of the fiscal year the County's assets and deferred outflows exceeded its liabilities and deferred inflows, resulting in a net position of \$811,455. Governmental and business-type assets exceeded its liabilities by \$378,348 and \$433,108, respectively.
- The County's total net position increased by \$67,510, or 9.1%, in comparison to the prior year.
- The County had \$4,970 of unrestricted net position surplus at the close of this year compared to \$9,990 last year.
- Total revenues increased by \$57,697, or 15.8 percent, from \$364,202 to \$421,899.
- Total expenses increased by \$66,329, or 23.0 percent, from \$288,060 to \$354,389.
- The County's governmental activities reported a total net position of \$378,348, which is an increase of \$42,609, or 12.7%, in comparison to the prior year. A deficit in the unrestricted net asset position of \$54,116 exists in the governmental activities.
- The County's business-type activities reported a total net position of \$433,108, which is an increase of \$24,902, or 6.1%, in comparison to the prior year. Approximately 13.6% of the total, or \$59,086, is unrestricted, and thus available for spending at the County's discretion.
- At the end of the current fiscal year, the net pension liability increased \$16,903 for governmental funds and \$5,049 for business-type activities for an ending net pension liability of \$150,173, an approximate increase of 17.1% from the prior fiscal year end. These liabilities are actuarially determined and provided by the State of Florida Retirement System (FRS). The change in actuarial liability primarily relates to an increase in the County's share of collective pension expenses. The County's actual contributions to FRS are in the required supplementary information.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Okaloosa County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements, as illustrated on the following page. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of Okaloosa County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the County's assets, deferred outflows, liabilities, and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the

change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, culture/recreation, and court-related activity.

The business-type activities of the County include water/sewer services, airport services, solid waste collection/disposal, building inspection services and emergency medical service.

Fund Financial Statements

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net position, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The County's funds are presented in separate fund financial statements. These funds are presented on governmental fund financial statements, proprietary fund financial statements and a fiduciary fund financial statement. The County's major funds are presented in separate columns on the fund financial statements. The definition of a major fund is one that meets certain criteria set forth in GASB 34. The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the fund financial statements.

Governmental Fund Financial Statements

Governmental fund financial statements are prepared on a modified accrual basis using current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. Although the activity of the internal service funds is reported with the governmental activities on the government-wide financial statements they are not combined on the government fund financial statements.

Five of the County's governmental funds, the General Fund, Tourist Development Special Revenue Fund, Natural Disasters Fund, and the Road and Bridge Construction Capital Projects Fund, and Infrastructure Surtax Fund are classified as major funds. All other governmental funds are combined into a single column on the governmental fund financial statements. Individual fund data for the non-major funds is found in combining statements presented as supplemental financial data.

The County adopts an annual budget for all governmental funds. A budgetary comparison has been presented for all the governmental funds, which compares not only actual results to the budget but also the original adopted budget to the final budget. These budgetary comparisons for the general fund and major special revenue funds are presented as part of the required supplementary information. Non-major governmental fund budget comparisons are presented as supplemental financial data.

Proprietary Fund Financial Statements

Proprietary fund financial statements, like government-wide financial statements, are prepared on a full accrual basis. Proprietary funds record both operating and non-operating revenues and expenses. Operating revenues are those that are obtained from the operations of the proprietary fund.

The County reports the Water and Sewer Enterprise Fund and Airport Enterprise Fund as major funds in the proprietary fund financial statements. These enterprise funds are used to present the same functions that are presented in the government-wide financial statements. The other enterprise funds are grouped together and reported in a separate column entitled, "Other Enterprise Funds". The internal service funds are combined into a single column on the proprietary fund financial statements. Individual fund data is presented in combining statements as supplemental financial data.

The internal service funds are used to account for risk management, health, including other post-employment benefits for retirees, dental and liability insurance, fleet management services and funding of short-term compensated absence liability on a cost reimbursement basis.

Fiduciary Fund Financial Statement

Data shown on the fiduciary fund financial statement is not included in the government-wide financial statements because the resources of those funds are not available to support the County's programs. The only type of fiduciary funds the County maintains, custodial funds, are used to account for assets held by the County as an agent for individuals or other governments.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is useful for a more complete understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Okaloosa County's change in and contributions to pensions and other post-employment benefits.

This report also presents combining statements for the non-major governmental and proprietary funds and agency funds, as well as individual fund budgets and actual comparison schedules for non-major governmental funds.

Government-wide Financial Analysis

Over time, net position may serve as the most useful indicator of a government's financial position, although a number of significant estimates or long-term projections now impact that net position. As of September 30, 2023, the County's total net position or total assets less liabilities, was \$811,455. A significant portion of the County's net position, 75.3 percent, is identified as an investment in capital assets (such as land, buildings, equipment, infrastructure), less related debt outstanding that was used to acquire those assets. Since the County uses capital assets to provide services to its residents, the net position represented by "invested in capital assets" is not available for future spending. In fact, the payment of maintenance and debt service costs on those capital assets will themselves require governmental resources. The invested in capital assets balance of \$636,365 increased by \$53,287 or 9.1 percent, in comparison to the prior year.

Another portion of the County's net position is restricted net position which represents assets that are subject to constraints such as by debt covenants, grantors, laws, or regulations. The restricted net position balance of \$170,120 (21.0 percent of total net position) increased by \$19,243 or 12.8 percent, in comparison to the previous year, due to increased funds related to culture and recreation.

Unrestricted net position is available to meet the County's ongoing obligations to residents, creditors, and enterprise fund customers. The County has an overall net unrestricted net position of \$4,970 which is a decrease of \$5,020 from the prior year. This decrease is primarily attributable to the impact of increases in the net pension liability. The governmental activities overall net position increased by \$42,609. Although millage rates remained flat, property tax revenue increased due to rising taxable assessed values. Charges for services and grant revenue remained consistent with the prior year. Net Position in the County's Business-type activities increased by \$24,902 due to increases in grants and contributions to the Water and Sewer and Airport funds. Unrestricted Net Position of \$59,086 is available in the County's Business-type activities to meet ongoing obligations to its customers.

The following is a condensed summary of net position for the primary government for fiscal years 2023 and 2022.

Okaloosa County, Florida
Summary of Net Position
September 30, 2023 and 2022

	Governmental		Business-type		Total	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$318,348	\$300,702	\$198,304	\$188,590	\$516,652	\$489,292
Capital Assets	350,900	307,207	407,976	396,992	758,876	704,199
Total Assets	<u>\$669,248</u>	<u>\$607,909</u>	<u>\$606,280</u>	<u>\$585,582</u>	<u>\$1,275,528</u>	<u>\$1,193,491</u>
Total Deferred Outflows	<u>\$26,149</u>	<u>\$26,509</u>	<u>\$9,530</u>	<u>\$10,038</u>	<u>\$35,679</u>	<u>\$36,547</u>
Current and Other Liabilities	74,288	69,537	28,335	26,925	102,623	96,462
Noncurrent Liabilities	219,719	205,827	94,412	94,729	314,131	300,556
Total Liabilities	<u>\$294,007</u>	<u>\$275,364</u>	<u>\$122,747</u>	<u>\$121,654</u>	<u>\$416,754</u>	<u>\$397,018</u>
Total Deferred Inflows	<u>\$23,042</u>	<u>\$23,315</u>	<u>\$59,955</u>	<u>\$66,642</u>	<u>\$82,997</u>	<u>\$89,957</u>
Net Position:						
Net Investment in Capital Assets	\$284,793	\$246,725	\$351,572	\$336,353	\$636,365	\$583,078
Restricted for						
Debt Service	-	-	4,353	4,837	4,353	4,837
Capital Projects	60,771	69,601	-	-	60,771	69,601
Public Safety	2,303	662	-	-	2,303	662
Transportation	12,881	11,100	18,097	12,887	30,978	23,987
Eco Environment	9,940	5,809	-	-	9,940	5,809
Culture Recreation	61,281	43,496	-	-	61,281	43,496
Court-Related	494	2,486	-	-	494	2,486
Unrestricted	<u>(54,116)</u>	<u>(44,140)</u>	<u>59,086</u>	<u>53,246</u>	<u>4,970</u>	<u>9,106</u>
Total Net Position	<u>\$378,348</u>	<u>\$335,739</u>	<u>\$433,108</u>	<u>\$407,323</u>	<u>\$811,456</u>	<u>\$743,062</u>

Okaloosa County, Florida
Summary of Revenues and Expenses
For the Year Ending September 30, 2023 and 2022

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues:						
Charges for Services	\$52,000	\$50,788	\$87,491	\$89,630	\$139,491	\$140,418
Operating Grants and Contributions	13,526	11,026	12,657	1,471	26,184	12,497
Capital Grants and Contributions	18,625	15,119	14,949	10,020	33,574	25,139
General Revenues:						
Taxes	170,642	153,169	0	1	170,643	153,170
Unrestricted Intergovernmental Revenue	31,798	32,689	-	-	31,798	32,689
Other	15,880	(1,455)	4,331	1,746	20,211	291
Total Revenues	<u>302,471</u>	<u>261,336</u>	<u>119,429</u>	<u>102,866</u>	<u>421,899</u>	<u>364,202</u>
Expenses:						
Program Activities:						
General Government	51,296	44,214	-	-	51,296	44,214
Public Safety	100,147	90,904	-	-	100,147	90,904
Physical Environment	7,949	2,451	-	-	7,949	2,451
Transportation	23,725	20,083	-	-	23,725	20,083
Economic Environment	28,385	20,824	-	-	28,385	20,824
Human Services	6,555	6,089	-	-	6,555	6,089
Culture and Recreation	28,861	12,144	-	-	28,861	12,144
Court-Related	11,733	9,970	-	-	11,733	9,970
Interest and Fiscal Charges	2,745	2,370	-	-	2,745	2,370
Business-type Activities:						
Water and Sewer	-	-	36,011	31,578	36,011	31,578
Airport	-	-	24,048	19,983	24,048	19,983
Solid Waste	-	-	15,444	13,087	15,444	13,087
Emergency Medical	-	-	14,805	11,704	14,805	11,704
Other	-	-	2,684	2,659	2,684	2,659
Total Expenses	<u>261,397</u>	<u>209,049</u>	<u>92,992</u>	<u>79,010</u>	<u>354,389</u>	<u>288,060</u>
Inc in Net Position Before Trf	41,074	52,287	26,436	23,856	67,510	76,143
Transfers	<u>1,535</u>	<u>773</u>	<u>(1,535)</u>	<u>(773)</u>	<u>-</u>	<u>-</u>
Inc/(Dec) in Net Position	42,609	53,060	24,902	23,083	67,510	76,143
Net Position October 1, as Restated	<u>335,739</u>	<u>282,679</u>	<u>408,206</u>	<u>384,240</u>	<u>743,062</u>	<u>666,919</u>
Net Position September 30	<u>\$378,348</u>	<u>\$335,739</u>	<u>\$433,108</u>	<u>\$407,323</u>	<u>\$810,572</u>	<u>\$743,062</u>

Revenues increased by \$41,135 or 15.7 percent in governmental activities. Despite holding the County's millage rate flat, Ad Valorem taxes increased by \$11,425 or 14.1 percent compared to the previous year. Additionally, investment returns increased dramatically during the year, increasing \$15,188 compared to the previous year. Increased interest rates on short-term investments combined with more favorable market conditions led to the increased investment earnings. Revenues in business-type activity increased by \$16,562 or 16.1 percent from the prior year, with most of the increase coming in the form of federal aviation grants.

Expenses increased by \$52,347 or 25.0 percent in governmental activities. While costs increased incrementally across all functions, the County's partnership with the City of Destin for the purchase of beach property led to a significant increase in expenses related to culture and recreation. Expenses increase by \$13,982 or 17.7 percent in business-type expenses. Similar to the governmental activities, costs for business-type activities increased across all departments, due mainly to increase in personnel costs, which included salary increases for all positions and an increase in the required employer contribution to the Florida Retirement System (FRS). Overall net position increased by 9.0 percent, from \$743,945 in 2022 to \$811,455 in 2023.

Governmental activities

The focus of Okaloosa County governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at fiscal year-end.

As of September 30, 2023, the County governmental funds reported combined fund balances of \$203,591, a decrease of \$96 over the prior year balances.

The General Fund is the chief operating fund of the County. As of September 30, 2023, total fund balance in the general fund was \$36,475 of which \$25,041 was unassigned. While revenues for the fiscal year exceeded expenditures by \$168, general fund reserves were transferred to multiple other funds and elected officials for capital expenditures identified in the previous fiscal year as necessary. This resulted in an overall decrease in general fund balance of \$756.

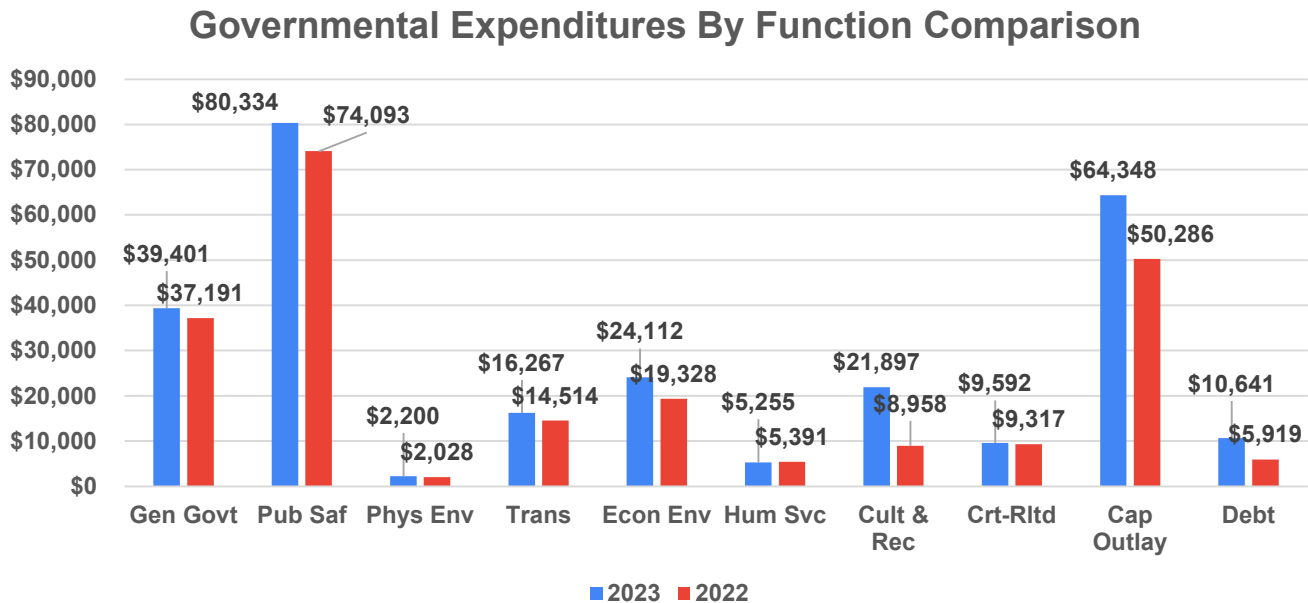
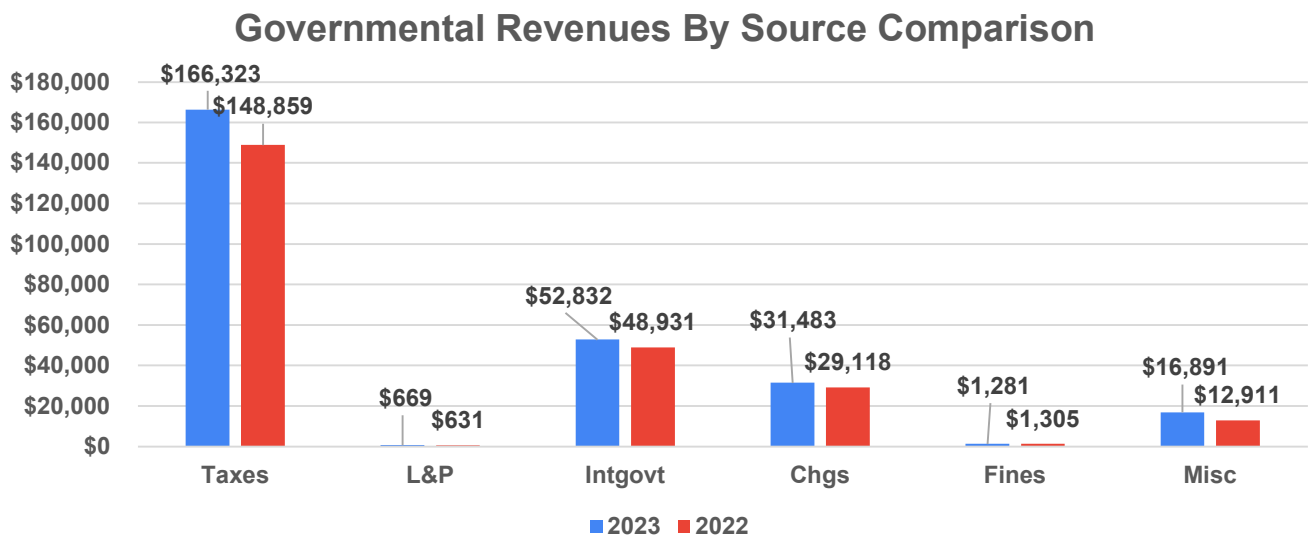
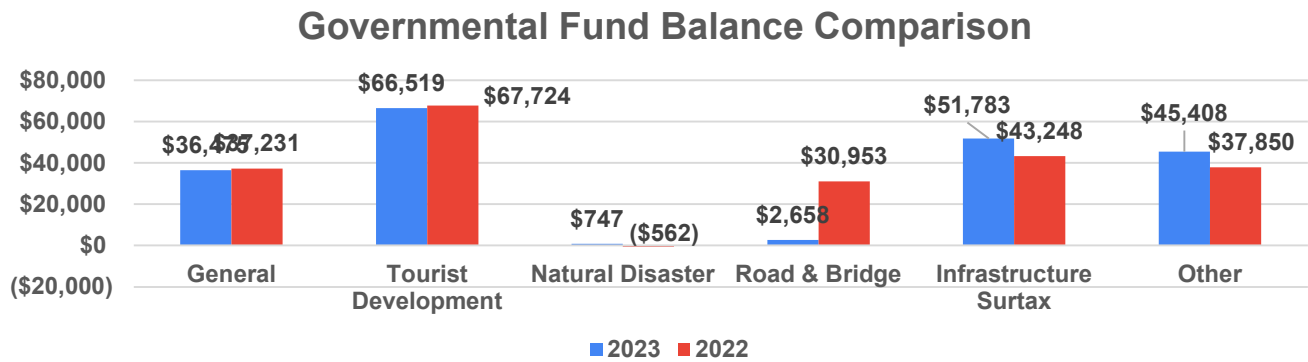
The Tourist Development Special Revenue Fund is used to account for the revenues and expenditures collected on short-term rentals in Okaloosa County. The Tourist Development Special Revenue Fund balance decreased from the prior year by \$1,205. Current year revenues increased by \$11,161 or 31.0% over the previous year, as the result of the expanded taxing district. Additionally, expenditures increased by \$19,379 or 77.8% over the previous year. The County entered into an interlocal agreement with the City of Destin for the acquisition, development, and use of beach front properties for a public park and beach access.

The Natural Disaster Fund is typically used to account for disaster funding and expenditures not considered normal recurring operating activity of the County. In 2023, the Natural Disaster Fund was also used to account for the governmental activities portion of the federal funds collected and disbursed pursuant to the Coronavirus Aid, Relief and Economic Security Act (the CARES Act) and the American Rescue Plan (ARPA) Act. Investment earnings, along with funds transferred from general fund reserves in the current year to cover previously incurred costs deemed unallowable by FEMA, resulted in an increase in fund balance of \$1,309.

The Road and Bridge Construction Capital Projects Fund is the construction fund that is used to account for major governmental capital improvements. The fund balance decreased over the prior year by \$15,537. The County is seeking reimbursement of certain costs associated with the southwest Crestview bypass incurred over the previous two fiscal years. Funds not received within the County's defined period of availability are considered unavailable, and, therefore, have been deferred at year end. The beginning fund balance has also been restated, reduced from \$30,953 to \$18,195.

The Infrastructure Surtax Fund is the capital project fund that is used to account for major governmental capital improvements paid for utilizing the one-half cent surtax approved by the citizens of the County. The fund balance increased over the prior year by \$8,535, from \$43,248 in 2022 to \$51,783 in 2023. Surtax revenues have continued to outpace expectations, bringing in \$23,706 in 2023, a 9.9% increase over the prior year. The County is expected to use these additional funds on infrastructure projects not originally identified at the inception of the surtax.

The following is a chart of all Governmental Fund Balances for the fiscal years 2023 and 2022.



Proprietary Activities

Okaloosa County’s proprietary funds provide the same type of information found in the government- wide financial statements, but in more detail, and on a fund basis for the enterprise funds and internal service funds.

As of September 30, 2023, total net position of enterprise funds amounted to \$433,108 as compared to \$407,323 on September 30, 2022. Net Position balances are primarily the result of operations and capital contributions in the Water & Sewer and Airport Enterprise funds.

Business-type activities increased the County's total net position by \$24,902. Major components of this increase are as follows:

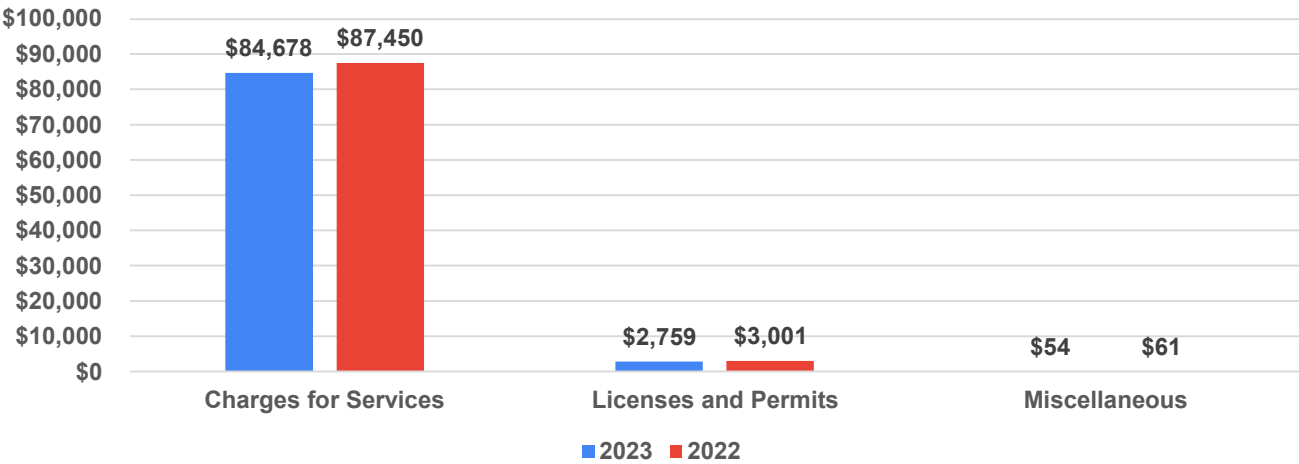
- The Water and Sewer Fund increased its net position by \$12,471, or 5.8% to \$216,323. Although charges for services saw a slight decline of \$1,373 or 3.3% from the prior year, operating revenues still exceeded operating expenses by \$6,978 in the current year. That, coupled with capital contributions from developers for water and sewer infrastructure and ARPA funded capital improvements transferred, led to the overall increase in net position.
- The Airport Fund increased its net position by \$10,296, or 5.4% to \$201,151. The Airports Department utilized federal relief funding toward the reimbursement of certain operating expenses in the current year. With these impacts, net revenue, excluding airline revenue streams, exceeded the estimate used when establishing the airlines’ rates and charges budget. Therefore, a portion of the additional net revenue is required to be credited back to the airlines through the revenue sharing clause in the airline agreements. As a result an operating loss was reported. The grant totaling \$11,863 is reported as non-operating income which attributes to the overall increase in net position.

The net operating income of the enterprise funds for fiscal years 2023 and 2022, is as follows:

Enterprise Net Operating Income (Loss)

	2023	2022
Water and Sewer	\$6,978	\$12,085
Airport	(8,836)	336
Other	(1,139)	890
	<u><u>\$(2,998)</u></u>	<u><u>\$13,311</u></u>

Proprietary Fund Operating Revenue By Source Comparison



Budgetary Highlights

A Budget to actual statement is provided for the General Fund, along with each of the other major special revenue funds as part of the required supplementary information. A budget column for both the original budget adopted for fiscal year 2023 as well as the final budget is presented.

Differences between the original budget and final amended budget are as follows:

- The County's budgeted revenues and expenses in the General Fund increased by approximately \$27,703 and \$28,147 respectively, during the year. Operating and capital grants accounted for \$17,750 of the increase. The County does not include grant activity carried forward from the prior year as part of their original budget adoption and, therefore, all grant activity is reflected as an amendment to the original budget. This also accounts for most of the increase in budgeted expenditures in the General Fund.
- The County's Tourist Development Fund budget was increased during the year to account for additional tax revenues resulting from the expanded taxing district. The district was expanded to cover the entire County, creating opportunities for development at both ends of the County.
- The County added budgeted revenue in the Natural Disasters Fund of approximately \$38,955 related to intergovernmental revenue because of anticipated federal grants related to the CARES act and the American Rescue Plan Act (ARPA) of 2021. These funds were carried forward from the prior year.

Actual results, when compared to the final budget, are as follows:

- A variance in the General Fund of \$7,758 of actual revenues under anticipated budget amounts as the grant revenue anticipated was both not earned and unavailable in the current year based on the timing of both qualifying expenditures and the availability of funds received.
- A variance of \$65,679 in the Tourist Development Fund of actual expenditures under anticipated budget amounts is the direct result of the County's approach to fully budget all available resources, regardless of when the anticipated cash flows are expected to occur.
- A variance in the Natural Disasters Fund of \$34,498 of actual revenues under anticipated budget amounts as recognition of grant funds received but not yet earned are reported as deferred revenue on the balance sheet until expenditures have been incurred.

Capital Asset and Debt Administration

Capital Assets. Okaloosa County's investment in capital assets for its governmental and business- type activities as of September 30, 2023, amounts to \$758,876 (net of accumulated depreciation). This investment in capital assets includes land, buildings, roads, bridges and other improvements, machinery and equipment, software, and park facilities. The increase in Okaloosa County's governmental activities, investment in capital assets, for the current fiscal year amounted to \$38,068 or 15.4 percent increase, which was mainly due to the construction in progress related to transportation and road improvements. The business-type activities investment in capital assets increased by \$15,219, mainly due to the completion of water and sewer infrastructure and airport baggage handling system.

The following schedule compares capital assets for the primary government for the current and previous fiscal years:

Okaloosa County, Florida
Capital Assets
September 30, 2023 and 2022

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$24,639	\$18,890	\$14,765	\$14,765	\$39,404	\$33,655
Buildings	155,160	154,530	122,466	103,807	277,626	258,337
Improvements other than buildings	67,396	58,024	277	277	67,673	58,301
Intangibles/Subscriptions	11,399	7,612	1,158	1,158	12,557	8,770
Mach/Equipment/Right to Use	72,631	67,773	35,465	35,197	108,096	102,970
Const in Progress	82,084	59,708	22,216	39,745	104,299	99,453
Infrastructure	184,246	177,311	465,321	441,287	649,567	618,598
Art	29	29	70	70	99	99
Total Capital Assets	597,584	543,876	661,737	636,306	1,259,322	1,180,182
Accum Deprec	(246,684)	(232,617)	(253,761)	(239,088)	(500,445)	(471,705)
Total	<u>\$350,900</u>	<u>\$311,259</u>	<u>\$407,976</u>	<u>\$397,218</u>	<u>\$758,876</u>	<u>\$708,477</u>

Additional information on Okaloosa County's capital assets can be found in notes to the financial statements (Note 6).

Long-term debt. At the end of the current fiscal year, the primary government, Okaloosa County, had bonded and revolving loans for total long-term debt outstanding of \$142,426. Of this amount, \$91,155 comprises governmental activities while the remaining \$51,271 is secured by revenue bonds and revolving loans in business-type activities.

**Okaloosa County, Florida
Outstanding Debt
September 30, 2023 and 2022**

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Capital Lease	\$72	\$269	\$-	\$-	\$72	\$269
Revenue Bonds	71,780	74,950	49,522	57,303	121,302	132,253
Revolv & Comm Loan	19,303	22,320	1,749	2,675	21,052	24,995
 Total	 <u>\$91,155</u>	 <u>\$97,540</u>	 <u>\$51,271</u>	 <u>\$59,978</u>	 <u>\$142,426</u>	 <u>\$157,518</u>

Additional information on Okaloosa County's long-term debt can be found in notes to the financial statements (Note 10)

Okaloosa County, Florida, Debt Ratings at September 30, 2023

	S & P	Fitch/Moody's
	Not rated	Not rated
2011 Capital Improvement Revenue Bonds		
2014 Sales Tax Revenue Bonds	AA	AA
2016 Sales Tax Revenue Bonds	AA	AA
2015 Water and Sewer Revenue Bonds	AA+	Aa3
2019 Sales Tax Refunding and Improvement Revenue Bonds	AA	AA

Highest rating: AAA/Aaa

Investment grade ratings: AAA/Aaa through BBB-/Baa-

Lowest rating: C

Economic Factors

Local, national, and international economic factors influence the County's revenues in a variety of ways. Positive economic growth is correlated with increased revenues from property taxes, state sales taxes, fuel taxes, charges for services, state revenue sharing as well as state and federal grants, while negative economic growth generally has the opposite reaction. Economic growth may be measured by a variety of indicators such as employment growth, unemployment, new construction and assessed values, diversification of the property tax base, and Enterprise Fund revenue and net asset growth.

- U.S. Department of Labor and Florida Department of Economic Opportunity reported that Okaloosa County's labor force has increased from 102,907 to 105,744 as of September 2023, an increase of 2.8 percent. The increasing labor force coupled with a 3.7% inflation led in part to the County's unemployment rate increasing to 2.8 percent in 2023 compared to 2.4 percent for 2022. The County's unemployment rate still remains favorable compared to the state and national rates of 2.8 and 3.8 percent, respectively for 2023.
- The assessed value of real property located in the County increased from \$23.135 billion to \$25.874 billion in 2023, while the total assessed value of the County increased from \$24.097 billion to \$26.958 billion in 2023. This represented an increase of \$2.861 billion or 11.9 percent in property valuation.
- Okaloosa County has a diversified property tax base. The ten largest property taxpayers in the County represent only 1.31 percent of the total ad valorem property tax levy.

More information on economic factors is provided in the Statistical Section.

Request for information

This financial report is designed to provide the reader with an overview of the County. Questions regarding any information provided in this report should be directed to:

Finance Department
101 East James Lee Blvd.
Crestview, Florida, 32536.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Primary Government		
	Government Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 20,616,995	\$ 3,842,486	\$ 24,459,481
Investments	207,136,028	94,526,622	301,662,650
Receivables, net of allowance for uncollectibles	31,049,565	12,449,617	43,499,182
Lease receivable	16,277,495	48,840,433	65,117,928
Internal balances	523	(523)	-
Due from other governments	9,572,200	9,518,493	19,090,693
Inventories	1,447,253	3,136,485	4,583,738
Prepaid items	1,352,842	1,518,624	2,871,466
Restricted assets:			
Cash and cash equivalents			
Customer deposits	-	1,446,343	1,446,343
Other deposits	-	1,058,104	1,058,104
Investments	30,894,706	21,967,458	52,862,164
Capital assets			
Non-depreciable/amortizable	107,898,522	37,050,692	144,949,214
Depreciable/amortizable, net	243,001,501	370,925,478	613,926,979
TOTAL ASSETS	669,247,630	606,280,312	1,275,527,942
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges related to pensions	25,845,713	8,633,189	34,478,902
Deferred charges on refunding	-	834,997	834,997
Deferred charges related to OPEB	303,333	61,416	364,749
TOTAL DEFERRED OUTFLOWS OF RESOURCES	26,149,046	9,529,602	35,678,648
LIABILITIES			
Accounts payable and other accrued liabilities	18,810,845	18,053,398	36,864,243
Due to other governments	1,020,822	70,777	1,091,599
Unearned revenue	39,600,953	2,080,552	41,681,505
Due to depositors	119,352	-	119,352
Liabilities payable from restricted assets			
Customer deposits	-	1,469,212	1,469,212
Interest payable	1,644,200	552,653	2,196,853
Non-current liabilities			
Due within one year			
Compensated absences	3,945,262	1,091,691	5,036,953
Claims and judgments	2,109,189	-	2,109,189
Lease obligations	4,472	321,818	326,290
Subscription liabilities	1,574,803	114,582	1,689,385
Financing contracts	61,203	-	61,203
Closure costs payable	-	407,774	407,774
Revenue bonds payable	2,490,000	3,690,000	6,180,000
Notes payable	2,907,000	482,659	3,389,659

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF NET POSITION – CONTINUED
SEPTEMBER 30, 2023

	Primary Government		
	Government	Business-Type	
	Activities	Activities	Total
Due in more than one year			
Compensated absences	4,947,597	834,967	5,782,564
Other long-term liabilities	748,705	-	748,705
Claims and judgments	3,916,000	-	3,916,000
Lease obligations	8,367	5,531,313	5,539,680
Subscription liabilities	4,259,578	-	4,259,578
Financing contracts	10,489	-	10,489
Closure costs payable	-	1,325,096	1,325,096
Revenue bonds payable, net	69,289,923	45,832,291	115,122,214
Notes payable	16,396,000	1,266,481	17,662,481
Other post employment benefits	8,556,651	1,034,889	9,591,540
Net pension liability	111,586,074	38,586,662	150,172,736
TOTAL LIABILITIES	294,007,485	122,746,815	416,754,300
DEFERRED INFLOWS OF RESOURCES			
Deferred charges related to pensions	5,914,715	1,829,141	7,743,856
Deferred charges related to OPEB	1,775,314	636,280	2,411,594
Deferred charges related to leases	15,351,544	47,837,631	63,189,175
Unavailable revenue	-	9,652,183	9,652,183
TOTAL DEFERRED INFLOWS OF RESOURCES	23,041,573	59,955,235	82,996,808
NET POSITION			
Net investment in capital assets	284,792,894	351,572,023	636,364,917
Restricted for:			
Debt service	-	4,353,154	4,353,154
Capital outlay	60,771,252	-	60,771,252
Public safety	2,302,639	-	2,302,639
Transportation	12,881,269	18,096,886	30,978,155
Economic environment	9,940,120	-	9,940,120
Culture and recreation	61,280,674	-	61,280,674
Court-related	494,481	-	494,481
Unrestricted (deficit)	(54,115,711)	59,085,801	4,970,090
TOTAL NET POSITION (DEFICIT)	\$ 378,347,618	\$ 433,107,864	\$ 811,455,482

See notes to the financial statements.

**OKALOOSA COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
PRIMARY GOVERNMENT							
Governmental activities							
General government	\$ 51,296,457	\$ 28,530,991	\$ 2,335,110	\$ -	\$ (20,430,356)	\$ -	\$ (20,430,356)
Public safety	100,146,896	14,934,003	6,020,765	1,070,363	(78,121,765)	-	(78,121,765)
Physical environment	7,949,135	23,784	-	71,160	(7,854,191)	-	(7,854,191)
Transportation	23,724,636	1,588,262	3,858,998	17,148,675	(1,128,701)	-	(1,128,701)
Economic environment	28,384,624	-	407,764	-	(27,976,860)	-	(27,976,860)
Human services	6,555,436	-	77,384	-	(6,478,052)	-	(6,478,052)
Culture and recreation	28,861,322	1,490,546	457	334,495	(27,035,824)	-	(27,035,824)
Court-related	11,733,433	5,432,075	825,970	-	(5,475,388)	-	(5,475,388)
Interest and fiscal charges	2,744,720	-	-	-	(2,744,720)	-	(2,744,720)
TOTAL GOVERNMENTAL ACTIVITIES	261,396,659	51,999,661	13,526,448	18,624,693	(177,245,857)	-	(177,245,857)
Business-type activities							
Water & sewer	36,010,995	40,487,952	-	7,416,068	-	11,893,025	11,893,025
Airport	24,048,104	15,212,028	11,862,889	7,532,945	-	10,559,758	10,559,758
Solid waste	15,444,268	16,566,437	223,955	-	-	1,346,124	1,346,124
Emergency medical services	14,804,972	11,975,892	570,411	-	-	(2,258,669)	(2,258,669)
Inspection and code enforcement	2,684,096	3,201,710	-	-	-	517,614	517,614
Tax collector building maintenance	-	46,866	-	-	-	46,866	46,866
TOTAL BUSINESS-TYPE ACTIVITIES	92,992,435	87,490,885	12,657,255	14,949,013	-	22,104,718	22,104,718
TOTAL PRIMARY GOVERNMENT	\$ 354,389,094	\$ 139,490,546	\$ 26,183,703	\$ 33,573,706	(177,245,857)	22,104,718	(155,141,139)
General revenues							
Taxes:							
Ad valorem tax					92,207,489	204	92,207,693
Tourist development tax					42,784,532	-	42,784,532
Local option fuel tax					6,417,396	-	6,417,396
Communication services tax					1,368,706	-	1,368,706
Ninth-cent voted fuel tax					1,232,607	-	1,232,607
Gas tax					4,318,928	-	4,318,928
Local business tax					308,415	-	308,415
Infrastructure surtax					22,004,325	-	22,004,325
Unrestricted intergovernmental revenue					31,797,877	-	31,797,877
Investment earnings (loss)					10,519,772	2,480,752	13,000,524
Gain on disposal of capital assets					44,315	153,445	197,760
Miscellaneous					5,315,495	1,696,996	7,012,491
Transfers - internal activities					1,534,531	(1,534,531)	-
TOTAL GENERAL REVENUES AND TRANSFERS					219,854,388	2,796,866	222,651,254
CHANGE IN NET POSITION					42,608,531	24,901,584	67,510,115
NET POSITION - BEGINNING, AS RESTATED					335,739,087	408,206,280	743,945,367
NET POSITION - ENDING					\$ 378,347,618	\$ 433,107,864	\$ 811,455,482

See notes to the financial statements.

**OKALOOSA COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

	General Fund	Tourist Development Special Revenue Fund	Natural Disasters Fund	Road and Bridge Construction Capital Projects Fund	Infrastructure Surtax Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 7,962,441	\$ 311,311	\$ 666,101	\$ 33,574	\$ 499,427	\$ 8,570,743	\$ 18,043,597
Investments	26,400,357	64,577,868	36,196,470	5,082,930	51,467,072	46,497,841	230,222,538
Accounts receivable	176,060	885	-	26,004,729	10	62,264	26,243,948
Lease receivable	16,277,495	-	-	-	-	-	16,277,495
Due from other funds	7,074,150	-	-	-	-	-	7,074,150
Due from other elected officials	2,855,501	4,232,352	-	-	-	109,902	7,197,755
Due from other governments	5,088,264	152,516	47,779	1,019,264	1,600,968	1,531,884	9,440,675
Inventory	104,286	344	1,602	261,867	34,833	745,401	1,148,333
Prepays	589,394	79,015	-	-	-	29,847	698,256
TOTAL ASSETS	\$ 66,527,948	\$ 69,354,291	\$ 36,911,952	\$ 32,402,364	\$ 53,602,310	\$ 57,547,882	\$ 316,346,747

See notes to the financial statements.

**OKALOOSA COUNTY, FLORIDA
BALANCE SHEET – CONTINUED
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

	General Fund	Tourist Development Special Revenue Fund	Natural Disasters Fund	Road and Bridge Construction Capital Projects Fund	Infrastructure Surtax Fund	Other Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 1,056,821	\$ 210,392	\$ 111,089	\$ 159,632	\$ 3,303	\$ 301,113	\$ 1,842,350
Contracts payable	1,301,199	2,121,787	927,088	3,581,769	1,805,976	2,262,568	12,000,387
Other accrued liabilities	3,775,496	130,405	-	-	10,026	712,993	4,628,920
Due to other funds	297,940	-	-	-	-	4,698,850	4,996,790
Due to other elected officials	6,863,237	136,749	-	-	-	199,052	7,199,038
Due to other governments	426,731	15,779	-	-	-	574,361	1,016,871
Due to depositors	31,999	-	-	-	-	84,237	116,236
Unearned revenue	947,765	220,176	35,126,435	-	-	3,306,577	39,600,953
TOTAL LIABILITIES	14,701,188	2,835,288	36,164,612	3,741,401	1,819,305	12,139,751	71,401,545
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	-	-	-	26,002,785	-	-	26,002,785
Lease receivable	15,351,544	-	-	-	-	-	15,351,544
TOTAL DEFERRED INFLOWS OF RESOURCES	15,351,544	-	-	26,002,785	-	-	41,354,329
FUND BALANCE							
Nonspendable	693,680	79,359	1,602	261,867	34,833	775,248	1,846,589
Restricted	-	66,439,644	745,738	1,796,311	51,748,172	31,832,491	152,562,356
Committed	278,580	-	-	-	-	657,199	935,779
Assigned	10,461,482	-	-	600,000	-	12,218,954	23,280,436
Unassigned	25,041,474	-	-	-	-	(75,761)	24,965,713
TOTAL FUND BALANCES	36,475,216	66,519,003	747,340	2,658,178	51,783,005	45,408,131	203,590,873
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES	\$ 66,527,948	\$ 69,354,291	\$ 36,911,952	\$ 32,402,364	\$ 53,602,310	\$ 57,547,882	\$ 316,346,747

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

Fund balances - total governmental funds	\$ 203,590,873
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. The difference does not include the net capital assets of the internal service fund accounted for separately.

Those assets consist of:

Governmental non-depreciable/amortizable asset	107,581,661	
Governmental depreciable/amortizable assets	487,099,412	
Less accumulated depreciation/amortization	<u>(244,498,555)</u>	
		350,182,518

Internal service funds are used by management to charge the costs of certain activities, such as insurance, compensated absences and fleet maintenance, to individual funds the assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position are:	(2,165,532)
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Unavailable revenue in governmental funds is susceptible to full accrual on the entity wide statements	26,002,785
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Deferred outflows and inflows of resources related to pensions and other postemployment benefits are applicable to future periods and not reported in governmental funds the difference does not include the internal service fund, which is included above

Deferred outflows of resources - pensions	25,221,206	
Deferred inflows of resources - pensions	(5,678,149)	
Deferred outflows of resources - OPEB	140,516	
Deferred inflow of resources - OPEB	<u>(1,455,789)</u>	
		18,227,784

Long- term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds, but rather is recognized as an expenditure when due. The difference does not include the compensated absences or OPEB liabilities of the internal service funds accounted for separately. All liabilities, both current and long-term are reported in the statement of net position.

Balances at September 30, 2023, are:

Accrued interest on bonds	(1,644,200)	
Revenue bonds payable	(71,779,923)	
Notes payable	(19,303,000)	
Financed purchases	(71,692)	
Lease agreements	(12,839)	
Subscription liabilities	(5,834,381)	
Compensated absences	(6,780,319)	
Other long-term liabilities	(748,705)	
Other post-employment benefits	(2,367,807)	
Net pension liability, proportionate share	<u>(108,947,944)</u>	
Total long-term liabilities		<u>(217,490,810)</u>

Net position of governmental activities	<u>\$ 378,347,618</u>
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See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Tourist Development Special Revenue Fund	Natural Disasters Fund	Road and Bridge Construction Capital Projects Fund	Infrastructure Surtax Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 86,227,061	\$ 42,784,532	\$ -	\$ 2,221,744	\$ 22,004,325	\$ 13,085,808	\$ 166,323,470
Licenses and permits	42,675	-	-	-	-	626,137	668,812
Intergovernmental	37,730,096	376,302	3,915,703	4,857,736	-	5,951,794	52,831,631
Charges for services	22,228,537	1,020,585	-	15,469	-	8,218,307	31,482,898
Fines	61,807	-	-	-	-	1,218,731	1,280,538
Investment income (loss)	2,524,420	2,947,743	738,531	1,523,906	1,701,301	1,561,461	10,997,362
Miscellaneous	4,013,626	72,374	-	1,127,516	-	679,686	5,893,202
Total revenues	152,828,222	47,201,536	4,654,234	9,746,371	23,705,626	31,341,924	269,477,913
EXPENDITURES							
Current							
General government	38,156,329	-	-	-	-	1,244,451	39,400,780
Public safety	78,313,538	-	710,596	-	-	1,309,796	80,333,930
Physical environment	897,588	-	-	-	-	1,302,768	2,200,356
Transportation	4,168,188	-	-	1,504,554	262,060	10,332,174	16,266,976
Economic environment	3,703,848	19,933,129	129,528	-	-	345,591	24,112,096
Human services	4,593,311	-	-	-	-	661,827	5,255,138
Culture and recreation	3,161,412	17,249,099	-	-	-	1,486,336	21,896,847
Court-related	3,853,281	-	-	-	-	5,738,813	9,592,094
Capital outlay	13,832,132	7,076,176	3,070,135	22,903,983	10,804,179	6,660,997	64,347,602
Debt service							
Principal	1,874,101	32,089	-	175,127	-	5,115,000	7,196,317
Interest	106,006	516	-	-	-	3,336,532	3,443,054
Other debt service costs	-	-	-	-	-	2,100	2,100
Total expenditures	152,659,734	44,291,009	3,910,259	24,583,664	11,066,239	37,536,385	274,047,290

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Tourist Development Special Revenue Fund	Natural Disasters Fund	Road and Bridge Construction Capital Projects Fund	Infrastructure Surtax Fund	Other Governmental Funds	Total Governmental Funds
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>168,488</u>	<u>2,910,527</u>	<u>743,975</u>	<u>(14,837,293)</u>	<u>12,639,387</u>	<u>(6,194,461)</u>	<u>(4,569,377)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	9,726,687	-	564,963	600,000	-	17,856,483	28,748,133
Transfers out	(14,776,965)	(4,115,460)	-	(1,300,000)	(4,104,200)	(3,364,915)	(27,661,540)
Transfers among constitutional officers	738,559	-	-	-	-	(738,559)	-
SBITA proceeds	<u>3,387,172</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,387,172</u>
Total other financing sources (uses)	<u>(924,547)</u>	<u>(4,115,460)</u>	<u>564,963</u>	<u>(700,000)</u>	<u>(4,104,200)</u>	<u>13,753,009</u>	<u>4,473,765</u>
NET CHANGE IN FUND BALANCE	<u>(756,059)</u>	<u>(1,204,933)</u>	<u>1,308,938</u>	<u>(15,537,293)</u>	<u>8,535,187</u>	<u>7,558,548</u>	<u>(95,612)</u>
FUND BALANCES - BEGINNING, AS RESTATED	<u>37,231,275</u>	<u>67,723,936</u>	<u>(561,598)</u>	<u>18,195,471</u>	<u>43,247,818</u>	<u>37,849,583</u>	<u>203,686,485</u>
FUND BALANCES - ENDING	<u>\$ 36,475,216</u>	<u>\$ 66,519,003</u>	<u>\$ 747,340</u>	<u>\$ 2,658,178</u>	<u>\$ 51,783,005</u>	<u>\$ 45,408,131</u>	<u>\$ 203,590,873</u>

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Net change in fund balances - total governmental funds		\$ (95,612)
<p>Amounts reported for governmental activities in the statement of activities are different because: Governmental funds do not report capital assets on the balance sheet; however, they are reported in the government-wide financial statements. Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is depreciated or amortized over the estimated useful lives of the assets.</p>		
Expenditures for capital assets	64,347,602	
Less current year depreciation/ amortization	<u>(18,347,280)</u>	
		46,000,322
<p>Governmental funds do not report capital assets on the balance sheet; however, they are reported in the government- wide financial statements. Accordingly, proceeds received from disposals of capital asset are shown as income in the governmental financial statements and a gain or loss is reported in the statement of activities. In addition, capital asset reassignments are reported as transfers in the statement of activities.</p>		
		(6,439,416)
<p>Revenues that provide current financial resources are reported as revenue in the funds but as revenue in the statement of activities when earned.</p>		
		13,245,485
<p>The issuance of long-term debt provides current financial resources to the governmental fund, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on the net position. Also, governmental funds report the effect of premiums or discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In addition, long-term debt reassignments are reported as transfers on the statement of activities.</p>		
Debt proceeds	(3,387,172)	
Debt principal payments	7,196,317	
Amortization of premiums/ discounts	<u>797,444</u>	
		4,606,589
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:</p>		
Compensated absences	(814,336)	
Other post employment benefits	1,205,850	
Changes in accrued interest on long term debt	(97,010)	
Changes in other long-term liabilities	<u>(748,705)</u>	
		(454,201)
<p>Governmental funds report County pension contributions as expenditures. In the statement of cost of the pension benefits earned net of contributions is reported as pension expense.</p>		
Difference between pension contribution and net pension expense		(16,392,303)
<p>Internal service funds are used by the County to charge the costs of certain activities, such as insurance, compensated absences and fleet maintenance to individual funds, the net revenue or expense of the internal service funds is reported with governmental activities.</p>		
		<u>2,137,667</u>
Change in net position of governmental activities		<u><u>\$ 42,608,531</u></u>

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
SEPTEMBER 30, 2023

	Business-Type Activities				Governmental Activities
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Other Enterprise Funds	Total	Internal Service Funds
ASSETS					
Current assets					
Cash and cash equivalents	\$ 248,684	\$ 379,487	\$ 3,214,315	\$ 3,842,486	\$ 2,573,398
Investments	39,287,354	30,558,577	24,680,691	94,526,622	7,808,196
Receivables, net of allowance for uncollectible	5,047,476	1,981,030	5,421,111	12,449,617	162
Due from other funds	-	-	25	25	299,581
Due from other elected officials	-	-	-	-	1,506
Due from other governments	1,122,099	8,352,192	44,202	9,518,493	131,525
Amounts held by others for benefits	-	-	-	-	4,805,455
Inventory	2,440,313	239,208	456,964	3,136,485	298,920
Prepays	129,366	1,353,497	35,761	1,518,624	654,586
Restricted assets					
Customer deposits	1,422,835	-	23,508	1,446,343	-
Other deposits	1,058,104	-	-	1,058,104	-
Investments	3,870,572	18,096,886	-	21,967,458	-
Total restricted assets	6,351,511	18,096,886	23,508	24,471,905	-
Total current assets	54,626,803	60,960,877	33,876,577	149,464,257	16,573,329
Lease receivable	110,611	48,729,822	-	48,840,433	-
Capital assets, net					
Non-depreciable/amortizable	28,959,392	7,915,552	175,748	37,050,692	316,861
Depreciable/amortizable, net	210,054,935	158,451,144	2,419,399	370,925,478	400,644
Total capital assets, net	239,014,327	166,366,696	2,595,147	407,976,170	717,505
TOTAL ASSETS	293,751,741	276,057,395	36,471,724	606,280,860	17,290,834
DEFERRED OUTFLOWS OF RESOURCES	4,112,861	1,373,020	4,043,721	9,529,602	787,324
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 297,864,602	\$ 277,430,415	\$ 40,515,445	\$ 615,810,462	\$ 18,078,158

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF NET POSITION – PROPRIETARY FUNDS – CONTINUED
SEPTEMBER 30, 2023

	Business-Type Activities				Governmental Activities Internal Service Funds
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Other Enterprise Funds	Total	
LIABILITIES					
Current liabilities					
Accounts payable	\$ 727,014	\$ 9,285,570	\$ 172,034	\$ 10,184,618	\$ 115,911
Contracts payable	3,436,043	1,975,420	1,504,808	6,916,271	156,439
Compensated absences	554,738	117,391	419,562	1,091,691	2,065,169
Closure cost payable	-	-	407,774	407,774	-
Claims and judgments	-	-	-	-	2,109,189
Other accrued liabilities	391,135	109,780	451,594	952,509	66,838
Due to other funds	-	325	-	325	2,376,641
Due to other elected officials	157	-	66	223	-
Due to other governments	4,864	43,953	21,960	70,777	3,951
Due to depositors	-	-	-	-	3,116
Unearned revenues	723,266	1,321,521	35,765	2,080,552	-
Notes payable	482,659	-	-	482,659	-
Lease contracts	276,460	-	45,358	321,818	-
Subscription liabilities	114,582	-	-	114,582	-
Revenue bonds payable	3,690,000	-	-	3,690,000	-
Current liabilities payable from restricted assets					
Customer deposits payable	1,445,704	-	23,508	1,469,212	-
Interest payable	552,653	-	-	552,653	-
Total current liabilities payable from restricted assets	1,998,357	-	23,508	2,021,865	-
Total current liabilities	12,399,275	12,853,960	3,082,429	28,335,664	6,897,254

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF NET POSITION – PROPRIETARY FUNDS – CONTINUED
SEPTEMBER 30, 2023

	Business-Type Activities				Governmental Activities
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Other Enterprise Funds	Total	Internal Service Funds
NONCURRENT LIABILITIES					
Compensated absences	470,647	103,466	260,854	834,967	47,371
Closure costs payable	-	-	1,325,096	1,325,096	-
Claims and judgements	-	-	-	-	3,916,000
Loan-state of Florida, net	1,266,481	-	-	1,266,481	-
Revenue bonds payable, net	45,832,291	-	-	45,832,291	-
Other post employment benefits	418,775	113,907	502,207	1,034,889	6,188,844
Lease contracts	5,531,313	-	-	5,531,313	-
Net pension liability	14,378,940	5,749,757	18,457,965	38,586,662	2,638,130
Total noncurrent liabilities	67,898,447	5,967,130	20,546,122	94,411,699	12,790,345
TOTAL LIABILITIES	\$ 80,297,722	\$ 18,821,090	\$ 23,628,551	\$ 122,747,363	\$ 19,687,599
DEFERRED INFLOWS OF RESOURCES	\$ 1,243,600	\$ 57,458,284	\$ 1,253,351	\$ 59,955,235	\$ 556,091
NET POSITION					
Net investment in capital assets	\$ 182,655,538	\$ 166,366,696	\$ 2,549,789	\$ 351,572,023	\$ 717,505
Restricted for:					
Debt service	4,353,154	-	-	4,353,154	-
Passenger facility charges program	-	8,711,111	-	8,711,111	-
Customer facility charges program	-	9,385,775	-	9,385,775	-
Unrestricted (deficit)	29,314,588	16,687,459	13,083,754	59,085,801	(2,883,037)
TOTAL NET POSITION (DEFICIT)	\$ 216,323,280	\$ 201,151,041	\$ 15,633,543	\$ 433,107,864	\$ (2,165,532)
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION (DEFICIT)	\$ 297,864,602	\$ 277,430,415	\$ 40,515,445	\$ 615,810,462	\$ 18,078,158

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Business-Type Activities				Governmental Activities Internal Service Funds
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Other Enterprise Funds	Total	
OPERATING REVENUES					
Charges for services	\$ 40,487,952	\$ 15,212,028	\$ 28,978,283	\$ 84,678,263	\$ 18,038,952
Licenses and permits	-	-	2,758,689	2,758,689	-
Miscellaneous	-	-	53,933	53,933	2,490,465
Total operating revenues	40,487,952	15,212,028	31,790,905	87,490,885	20,529,417
OPERATING EXPENSES					
Personal services	10,873,759	3,521,304	14,952,051	29,347,114	3,326,319
Contractual services	3,903,554	6,494,900	14,119,497	24,517,951	328,207
Supplies	1,670,351	1,596,226	1,255,540	4,522,117	3,698,538
Insurance premiums and claims	-	-	-	-	10,793,192
Utilities	2,599,202	1,543,344	47,056	4,189,602	7,182
Other operating expenses	4,685,510	3,865,408	1,840,148	10,391,066	847,640
Depreciation/ amortization	9,777,741	7,026,922	716,105	17,520,768	65,166
Total operating expenses	33,510,117	24,048,104	32,930,397	90,488,618	19,066,244
OPERATING INCOME (LOSS)	6,977,835	(8,836,076)	(1,139,492)	(2,997,733)	1,463,173
NON-OPERATING REVENUES (EXPENSES)					
Taxes	-	-	204	204	-
Intergovernmental	-	11,862,889	794,366	12,657,255	-
Investment income	458,727	1,165,356	856,669	2,480,752	182,241
Other non-operating revenue (expense)	87,068	(8,982)	541	78,627	-
Interest expense	(2,500,878)	-	(2,939)	(2,503,817)	-
Interest income - leases	3,941	1,614,428	-	1,618,369	-
Gain (loss) on disposal of capital assets	28,584	(16,278)	141,139	153,445	44,315
Total non-operating revenues (expenses)	(1,922,558)	14,617,413	1,789,980	14,484,835	226,556
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	5,055,277	5,781,337	650,488	11,487,102	1,689,729
Capital contributions	7,416,068	1,491,239	-	8,907,307	-
Passenger and customer facility changes	-	6,041,706	-	6,041,706	-
Transfers in	-	-	1,533,000	1,533,000	447,938
Transfers out	-	(3,018,745)	(48,786)	(3,067,531)	-
CHANGE IN NET POSITION	12,471,345	10,295,537	2,134,702	24,901,584	2,137,667
TOTAL NET POSITION (DEFICIT) - BEGINNING, AS RESTATED	203,851,935	190,855,504	13,498,841	408,206,280	(4,303,199)
TOTAL NET POSITION (DEFICIT) - ENDING	\$ 216,323,280	\$ 201,151,041	\$ 15,633,543	\$ 433,107,864	\$ (2,165,532)

See notes to the financial statements.

**OKALOOSA COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Business-Type Activities				Governmental Activities - Internal Service Funds
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Other Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 40,146,631	\$ 17,993,539	\$ 29,950,427	\$ 88,090,597	\$ 12,392,823
Receipts from users	-	-	46,866	46,866	8,394,095
Transfers of cash to others for benefits	-	-	-	-	(39,955)
Payments to suppliers	(10,541,716)	(11,984,455)	(20,220,244)	(42,746,415)	(13,990,231)
Payments to employees	(8,321,335)	(3,423,175)	(12,472,256)	(24,216,766)	(5,212,921)
Payments for other revenues	87,068	-	541	87,609	-
Net cash provided by operating activities	21,370,648	2,585,909	(2,694,666)	21,261,891	1,543,811
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Operating subsidy - intergovernmental revenue	305,739	5,238,963	794,366	6,339,068	-
Interfund activity	-	(3,018,420)	1,484,249	(1,534,171)	2,070,942
Net cash provided by non-capital financing activities	305,739	2,220,543	2,278,615	4,804,897	2,070,942
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Passenger & customer facility charges	-	6,032,724	-	6,032,724	-
Acquisition and construction of capital assets	(24,445,992)	(1,142,328)	(896,816)	(26,485,136)	(144,416)
Proceeds from sale of capital assets	56,134	142,933	169,476	368,543	43,713
Principal payments on lease contracts	-	-	(106,486)	(106,486)	-
Capital contributions	5,406,976	2,717,612	-	8,124,588	-
Interest paid on debt	(3,305,285)	-	(2,939)	(3,308,224)	-
Bond and note payable principal payments	(4,355,264)	-	-	(4,355,264)	-
Net cash provided by (used in) capital and related financing activities	(26,643,431)	7,750,941	(836,765)	(19,729,255)	(100,703)

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF CASH FLOWS – CONTINUED
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Business-Type Activities				Governmental Activities - Internal Service Funds
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Other Enterprise Funds	Total Enterprise Funds	
CASH FLOWS FROM INVESTING ACTIVITIES					
Sales (purchases) of investments	\$ 4,004,371	\$ (17,413,122)	\$ (1,377,051)	\$ (14,785,802)	\$ (3,081,992)
Interest income - leases	3,641	1,614,428	-	1,618,069	-
Investment income	458,727	1,165,356	856,669	2,480,752	182,241
Net cash provided by (used in) investing activities	4,466,739	(14,633,338)	(520,382)	(10,686,981)	(2,899,751)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(500,305)	(2,075,945)	(1,773,198)	(4,349,448)	614,299
CASH AND CASH EQUIVALENTS - BEGINNING	3,229,928	2,455,432	5,011,021	10,696,381	1,959,099
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 2,729,623</u>	<u>\$ 379,487</u>	<u>\$ 3,237,823</u>	<u>\$ 6,346,933</u>	<u>\$ 2,573,398</u>
CASH AND CASH EQUIVALENTS AT END CONSISTS OF:					
Current assets	\$ 248,684	\$ 379,487	\$ 3,214,315	\$ 3,842,486	2,573,398
Restricted assets	2,480,939	-	23,508	2,504,447	-
TOTAL	<u>\$ 2,729,623</u>	<u>\$ 379,487</u>	<u>\$ 3,237,823</u>	<u>\$ 6,346,933</u>	<u>\$ 2,573,398</u>

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF CASH FLOWS – CONTINUED
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Business-Type Activities				Governmental
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Other Enterprise Funds	Total Enterprise Funds	Activities - Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES					
Operating income (loss)	\$ 6,977,835	\$ (8,836,076)	\$ (1,139,492)	\$ (2,997,733)	\$ 1,463,173
Adjustments to reconcile operating income to net cash provided by (used in) operating activities					
Depreciation/amortization	9,777,741	7,026,922	716,105	17,520,768	65,166
Other revenue	87,068	-	745	87,813	-
Decrease (increase) in assets					
Accounts receivable	(318,871)	1,878,008	(1,243,545)	315,592	7,168
Lease receivable	34,591	6,549,283	-	6,583,874	-
Amounts held by others for benefits	-	-	-	-	(39,955)
Due from other governments	-	-	(8,677)	(8,677)	(15,240)
Inventories	(317,618)	(124,057)	(236,032)	(677,707)	(53,357)
Due from other funds	-	-	-	-	(34,117)
Prepaid expenses	487,192	26,804	(30,641)	483,355	(189,880)
Deferred outflows	687,109	24,762	101,647	813,518	1,501,907
Increase (decrease) in liabilities					
Accounts payable	(206,247)	7,788,730	26,239	7,608,722	10,687
Contracts payable	2,308,467	(6,199,523)	(2,458,212)	(6,349,268)	(66,987)
Due to other elected officials	147	(309)	(79)	(241)	(120)
Due to other governments	(101)	14,487	1,237	15,623	3,951
Accrued liabilities	45,061	9,291	54,579	108,931	7,289
Compensated absences	56,128	25,843	16,642	98,613	286,565
Closure costs	-	-	(323,463)	(323,463)	-
Claims and judgements	-	-	-	-	(297,673)
Claims incurred but not reported	-	-	-	-	5,166
Other post employment benefits	(106,731)	(29,031)	(127,995)	(263,757)	(1,284,936)
Deferred revenue	(29,239)	437,510	(550,665)	(142,394)	-
Customer deposits	8,948	8,028	9,071	26,047	1,750
Net pension liability	1,918,761	618,548	2,512,062	5,049,371	315,585
Deferred inflows	(39,593)	(6,633,311)	(14,192)	(6,687,096)	(142,331)
Total adjustments	14,392,813	11,421,985	(1,555,174)	24,259,624	80,638
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 21,370,648	\$ 2,585,909	\$ (2,694,666)	\$ 21,261,891	\$ 1,543,811

See notes to the financial statements.

**OKALOOSA COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023**

ASSETS

Cash and cash equivalents	\$ 31,569,613
Investments	2,309,000
Accounts receivable	<u>21,055</u>

TOTAL ASSETS

33,899,668

LIABILITIES

Due to other governments	1,516,615
Due to depositors	111,862
Taxes collected in advance for other governments	<u>3,278,866</u>

TOTAL LIABILITIES

\$ 4,907,343

NET POSITION

**RESTRICTED FOR INDIVIDUALS, ORGANIZATION
OR OTHER GOVERNMENTS**

28,992,325

TOTAL NET POSITION

\$ 28,992,325

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

ADDITIONS

Collections from individuals	\$ 1,240
Fines and forfeitures and fees collected	4,939,106
Witness advanced funding	7,524
Tax deeds and fees collected	693,126
Child support collected	796,931
Registry of the court and fees collected	30,342,719
Recording fees collected	378,003
Documentary stamps and intangible tax collected	35,015,846
Probation fees collected	2
Restitution and escrow funds collected	265,570
Juvenile restitution collected	1,358
Online foreclosure funds collected	1,537,266
Cash bonds collected	687,472
County related taxes and fees	431,211,725
State related licenses and fees	32,319,377
Other	1,338,357

TOTAL ADDITIONS

539,535,622

DEDUCTIONS

Distributions to individuals	2,547
Fines and forfeitures and fees disbursed	4,939,106
Witness advanced funding	7,524
Tax deeds and fees disbursed	641,516
Child support disbursed	796,931
Registry of the court and fees disbursed	30,540,255
Recording fees disbursed	378,003
Documentary stamps and intangible tax disbursed	35,015,846
Probation fees disbursed	2
Restitution and escrow funds disbursed	268,145
Juvenile restitution disbursed	1,358
Online foreclosure funds disbursed	1,925,658
Cash bonds disbursed	710,605
County related taxes and fees	431,211,889
State related licenses and fees	32,319,377
Other	584,711

TOTAL DEDUCTIONS

539,343,473

NET INCREASE IN FIDUCIARY NET POSITION

192,149

TOTAL NET POSITION - BEGINNING

28,800,176

TOTAL NET POSITION - ENDING

\$ 28,992,325

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Okaloosa County, Florida (hereinafter referred to as the County) have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The County uses the Uniform Accounting System mandated by Chapter 218.33, Florida Statutes.

The following is a summary of the more significant accounting policies of the County:

The Reporting Entity

The County is a political subdivision of the State of Florida created pursuant to Chapter 7 of the Florida Statutes. The County is governed by a five member Board of County Commissioners (the Board), elected from single-member districts. The Board has no powers other than those expressly vested in it by State Statute. In addition to the Board, there are five elected Constitutional Officers: pursuant to Article 8, Section 1(d), of the Constitution of the State of Florida; the Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The Constitutional Officers maintain separate accounting records and budgets. The Board funds a portion or, in certain instances, all of the operating budgets of the County's Constitutional Officers.

The combining financial statements include the operations of the Board of County Commissioners, Clerk of the Circuit Court and Comptroller, Sheriff, Tax Collector, Property Appraiser, Supervisor of Elections, and those separately administered organizations for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

In evaluating the County as a reporting entity, management has considered all potential component units for which the County may or may not be financially accountable and, as such, be included within the County's financial statements. Management utilized criteria set forth in GASB literature for determining financial accountability of potential component units in evaluating all potential component units. In accordance with GASB literature, the County (primary government) is financially accountable if it appoints a voting majority of the potential component unit governing board and 1) it is able to impose its will on the organization or 2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the County. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Board evaluated the Emerald Coast Bridge Authority (the Authority) in accordance with GASB literature. The Authority has been dormant for several years. The Board does not believe it is financially accountable with respect to the Authority or that a financial burden relationship exists based on an evaluation of GASB literature. As such, the Authority is not included as part of the County's reporting entity.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Government-Wide and Fund Financial Statements

Government-Wide Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements display information on all of the non-fiduciary activities of the primary government and its component units. The primary government and the component unit are reported separately with the focus of the statements being the primary government. Individual funds are not displayed. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for the different business-type activities of the County. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to report the expenses and program revenues associated with a distinct functional activity. Direct expenses are those that are clearly identifiable with a specific function or segment. The County does not allocate indirect expenses to functions in the statement of activities.

Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the programs of the County and 2) grants and contributions that are restricted to meeting the operational activities or the construction, acquisition, or rehabilitation of capital assets required by a particular program. These revenues are subject to externally imposed restrictions to these program uses. The determining factor for identifying to which function program revenue pertains is which function generated the revenue in the case of charges for service. For grants and contributions, the determining factor is to which function the revenues are restricted.

Taxes and other items not properly included among program revenues are reported instead as general revenues of the County. The comparison of direct expenses with program revenues in the statement of activities identifies the extent to which each governmental function and each business activity is self-financing and how much they draw from the general revenues of the County.

Fund Financial Statements

During the year, transactions related to certain functions or activities are segregated into separate funds in order to aid financial management and to demonstrate legal compliance. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The fund financial statements are designed to present detailed information about the County's financial activities. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Exchange and Non-exchange Transactions

Exchange transactions are those in which each party receives and gives up essentially equal values. An example of an exchange transaction is a charge for service, rent, in exchange for a specific service, use of a County building. Non-exchange transactions are those in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange. An example of a non-exchange transaction is property tax revenue received by the County which is used to fund various general governmental services. The revenue from these exchange and non-exchange transactions is recognized in the financial statements in varying ways depending on the basis of accounting used.

Government-Wide and Fiduciary Fund Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus. All assets and liabilities associated with the operation of the County are included on the statement of net position. The statement of activities reports all revenues and expenses. Fiduciary funds are excluded from the government-wide financial statements. The statement of fiduciary net position reports all assets, liabilities and net position associated with the custodial funds of the County. Custodial funds are the only type of fiduciary fund used by the County.

Government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. The custodial funds of the County use the accrual basis of accounting to recognize the receivables and payables recorded in those funds.

The effect of interfund activity has been eliminated from the government-wide financial statements except for interfund services provided and used. Elimination of those charges would distort the direct costs and program revenues reported for the various functions concerned on the statement of activities.

Governmental Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Governmental Fund Financial Statements – Continued

Governmental fund financial statements are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end except intergovernmental revenues, which the County considers revenue to be available if collected within 365 days. Those revenues susceptible to accrual are sales tax, gasoline taxes and other intergovernmental revenues to include Triumph grants collected and held by the state/non profit at year-end on behalf of the County, special assessments, licenses, interest revenue and charges for service. Current year property taxes uncollected at the end of the fiscal year are generally immaterial in amount and highly susceptible to uncollectibility and are not recorded as a receivable on the balance sheet. All other revenue items are considered to be measurable and available only when the government receives cash.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made in the following year. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under financed purchase are reported as other financing sources.

Proprietary Fund Financial Statements

The proprietary fund financial statements are reported using the economic resources measurement focus. Under this measurement focus, all assets and liabilities associated with the operation of the fund are included on the statement of net position. The statement of revenue, expenses and changes in net position reports revenues and expenses. The proprietary funds are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. The principal operating revenues for the proprietary funds are fees and charges for water and sewer, airports, solid waste, inspection services, emergency medical services, convention center, self-insurance, compensated absences debt service and fleet internal service operations. Operating expenses for the enterprise funds, and the internal service funds, include the cost of sales and services, administrative expenses and depreciation of capital assets.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Proprietary Fund Financial Statements – Continued

Non-operating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. They include property taxes, grants, entitlements, donations, and capital contributions. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Contributions of capital in proprietary fund financial statements arise from internal and external contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

Other Financial Statement Presentation Information

The County currently employs an indirect cost allocation system. An administrative service fee is charged by the General Fund, at the direction of the Board of County Commissioners, to several special revenue and enterprise funds to address General Fund services (finance, personnel, purchasing, legal, technology management, etc.) provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this general rule is the charge back of services, such as insurance costs, vehicle maintenance, and central costs. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The County reports the following major governmental funds:

General Fund

This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Tourist Development Special Revenue Fund

This fund is used to account for funds received from imposition of the 5% tourist development tax for the purpose of improving Okaloosa County's tourist industry as authorized by 125.0104, F.S., and Okaloosa County Ordinance No.89-23 as amended by 91-20, 92-52, 95-10, 99-07, 07-58, 12-21, 13-19, 13-20, 14-08, 16-13 and 16-20.

Natural Disaster Fund

This fund is used to account for disaster funding and expenditures not considered normal recurring operating activity of the County, as well as grant funding received as a result of the Coronavirus pandemic.

Road and Bridge Construction Fund

This fund is used to account for road and bridge construction activities including resurfacing, special projects, and other major infrastructure construction services funded by non-discretionary fuel taxes, constitutional gas taxes, interest, other miscellaneous revenue and state grants.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Other Financial Statement Presentation Information – Continued

Infrastructure Surtax Fund

This fund is used to account for funds received from the imposition of the one-half cent surtax for the purpose of financing, planning, reconstructing, renovating, and improving Okaloosa County's infrastructure related to efficient transportation infrastructure, management of stormwater, provision of law enforcement, public safety, and correctional services as authorized by 212.055(2), F.S. and Okaloosa County Ordinance No.17-24 as amended by 18-09.

The County reports the following major enterprise funds:

Water and Sewer Enterprise Fund

This fund is used to account for the user charges and expenses associated with the provision of water and sewer services to residents of the unincorporated areas of Okaloosa County.

Airport Enterprise Fund

This fund is used to account for the operation of three Okaloosa County airports. Revenue sources include federal and state grants, fees from concessionaires, and other fees and charges for services to tenants and airport users.

The County reports the following fund types:

Internal Service Funds

These funds account for insurance coverage (including other post-employment benefits for retirees), fleet management services, and funding of compensated absence debt provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

Custodial Funds

These funds account for monies held on behalf of individuals and companies that use the County as a depository; property taxes, fines, court costs, licenses and fees collected on behalf of other governments; and surety bonds and performance deposits.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

***Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance
Deposits and Investments***

The County maintains a cash and investment pool that is available for use by all funds. Earnings from the pooled investments are allocated to the respective funds based on applicable cash participation by each fund. The investment pool is managed such that all participating funds have the ability to deposit and withdraw cash as if they were demand deposit accounts. Therefore, all balances representing participants' equity in the investment pools are classified as cash and cash equivalents for financial statement purposes.

Except for where otherwise specified, the County's investments are reported at fair value.

Some of the County's investments are in the Florida Local Government Investment Trust (the Trust), which was created and established under the laws of the state of Florida for the purpose of providing opportunities for the investment of excess public funds. The Trust is operated and administered by a Board of Trustees consisting of six members, three appointed by the Florida Association of Court Clerks, Inc., and three appointed by the Florida Association of Counties, Inc. The Trust is self-regulated and is not registered with the Securities and Exchange Commission.

The Trust offers two investment funds to its participants, the Short Term Bond Fund and the Day to Day Fund. The Short Term Bond Fund is a longer term, higher yielding fund, which is accounted for at fair value as a fluctuating Net Asset Value (NAV) pool. Also, because the County's investment in the Short Term Bond Fund is measured at a NAV fair value per share, it is excluded from categorization within the fair value hierarchy.

The Day to Day Fund is a highly liquid fund with underlying investments having a weighted average maturity of less than 90 days. The Day to Day Fund meets the criteria to be reported at amortized cost, and does have a policy that it will operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Because the fund is reported at amortized cost, it is also excluded from categorization within the fair value hierarchy.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds or elected officials" or "due to other funds or elected officials" on the fund statement balance sheets. Short-term interfund loans are also classified as "interfund receivables/payables." Non-current portions of long-term interfund loan receivables are reported as advances and are offset equally by a non-spendable fund balance account that indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance – Continued

Accounts Receivable

Accounts receivable are shown net of an allowance for uncollectible accounts. The Water and Sewer Enterprise Fund, Airport Enterprise Fund, and Emergency Medical Services Enterprise Fund are the only funds of the Okaloosa Board that provide for an allowance for doubtful accounts for trade accounts receivables. All other funds accounts receivable write-offs are insignificant.

Property Taxes

Property taxes attach as an enforceable lien on property as of the date of assessment and remain in effect until discharge by payment. Taxes are payable when levied (on November 1, or as soon thereafter as the assessment roll becomes available to the Tax Collector). The County bills and collects its own property taxes, as well as taxes for the County School District, municipalities, and special districts within the County in accordance with the laws of the State of Florida. No accrual has been made for 2024 ad valorem taxes because property taxes are not legally due until subsequent to the end of the fiscal year. Collection of taxes and remittance of them to other governmental agencies are accounted for in the Disbursements Custodial Fund of the Tax Collector.

The following is the current property tax calendar:

Lien Date	January 1, 2023
Levy Date	November 1, 2023
Due Date	November 1, 2023
Delinquent	April 1, 2023

Discounts of 1% for each month taxes are paid prior to March 2024 are granted.

Revenue recognition criteria for property taxes under the Governmental Accounting Standards Board requires that property taxes expected to be collected within 60 days of the current period be accrued. Current year taxes that are uncollected as of the end of the fiscal year are generally immaterial in amount and highly susceptible to uncollectibility and, therefore, are not recorded as a receivable on the balance sheet date.

Inventories and Prepaid Items

Inventory is valued at cost (first-in, first-out) in the governmental funds and at lower of cost (first-in, first-out) or net realizable value in the proprietary funds. The consumption method is used to account for the inventory. Under the consumption method, inventory items are recorded as expenditures during the period inventory is used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The consumption method is used to account for the prepaid items. Under the consumption method, prepaid items are recorded as expenditures during the period in which they are used.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance – Continued

Restricted Assets

Certain proceeds of the revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. In addition, restricted assets include funds set aside for repayment of customer deposits in several enterprise funds.

Capital Assets

Capital assets are not capitalized in the governmental funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported on the government-wide statement of net position of the County. Capital assets acquired by proprietary funds are reported in those funds.

Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value as of the date received. The County's capitalization levels are \$5,000 on tangible personal property and \$5,000 on buildings, improvements other than buildings and infrastructure. The Sheriff maintains a tangible personal property inventory and implemented a \$5,000 capitalization level during the fiscal year. Other costs incurred for repairs and maintenance are expensed as incurred. General infrastructure assets acquired prior to July 1, 1980, are included in the capital asset inventory and are reported at estimated historical cost using deflated replacement cost.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Assets	Years
Buildings	10-50
Improvements other than buildings	7-25
Intangibles	5
Equipment	3-7
Vehicles	2-15
Roads and bridges	10-75
Wastewater lines and pump stations	10-50
Other infrastructure	10-50

Leases – County as Lessee

The County is the lessee of various real property and equipment. The County has recognized a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance – Continued

Leases – County as Lessee – Continued

At the commencement of a lease, the County initially measures the lease liability at the present value of payment expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines the discount rate it uses to discount the expected lease payments to present value, lease term, and lease payments.

The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and a purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

County as Lessor

The County is a lessor in various real property leases. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the County determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts. The County uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance – Continued

County as Lessor – Continued

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements - SBITAs

The County has entered into SBITAs for various terms under certain agreements that meet the definition of a SBITA under GASB Statement No. 96. The County recognizes a SBITA liability and an intangible right-to-use SBITA asset (SBITA asset) in the government-wide financial statements. SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position.

At the commencement of a SBITA, the County initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term and records that amount as other financing sources and capital outlay expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance. Subsequently, the SBITA liability is reduced by the principal portion of payments made which are recorded as debt service expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance as they are incurred. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life.

Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated annual and sick leave or compensatory time balances. The liability is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds financial statements only if they have matured, for example, as a result of employee resignations and retirements.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements and the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds.

However, compensated absences and claims that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are “due for payment” during the current year. Bond notes payable and financed purchases are recognized as a liability in the governmental fund financial statements when due. At the inception of financed purchases reported in governmental funds, expenditures and an “Other Financing Source” of an equal amount are reported at the net present value of future minimum lease payments.

Self-insurance Claims

Liabilities for reported claims, and incurred but not reported claims (IBNR) are estimated based on an actuarial review of claims pending and historical experience.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance – Continued

Landfill Closure and Post Closure Care Payable

The County recognizes municipal solid waste landfill closure and post closure care costs under the State of Florida's Solid Waste Management Act of 1988, regulations of the Federal Environmental Protection agency and the GASB Statement No.18, *Accounting for Municipal Solid Waste Landfill Closure and Post Closure Care Costs*. The County is required to place a final cover on closed landfills and to provide long-term care for up to thirty years after final cover. These obligations for closure and post closure are recognized in the Solid Waste Fund over the active life of the landfill, based on landfill capacity used to date.

Net Pension Liability

The government-wide and proprietary fund financial statements net pension liability represents the County's proportionate share of the net pension liability of the cost-sharing pension plan in which it participates. The County participates in the Florida Retirement System (FRS) and the Health Insurance Subsidy Program (HIS) which are administered by the Florida Division of Retirement. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflow of resources related to pensions, pension expense, additions to/deduction, and information about the fiduciary's net position have been determined on the same basis as they are reported by the cost-sharing plan. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The government-wide financial statements include the liability of all plan participants for the Board and the County's Constitutional Officers.

Bond Premiums, Discounts and Issuance Costs

On the government-wide statement of net position and the proprietary fund type statement of net position, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Unamortized losses on bonds are presented as deferred outflows.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period the debt is issued. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/ Inflows of Resources

In addition to assets, deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expenditure) until then. The County has \$834,997 of deferred outflows on Water and Sewer, Series 2015 bonds and \$34,843,651 of deferred outflows for pension and OPEB as of September 30, 2023. Amortization expense of the deferred outflow related to the Water and Sewer, Series 2015 bonds totaled \$455,561 for the year ended September 30, 2023 and is included in interest expense on the Statements of Revenues, Expenses and Changes in Net Position.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance – Continued

In addition to liabilities, deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The County has \$82,996,808 of deferred inflows for pension, OPEB, leases and unavailable revenue as of September 30, 2023.

Deferred amounts related to leases represent the amount of the initial measurement of the lease receivable at the inception of the lease. A deferred inflow of resources is recognized as revenue over the life of the lease term.

Fund Balance

In the fund financial statements, GASB Statement 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications under GASB 54 are nonspendable, restricted, committed, assigned and unassigned.

These classifications reflect not only the nature of funds but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements.

Nonspendable – Comprised of amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as long-term loans and notes receivable. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

Restricted – Component consists of amounts constrained for a specific purpose by external parties, constitutional provision, or enabling legislation.

Committed – Component consists of amounts that can be used only for the specific purposes determined by a formal action, in the form of ordinances, of the Board, the highest level of decision making authority. Commitments may be changed or lifted only by the board taking the same formal action that imposed the constraint originally.

Assigned – Component consists of amounts that are constrained by the County’s intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the Board of County Commissioners or (b) a body (for example: a budget or finance committee) or official to which the County has delegated the authority to assign amounts to be used for specific purposes. This indicates that resources in those funds are, at a minimum, intended to be used for the purposes of that fund. The Board has delegated to the County Administrator and Finance Officer in accordance with the County’s fund balance policy.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance – Continued

Fund Balance – Continued

Unassigned – Unassigned fund balance is the residual classification of the general fund. This classification represents spendable fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

When both restricted and unrestricted resources are available for use, it is the policy of the County to use restricted resources first, and then unrestricted resources as they are needed. In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned. The County adopted a new formal fund balance policy in 2022 which established a targeted minimum reserve balance in the General Fund of unrestricted fund balance of no less than two months (17%) of audited expenditures and transfers out. In the event funds are not available to establish the balances required under the Policy, the unrestricted fund balance target shall be achieved by adding a designated amount to the budget to cover the deficiency over a period not to exceed three years.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Position

The net positions of proprietary funds, governmental activities and business-type activities are made up of three components. Net investment in capital assets which represents net capital assets less related long-term liabilities; unspent debt proceeds will increase this amount. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. The restricted component represents assets that are legally restricted. They include reserve funds, special revenues restricted by statute or ordinance, bond proceeds, and other sources restricted for capital or improvements. The unrestricted component of net position is the balance not included in the determination of net investment in capital assets or the restricted component of net position.

Change in Accounting Principle

In 2023, the County implemented GASB Statement No. 96, Subscription-Based Information Technology Arrangements. GASB Statement No. 96 enhances the relevance and consistency of information on the government's software subscription activities. In accordance with the new guidance, the County is required to recognize a subscription asset and a subscription liability equal to the present value of subscription payments during the subscription term. These changes were incorporated in the County's 2023 financial statements but had no effect on the beginning fund balances or net position since the carrying amount of subscription assets was equal to the subscription liabilities recorded upon implementation as of October 1, 2022.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all governmental and proprietary funds; however, budgets for proprietary funds are not required to be reported on and are not included in these financial statements. All appropriations lapse at fiscal year-end. Budgetary data reflected in the financial statements are established by the following Board procedures.

Encumbrance accounting, under which purchase orders, encumber contracts and other commitments for the expenditure of resources are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Encumbrances at fiscal year-end do not constitute expenditures since the commitments will be honored during the subsequent year.

Deficit Fund Balance/ Net Position

The General Fund of the Clerk of Circuit Court and Comptroller reported a deficit fund balance of \$110,830. This is primarily a result of shortfalls in budgeted recording fees earned based on the housing economy in addition to impacts from the adoption of GASB Statement 96 during the year ended September 30, 2023.

The Garage Services Internal Service Fund reported a deficit net position of \$3,412,525. Vehicle maintenance and centralized distribution of gasoline and special fuel are funded by monthly billing of services. This funding method results in a deficit fund net position which will be charged back to the other funds so that service fund revenues and expenses will be equal.

The Sheriff's Self-Insurance Fund is reflecting a deficit net position of \$2,464,247. This is the result of the implementation of GASB 75 which requires the unfunded liability for future employee benefits (OPEB) to be recorded on September 30, 2023.

The Debt Service Fund reported a deficit fund balance of \$49,397. This is a result of debt payments exceeding transfers in.

3. DEPOSITS AND INVESTMENTS

Deposits

At September 30, 2023, the County's carrying value of cash and cash equivalents totaled \$58,533,541, which is presented as \$26,963,928 in the statement of net position and \$31,569,613 in the statement of fiduciary net position.

The County maintains a cash and investment management pool in which each fund participates on a dollar equivalent and daily transaction basis. The County's cash and investment management pool is considered to be cash equivalent for reporting purposes because it is an internally managed fund, which allows individual funds to, at any time, deposit additional cash or make withdrawals without prior notice or penalty. The County's cash and investment management pool includes pooled cash maintained in interest-bearing demand deposit accounts, pooled cash maintained in interest-bearing demand deposit accounts, securities investments, and other investments in government investment pools. Interest income (which includes unrealized gains and losses) is distributed monthly based on balance at date of distribution.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

3. DEPOSITS AND INVESTMENTS

Deposits – Continued

Custodial Credit Risk

The County maintains its deposits only with qualified public depositories as defined in Chapter 280, Florida Statutes. The provisions of this statute generally require public funds to be deposited in a bank or savings association designated by the State Chief Financial Officer as a “Qualified Public Depository”. All qualified public depositories must maintain deposit insurance. They also must place with or in the name of the Chief Financial Officer of the State of Florida, collateral in the amount of the greater of the average daily balance of public deposits multiplied by the average monthly balance of public deposits or 125 percent of the average daily balance of public deposits greater than capital. Collateral requirements may be increased according to statute if specified conditions exist. Eligible collateral includes federal, federally-guaranteed, state and local government obligations and corporate bonds. In the event of default by a qualified public depository excess losses over insurance and collateral will be recovered through assessments to all qualified public depositories of the same type as the depository in default. Under this method, all County deposits, including certificates of deposit, are considered fully insured.

Investments

State Statutes and the formal investments and portfolio policies adopted by the Board of County Commissioners restrict the types of investments that can be made by the County. A description of the requirements and the types of investments allowed as well as information about valuation and other investment policies can be found in Note 1.

The investment policy manual details the methods used to manage the risks inherent to the investment process. The authority for investment of County funds rests with the Clerk of the Circuit Court who has delegated management of the investment program to the Director of Treasury and Board Services. Although the policies allow investments in many types of instruments, the Clerk has chosen to limit investment risks by investing mainly in allowed investment pools. The pools are 2a7-like investment pools and manage interest rate risk by limiting the weighted average maturity of their portfolios, manage credit risk by investing in mainly governmental and other highly rated securities, manage concentration of credit risk by limiting investment in any one issuer to less than 5% of the portfolio and manage custodial credit risk by requiring third party custody and safekeeping.

The County participates in the Florida Surplus Asset Fund Trust (FL SAFE). The County’s investment in FL Safe is reported at Net Asset Value (NAV). FL SAFE has a dollar weighted average days to maturity “WAM” of 45 days as of September 30, 2023. The weighted average life (WAL) of FL SAFE at September 30, 2023 is 67 days. There are no restrictions on redemptions. FL SAFE is rated by Standard and Poors. The current rating is AA Af/ S1.

The County participates in the Florida Cooperative Liquid Asset Securities System (FLCLASS). The County’s investment in FLCLASS is reported at Net Asset Value (NAV). FLCLASS has a dollar weighted average days to maturity “WAM” of 47 days as of September 30, 2023. The weighted average life (WAL) of FLCLASS at September 30, 2023 is 67 days. There are no restrictions on redemptions. FLCLASS is rated by Standard and Poors. The current rating is AA Am.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

3. DEPOSITS AND INVESTMENTS – CONTINUED

Investments – Continued

The County participates in the Florida Fixed Income Trust (FL FIT) Cash Pool and Select Cash Pool. The Cash Pool is reported at net asset value and has a dollar weighted average days to maturity “WAM” of 23 days as of September 30, 2023. The weighted average life (WAL) of FL FIT Cash Pool at September 30, 2023 is 94 days; this duration is equivalent to WAM to final. The Select Cash Pool is reported at net asset value and has a dollar weighted average days to maturity “WAM” of 1.86 years as of September 30, 2023. The weighted average life (WAL) of FL FIT Select Cash Pool at September 30, 2023 is 2.37 years; this duration is equivalent to WAM to final. There are no restrictions on redemptions. FL FIT is rated by Standard and Poors. The current rating for both the Cash Pool and Select Cash Pool is AA+.

The County participates in the Florida Local Government Investment Trust (FL TRUST) Day to Day fund and Short Term Bond Fund pools. The Day to Day fund is a “2a-7 like” fund. The fund is carried at amortized cost, which includes accrued income and is a method of calculating an investment’s value by adjusting its acquisition cost for amortization of discount or premium over the period from purchase to maturity. The Day to Day fund is reported at fair value, determined by the fair value per share of the pool’s underlying portfolio. The Day to Day fund is intended to be a more liquid fund; therefore does not advertise a dollar weighted average days to maturity “WAM”, but rather average days to maturity of 37 days as of September 30, 2023. The FL Day to Day is rated by Fitch Ratings’ Agency and the current rating is AA+. The Short Term Bond Fund is reported at net asset value. It has a dollar weighted average days to maturity “WAM” of 1.93 years as of September 30, 2023. There are no restrictions on redemptions. The fund is rated by Fitch. The current rating is AA+.

The County participates in the Florida Prime Investment Pool. The County’s investment in the Florida Prime Investment Pool, a Security and Exchange Commission (SEC) Rule 2a7-like external investment pool is reported at amortized cost, which is not materially different from fair value. Rule 2a-7 is the rule that permits money market funds to use amortized cost to maintain a constant Net Asset Value (NAV) of \$1.00 per share, provided that such funds meet certain conditions. The Florida Prime Investment Pool has a dollar weighted average days to maturity “WAM” of 35 days as of September 30, 2023. The weighted average life (WAL) of Florida Prime at September 30, 2023 is 75 days. There are no restrictions on redemptions. The Florida Prime Investment Pool is rated by Standard and Poors. The current rating is AA+.

Interest rate risk

In accordance with the investment policy, the exposure to declines in fair value of investments outside of the pools is managed by matching the investments to a specific cash flow requirement.

Credit risk

The investment policies of the County manage credit risk by limiting investments in U.S. Instruments to the two highest ratings issued by nationally recognized statistical rating organizations.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

3. DEPOSITS AND INVESTMENTS – CONTINUED

Investments – Continued

Concentration of credit risk

The investment policies of the County diversify the portfolio by limiting the maximum percentage of various types of investments that can be purchased. The investment policy maximum percentages for the current portfolio are 50% for U.S. agencies and instrumentalities and 50% for repurchase agreements.

Custodial credit risk.

Federated Money Market, U.S. Treasury bills, and U.S. instrumentalities are held by the County's agent in the County's name in accordance with the Okaloosa County Investment Policy requiring third party custody and safekeeping.

The County had the following investment types by issuer and effective duration presented in terms of years:

<u>Security type</u>	<u>Fair Value</u>	<u>Weighted Average Duration (Years)</u>	<u>Credit Rating</u>
Long term investments:			
United States government agency obligations	<u>\$ 71,472,150</u>	<u>0.087</u>	<u>AA+</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

4. FAIR VALUE OF INVESTMENTS

The County measures and records its investments using fair value measurements guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follow:

Level 1 – Quoted prices (unadjusted) for identical assets in active markets that a government can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for an asset, either directly or indirectly. These investments are valued using the valuation multiple approach.

Level 3 – Unobservable inputs for an asset.

At September 30, 2023, Okaloosa County had the following recurring fair value measurements:

	Fair Value	Level 1	Level 2	Level 3
Federal farm credit bank	\$ 4,505,300	\$ -	\$ 4,505,300	\$ -
Federal home loan bank	28,617,650	-	28,617,650	-
Federal home loan mortgage corporation	22,044,726	-	22,044,726	-
Federal national mortgage association	4,456,620	-	4,456,620	-
Federated hermes govt obligations	373,026	-	373,026	-
Fresb multifamily mortgage pass thru	7,815,520	-	7,815,520	-
United States treasury note	3,659,308	-	3,659,308	-
TOTAL	71,472,150	\$ -	\$ 71,472,150	\$ -
Investments measured at the net asset value (NAV)				
FL SAFE	25,955,293			
FL CLASS	25,851,174			
Florida Fixed Income Trust	56,236,086			
FL Trust - Short Term Bond Fund	42,865,518			
TOTAL INVESTMENTS MEASURED AT FAIR VALUE	222,380,221			
TOTAL INVESTMENTS MEASURED AT AMORTIZED COST	134,453,593			
TOTAL INVESTMENTS AT SEPTEMBER 30, 2023	\$ 356,833,814			

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

5. RECEIVABLES/ UNEARNED AND UNAVAILABLE REVENUE

Receivables as of September 30, 2023 for the government's individual major funds and nonmajor governmental, nonmajor enterprise, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Funds	Accounts Receivable	Lease Receivable	Due From Other Governments	Total Receivables	Less: Allowance for Doubtful Accounts	Net Total Receivables Sept 30, 2023
General	\$ 176,060	\$ 16,277,495	\$ 5,088,264	\$ 21,541,819	\$ -	\$ 21,541,819
Tourist development	885	-	152,516	153,401	-	153,401
Natural disasters	-	-	47,779	47,779	-	47,779
Road and bridge construction	26,004,729	-	1,019,264	27,023,993	-	27,023,993
Infrastructure surtax	10	-	1,600,968	1,600,978	-	1,600,978
Water and sewer	5,422,858	110,611	1,122,099	6,655,568	375,382	6,280,186
Airport	2,392,685	48,729,822	8,352,192	59,474,699	411,655	59,063,044
Nonmajor and other funds	12,727,071	-	1,707,611	14,434,682	2,417,024	12,017,658
TOTAL	\$ 46,724,298	\$ 65,117,928	\$ 19,090,693	\$ 130,932,919	\$ 3,204,061	\$ 127,728,858

As of September 30, 2023, the County had \$26,002,785 in accounts receivable related to eligible Triumph grant expenditures incurred. The amounts have not been submitted for reimbursement and thus are considered unavailable revenue at the fund level.

Lease Receivable

Effective October 1, 2021, the County implemented the provisions of GASB Statement No. 87, which established a single model for lease accounting based on the principle that leases are financing of the right to use an asset. This eliminated the operating vs. capital lease classifications. Under the new provisions of GASB Statement No. 87, the County is a lessor under 19 leases.

Governmental Activities

The County leases real property to various unrelated parties. The real property is used by the lessees for the following purposes: retail business space, public parks, parking lots, communications towers, and a restaurant.

The County's lease receivable is measured at the present value of lease payments expected to be received during the lease term, including options reasonably certain to be exercised. These agreements have varying terms, including inception dates from September 1986 through August 2012, annual payments of \$39,000 to \$260,100, and have terms from 30 to 58 years. During the year ended September 30, 2023, principal and interest received were approximately \$425,770 and \$510,430, respectively. The County has \$15,351,544 of deferred inflows related to leases for governmental activities as of September 30, 2023.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

5. RECEIVABLES/ UNEARNED AND UNAVAILABLE REVENUE – CONTINUED

Lease Receivable – Continued

Governmental Activities – Continued

Governmental activities future principal and interest lease payments as of September 30, 2023 are as follows:

Year ending September 30,	Governmental Activities			
	Board		Tax Collector	
	Principal	Interest	Principal	Interest
2024	\$ 411,984	\$ 483,453	\$ 85,454	\$ 21,550
2025	446,659	469,952	84,667	15,083
2026	483,120	455,341	83,438	9,564
2027	527,103	439,431	66,269	4,643
2028	573,509	422,107	41,904	972
2029-2033	3,709,822	1,792,587	-	-
2034-2038	5,519,037	1,074,175	-	-
2039-2043	3,657,736	296,616	-	-
2044-2048	586,793	15,657	-	-
	<u>\$ 15,915,763</u>	<u>\$ 5,449,319</u>	<u>\$ 361,732</u>	<u>\$ 51,812</u>

Business-Type Activities

The County leases real property to various unrelated parties. The real property is used by the lessees for the following purposes: office space, rental car counter space, storage space, reclaimed water disposal, land, and concession space.

The County's lease receivable is measured at the present value of lease payments expected to be received during the lease term, including options reasonably certain to be exercised. These agreements have varying terms, including inception dates from July 2007 through February 2057, annual payments of \$6,900 to \$2,474,647, and have terms from 10 to 35 years. During the year ended September 30, 2023, principal and interest received were approximately \$6,287,222 and \$1,630,518, respectively. The County has \$47,837,631 of deferred inflows related to leases for business-type activities as of September 30, 2023.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

5. RECEIVABLES/ UNEARNED AND UNAVAILABLE REVENUE – CONTINUED

Lease Receivable – Continued

Business-Type Activities – Continued

Business-type activities future principal and interest lease payments as of September 30, 2023 are as follows:

Year ending September 30,	Business-Type Activities			
	Water & Sewer		Airports	
	Principal	Interest	Principal	Interest
2024	\$ 36,862	\$ 3,941	\$ 6,686,078	\$ 1,425,454
2025	39,240	2,826	6,896,839	1,213,674
2026	34,509	1,639	7,113,521	995,432
2027	-	405	4,791,597	806,038
2028	-	-	4,881,665	655,729
2029-2033	-	-	17,469,682	1,150,787
2034-2038	-	-	707,225	39,224
2039-2043	-	-	43,680	25,320
2044-2048	-	-	51,044	17,956
2049-2053	-	-	59,650	9,350
2054-2058	-	-	28,841	1,347
	<u>\$ 110,611</u>	<u>\$ 8,811</u>	<u>\$ 48,729,822</u>	<u>\$ 6,340,311</u>

Excluded – Short-Term Leases

In accordance with GASB Statement No. 87, the County does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that have a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised.

Excluded – Regulated Leases

The County is the lessor in certain leasing arrangements as defined by GASB Statement No. 87, paragraphs 42 and 43 defined therein as Regulated Leases. In accordance with GASB Statement No. 87, the County does not recognize a lease receivable and deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings, such as requirements from the U. S. Department of Transportation and the Federal Aviation Administration. All regulated leases between the County and air carriers or other aeronautical users and under the terms of the agreements the lessees have exclusive use of certain airport infrastructure. During the fiscal year ended September 30, 2023, the County recognized revenues from regulated leases in the amount of \$2,784,295. These leases are subject to renewal by the County via a Board ordinance.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

5. RECEIVABLES/ UNEARNED AND UNAVAILABLE REVENUE – CONTINUED

Lease Receivable – Continued

Excluded – Regulated Leases – Continued

Minimum future lease payments under regulated lease agreements as of September 30, 2023, are as follows:

Regulated Leases:

During the year ending September 30:

2024	\$ 2,640,837
2025	2,257,614
2026	2,160,052
2027	1,938,181
2028	1,891,789
2029-2033	8,068,813
2034-2038	2,748,189
2039-2043	1,868,125
2044-2048	1,454,602
2049-2053	597,012
2054-2055	<u>27,462</u>
Total	<u><u>\$ 25,652,676</u></u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

5. RECEIVABLES/ UNEARNED AND UNAVAILABLE REVENUE – CONTINUED

Unavailable and Unearned Revenue

Governmental funds report unavailable revenue in connection with receivables that are not considered to be available to liquidate liabilities of the current period. Governmental and proprietary funds also defer revenue recognition in connection with resources received, but not yet earned. Unearned / unavailable revenues as of September 30, 2023 for the government's individual major funds and nonmajor internal service, and fiduciary funds in the aggregate are as follows:

Funds	Unavailable	Unearned
General	\$ -	\$ 947,765
Tourist development	-	220,176
Natural disasters	-	35,126,435
Road and bridge construction	26,002,785	-
Water and sewer	-	723,266
Airport	-	1,321,521
Nonmajor and other funds	-	3,342,342
Total	<u>\$ 26,002,785</u>	<u>\$ 41,681,505</u>

Unearned revenue in the Natural Disaster grant fund represents federal grant proceeds received in advance of meeting eligibility requirements related to the American Rescue Plan (ARP) and other grant funds related emergency rental assistance available as a result of the COVID pandemic.

Unavailable revenue in the Road and Bridge Construction fund represents incurred Triumph grant expenditures for the Southwest Crestview Bypass Road project that are not available revenue based on accounting policy at the fund level.

In 2019, the County entered into a reimbursement agreement and space lease with a commercial air carrier. The agreement stipulates the air carrier will fund the construction costs of a concourse expansion project in exchange for lease credits. These lease credits will be applied toward lease payments due once the project is completed. Management has evaluated this transaction and determined it represents an acquisition of net position by the Airport Enterprise Fund that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. As of September 30, 2023, the Airport is reporting \$9,652,183 of deferred inflows of resources related to unearned revenue on the statement of net position.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

6. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2023, was as follows:

	Beginning Balance (As Restated)	Increases	Decreases	Transfers and Adjustments	Ending Balance
GOVERNMENTAL ACTIVITIES					
Capital assets, not being depreciated/ amortized					
Land	\$ 18,889,914	\$ 5,749,490	\$ -	\$ (506)	\$ 24,638,898
Intangibles	1,146,905	-	-	-	1,146,905
Construction in progress	59,707,728	43,146,683	-	(20,770,887)	82,083,524
Works of art	29,195	-	-	-	29,195
Total capital assets not being depreciated/ amortized	79,773,742	48,896,173	-	(20,771,393)	107,898,522
Capital assets, being depreciated/ amortized:					
Buildings	154,529,767	322,577	(7,196)	315,053	155,160,201
Improvement other than buildings	58,024,312	956,785	-	8,415,277	67,396,374
Intangibles	2,413,055	57,368	-	67,092	2,537,515
Machinery and equipment	67,228,825	10,452,091	(5,380,419)	(213,539)	72,086,958
Machinery and equipment - financed purchase	523,300	-	-	(100)	523,200
Right-to-use asset	20,755	-	-	-	20,755
Subscription asset	4,051,905	3,662,608	-	-	7,714,513
Infrastructure	177,310,718	-	-	6,935,362	184,246,080
Total capital assets being depreciated/ amortized	464,102,637	15,451,429	(5,387,615)	15,519,145	489,685,596
Less accumulated depreciation/ amortization for:					
Buildings	(55,516,346)	(4,328,713)	83	(30)	(59,845,006)
Improvement other than buildings	(21,219,622)	(2,813,529)	-	48,520	(23,984,631)
Intangibles	(2,359,686)	(26,844)	-	(67,096)	(2,453,626)
Machinery and equipment	(49,836,155)	(5,926,857)	5,073,315	(709,328)	(51,399,025)
Machinery and equipment - financed purchase	(137,029)	(74,742)	-	-	(211,771)
Right-to-use asset	(4,447)	(4,447)	-	-	(8,894)
Subscription asset	-	(1,726,672)	-	-	(1,726,672)
Infrastructure	(103,543,828)	(3,510,642)	-	-	(107,054,470)
Total accumulated depreciated/ amortized	(232,617,113)	(18,412,446)	5,073,398	(727,934)	(246,684,095)
TOTAL CAPITAL AMOUNTS, BEING DEPRECIATED/ AMORTIZED , NET	231,485,524	(2,961,017)	(314,217)	14,791,211	243,001,501
GOVERNMENTAL ACTIVITIES CAPITAL CAPITAL ASSETS, NET	\$ 311,259,266	\$ 45,935,156	\$ (314,217)	\$ (5,980,182)	\$ 350,900,023

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

6. CAPITAL ASSETS – CONTINUED

Depreciation expense was charged to functions/programs as follows:

GOVERNMENTAL ACTIVITIES

General government	\$ 3,960,169
Public safety	5,496,645
Physical environment	323,299
Transportation, incl. depreciation of general infrastructure assets	4,687,615
Economic environmental	117,461
Human services	261,531
Culture and recreation	3,155,664
Court related	<u>410,062</u>

TOTAL DEPRECIATION/AMORTIZATION EXPENSE

- GOVERNMENTAL ACTIVITIES	<u><u>\$ 18,412,446</u></u>
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OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

6. CAPITAL ASSETS – CONTINUED

	Beginning Balance (As Restated)	Increases	Decreases	Transfers and Adjustments	Ending Balance
BUSINESS-TYPE ACTIVITIES					
Capital assets, not being depreciated/ amortized:					
Land	\$ 14,765,162	\$ -	\$ -	\$ -	\$ 14,765,162
Construction in progress	39,744,846	14,667,398	-	(32,196,579)	22,215,665
Works of art	69,865	-	-	-	69,865
Total capital assets not being depreciated/ amortized	54,579,873	14,667,398	-	(32,196,579)	37,050,692
Capital assets, not being depreciated/ amortized:					
Buildings	103,806,904	-	-	18,658,711	122,465,615
Improvement other than buildings	276,776	-	-	-	276,776
Intangibles	932,259	-	-	-	932,259
Machinery and equipment	28,632,223	3,180,931	(2,338,775)	(574,308)	28,900,071
Right-to-use asset	6,564,767	-	-	-	6,564,767
Subscription asset	226,077	-	-	-	226,077
Infrastructure	441,287,203	5,566,672	-	18,467,367	465,321,242
Total capital assets being depreciated/ amortized	581,726,209	8,747,603	(2,338,775)	36,551,770	624,686,807
Less accumulated depreciation /amortization for:					
Buildings	(34,576,444)	(3,943,873)	-	-	(38,520,317)
Improvement other than buildings	(235,094)	(4,026)	-	-	(239,120)
Intangibles	(918,402)	(11,858)	-	-	(930,260)
Machinery and equipment	(20,901,712)	(2,213,919)	2,293,878	553,834	(20,267,919)
Right-to-use asset	(494,339)	(494,338)	-	-	(988,677)
Subscription asset	-	(104,343)	-	-	(104,343)
Infrastructure	(181,962,282)	(10,748,411)	-	-	(192,710,693)
Total accumulated depreciated/ amortized	(239,088,273)	(17,520,768)	2,293,878	553,834	(253,761,329)
TOTAL CAPITAL ASSETS, BEING DEPRECIATED/ AMORTIZED, NET	342,637,936	(8,773,165)	(44,897)	37,105,604	370,925,478
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	\$ 397,217,809	\$ 5,894,233	\$ (44,897)	\$ 4,909,025	\$ 407,976,170

Depreciation and amortization expense was charged to enterprise funds as follows:

BUSINESS-TYPE ACTIVITIES

Water and sewer	\$ 9,777,741
Airport	7,026,922
Other enterprise funds	716,105
TOTAL DEPRECIATION AND AMORTIZATION EXPENSE - BUSINESS TYPE ACTIVITIES	<u>\$ 17,520,768</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

6. CAPITAL ASSETS – CONTINUED

Southwest Crestview Bypass Road Construction

This project constructs a bypass in southwest Crestview from SR 85 at PJ Adams Parkway to US Hwy 90 across from Old Bethel Road. The overall budget is \$199,019,000. As part of the project, the FDOT will construction a new interchange with I-10 at an estimated cost of \$83,129,000 and Okaloosa County will construct connecting roads both north and south of the new interchange at a total estimated cost of \$111,890,000. The County is funding this project with a combination of debt proceeds (sales tax refunding and improvement bonds series 2019), infrastructure surtax, FDOT, and Triumph grant proceeds. The grant award from Triumph for this project was \$64,100,000 and \$13,245,485 of eligible expenditures were incurred during the year ended September 30, 2023 in the Road and Bridge Construction capital project fund. Total expenditures for this project through the end of fiscal year 2023 were approximately \$70,309,843. County expenditure budgeted for fiscal year 2024 are estimated to be \$16,008,304.

Water and Sewer Expansion and Renovation

The Water and Sewer System is continuing capital projects in FY2024 related to expansion, aging infrastructure replacement/rehabilitation, and the environment. Based on the fiscal year 2024 capital budget, total expenditures will approximate \$11,735,604 on projects, which include \$1,774,152 for the continuation of the Arbennie Pritchett WRF Solids Handling Expansion, \$1,000,000 for the Jerry D. Mitchem WRF Upgrade, \$220,000 for the Okaloosa Island Booster Station Replacement, \$300,000 for the Brooks Bridge Water Relocation, \$1,200,000 for the Tractor Supply Lift Station and Associated Mains Project, \$1,915,000 for the Gravity Sewer Rehabilitation, \$2,299,200 for the Shoal River Ranch WRF, and multiple smaller projects.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

7. COMPENSATED ABSENCES

Each constitutional officer's policy for compensated absences is summarized below.

Board of County Commissioners and Supervisor of Elections

The policy of the Board of County Commissioners and the Supervisor of Elections for annual and sick leave and compensatory time is as follows:

Employees may accrue an unlimited amount of annual and sick leave. The employees earn leave at varying rates per month based on their work schedules.

	Years of Service	40 Hours/ Week	45 Hours/ Week	24 Hours On/ 48 Hours Off
<u>ANNUAL LEAVE</u>				
Full time employees	0-5	8 hours	9 hours	11 hours
	6-10	10 hours	11 hours	14 hours
	11-15	12 hours	14 hours	17 hours
	16-20	14 hours	16 hours	20 hours
	21-25	16 hours	18 hours	22 hours
	26+	18 hours	20 hours	25 hours
Part time employees	1	4 hours		
Maximum amount paid upon separation from service		240 hours	270 hours	336 hours
<u>SICK LEAVE</u>				
Full time employees		8 hours	9 hours	11 hours
Part time employees		0 hours		

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

7. COMPENSATED ABSENCES – CONTINUED

Board of County Commissioners and Supervisor of Elections – Continued

Unused sick leave will be paid to employees having ten consecutive years of service upon termination or retirement at varying percentages based on the total unused hours: 50% for the first 480 hours; 25% for the second 480 hours and 20% for all hours over 960.

Compensatory Time

Compensatory time is available only to hourly (non-exempt) employees. Most employees may accrue up to 240 hours except for law enforcement and correctional officers who can accrue up to 480 hours. Unused amounts will be paid upon termination or retirement.

Clerk of the Circuit Court

The policy of the Clerk for annual and sick leave was changed June 1, 2015 to Paid Time Off (PTO). An employee can now accumulate and carry forward 1,000 hours of PTO from year to year. Any PTO in excess of 1,000 hours will be forfeited after the first pay period of the calendar year. PTO is accrued based on the schedule below. Upon retirement or termination, the employee may be paid up to a maximum of the following schedule.

<u>Years of Service</u>	<u>Hours Earned per Pay Period (26)</u>	<u>Years of Service</u>	<u>Balance Paid Upon Separation</u>
0 – 1	6.25	2 – 5	20% of PtO
2 – 5	7.00	6 – 10	25% of PtO
6 – 10	7.75	11 – 15	30% of PtO
11 – 15	8.50	16 – 20	40% of PtO
16 – 20	9.25	21+	50% of PtO
21+	10.00		

Sheriff

The Sheriff maintains a policy providing for annual vacation and sick leave pay for all full-time non-exempt employees. Employees are allowed to accumulate unlimited time; however, upon separation the employee will receive compensation only for any unused annual leave up to a maximum of 240 hours. Annual vacation leave for full-time, non-exempt employees is calculated as follows:

<u>Years of Service</u>	<u>Accrual Rate</u>
Less than five (5) years	(8) hours per calendar month
Five (5) to ten (10) years	(10) hours per calendar month
Ten (10) and more years	(12) hours per calendar month

Sick leave for non-exempt employees is accrued at eight hours per month. Unused accrued leave is carried over from year to year. Employees terminating after 10 years of service are compensated for unused sick leave up to a maximum of 100 hours. Certain employees are also eligible to bank over time hours for future leave up to 120 hours.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

7. COMPENSATED ABSENCES – CONTINUED

Tax Collector

The policy of the Tax Collector for paid time off (PTO) is that employees are entitled to accrue leave each pay period based on an employee's hire date. Below is a breakdown of how leave will be earned:

<u>Years of Service (Based on Hire Date)</u>	<u>Weeks PtO</u>	<u># Hours Earned Per Pay Period</u>
1 year	3 weeks	4.62
2 - 5 years	4.4 weeks	6.77
6 - 10 years	5.4 weeks	8.31
11 - 15 years	6 weeks	9.23
16 - 20 years	6.5 weeks	10.00
21+ years	7 weeks	10.77

Property Appraiser

The Property Appraiser's policy for compensated absences provides for "paid days off" (a combination of sick and annual leave) which may be used at the employee's discretion. Paid days off accumulated ratably during each year of employment at the following rates based on years of employment.

1 to 5 years	192 hours per year
5 to 10 years	216 hours per year
Over 10 years	240 hours per year

Employees are allowed to accumulate up to 360 days of paid days off for which they will be paid upon termination of employment. Paid days off accumulated in excess of 360 hours at the end of the calendar year are lost except for employees planning retirement. Employees planning retirement within the following year may increase the accrued days off to a maximum of 500 hours.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

7. COMPENSATED ABSENCES – CONTINUED

The total amounts of accumulated annual leave and other compensated absences for all elected officials as of September 30, 2023, are as follows:

Elected Officials	Current Portion	Long-term Portion	Totals
Board of county commissioners	\$ 2,716,776	\$ 1,847,870	\$ 4,564,646
Clerk of the circuit court	153,652	177,840	331,492
Sheriff	1,976,791	3,294,652	5,271,443
Tax collector	120,711	298,564	419,275
Property appraiser	3,070	93,224	96,294
Supervisor of elections	65,953	70,414	136,367
TOTALS	\$ 5,036,953	\$ 5,782,564	\$ 10,819,517

The total current and long-term portions of compensated absences are shown on the face of the government wide statement of net position using the full accrual method of accounting.

8. LANDFILL POST CLOSURE CARE COSTS

The Board is required to study, estimate, and certify to the U.S. Environmental Protection Agency through the Florida Department of Environmental Protection the estimated cost to close and to perform certain maintenance and monitoring functions at Baker Landfill and Wright Landfill for 30 years after closure and Niceville Landfill for 20 years after closure. One hundred percent of the landfill capacity has been used in the landfills, and they have all been permanently closed.

The Board is required by state and federal laws and regulations to develop its estimates using rates normal to commercial contracting firms and is based on the amount of the landfill capacity used to date, which is at 100% capacity as of September 30, 2023. The post closure costs are reevaluated each year. The estimate is subject to changes resulting from inflation, deflation, technology, or changes in applicable laws or regulations. The effect of this change in estimates has been reflected in the operations of the Solid Waste Enterprise Fund and has increased net income by \$323,643. The estimated liability for post closure care costs has a balance of \$1,732,870 as of September 30, 2023.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

9. INTERFUND BALANCES AND ACTIVITY

The composition of interfund balances as of September 30, 2023, is as follows:

	Receivable From Other Funds	Payable to Other Funds
MAJOR FUNDS		
General fund	\$ 7,074,150	\$ 297,940
Airport enterprise	-	325
NON-MAJOR FUNDS		
Governmental funds	-	4,698,850
Enterprise funds	25	-
Internal service funds	299,581	2,376,641
	<u>\$ 7,373,756</u>	<u>\$ 7,373,756</u>

The composition of interfund balances with other elected officials as of September 30, 2023, is as follows:

	Receivable From Other Elected Official	Payable to Other Elected Official
MAJOR FUNDS		
General fund	\$ 2,855,501	\$ 6,863,237
Tourist development special revenue fund	4,232,352	136,749
Water and sewer enterprise fund	-	157
NON-MAJOR FUNDS		
Governmental funds	109,902	199,052
Enterprise funds	-	66
Internal service funds	1,506	-
	<u>\$ 7,199,261</u>	<u>\$ 7,199,261</u>

Interfund receivables at the fund and elected official level result primarily from revenue accrued in certain funds that are transferred to other funds. Interfund receivables and payables at the fund level also include short term cash advances.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

9. INTERFUND BALANCES AND ACTIVITY – CONTINUED

Interfund transfers activity for the year ended September 30, 2023, consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
MAJOR FUNDS		
General fund	\$ 9,726,687	\$ 14,776,965
Tourist development special revenue fund	-	4,115,460
Natural disasters fund	564,963	-
Road and bridge construction capital projects fund	600,000	1,300,000
Infrastructure surtax fund	-	4,104,200
Airport enterprise fund	-	3,018,745
NON-MAJOR FUNDS		
Governmental funds	17,856,483	3,364,915
Enterprise funds	1,533,000	48,786
Internal service funds	447,938	-
	<u>\$ 30,729,071</u>	<u>\$ 30,729,071</u>

The County's tourist development fund made transfers to multiple funds of the Board to fund activities allowed by Florida Statute to include parks maintenance, parks capital projects, beach safety and beach restoration projects in the amount of \$4,115,460. The E-911 operations special revenue fund (nonmajor governmental fund) provided approximately \$1,500,000 to the general fund to supplement the Sheriff's communications operations. The Airport Enterprise fund made a transfer to the general fund of approximately \$3,000,000 to fund law enforcement officers responsible for safety of the Destin-Fort Walton Beach Airport operations. The General Fund made a transfer of \$3,906,468 to the Debt Service Fund to cover debt payments on the 2011, 2014, and 2016 bonds and the Shoal River Note, \$6,500,000 to the Capital Projects Fund to cover general government projects (including the new Public Works building, expansion of the Brackin Building, and Jail Master Plan), \$1,500,000 to the Solid Waste Fund to cover costs associated with a new Solid Waste Transfer Station, \$600,000 to the Road/Bridge Construction Fund to cover costs associated with the PJ Adams construction project, \$565,000 to the Natural Disaster Fund to cover emergency-related expenditures not reimbursed from grant funding, and \$1,257,000 to multiple governmental funds to cover budgeted expenditures above budgeted revenues. The Infrastructure Surtax Fund made a transfer to the Debt Service Fund of \$4,104,200 to cover certain debt payments on the 2021 sale surtax revenue note.

In addition, during the year ended September 30, 2023, the Natural Disaster special revenue fund contributed \$5,079,225 to the Water and Sewer fund. The transaction relates to water and sewer fund capital improvements funded with American Rescue Plan Act funds. The amount is recorded as a capital contribution in the Water and Sewer fund.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

10. LONG TERM DEBT

Primary Government

The following debt issues are outstanding for September 30, 2023:

Governmental Activities

REVENUE BONDS

\$3,600,000 capital improvement revenue bond, series 2011, serial bonds with stated interest rate of 3.72 percent compounded semi-annually through October 1, 2030; issued in denominations of \$5,000 maturity value due in annual installments of \$133,000 to \$259,000 from October 1, 2012 through October 1, 2030. General governmental revenues are pledged for the payment of the bonds. Proceeds of the bonds have been used to finance the purchase of the Newman C. brackin building to be used for office space. This issue is subject to federal arbitrage regulations.

\$ 1,827,000

\$22,165,000 sales tax revenue bonds, series 2014, serial and term bonds with stated interest rates ranging from 3.0 percent to 5.0 percent compounded semi-annually through October 1, 2034; issued in denominations of \$5,000 maturity value due in annual installments of \$760,000 to \$ 1,720,000 from October 1, 2016 through October 1, 2034 and interest only payments October 1, 2015 - September 30, 2016. Sales tax revenues were pledged for payment of the bonds. Proceeds of the bonds will be used to finance the construction of Crestview courthouse, administration building and refunding the sales tax revenue bond anticipation note, series 2014. The issue is subject to federal arbitrage regulations.

16,190,000

\$12,960,000 sales tax revenue bonds, series 2016, serial and term bonds with stated interest rates ranging from 3.0 percent to 5.0 percent compounded semi-annually through October 1, 2046; issued in dominations of \$5,000 maturity value due in annual installments of \$235,000 to \$715,000 from October 1, 2017 through October 1, 2046. Sales tax revenues were used for payment of the bonds. Proceeds of the bonds will be used to finance the acquisition and construction of improvements to county facilities, including additional improvements to the Crestview courthouse. The issue is subject to federal arbitrage regulations.

11,440,000

\$38,300,000 sales tax refunding and improvement revenue bonds, series 2019, serial and term bonds with a stated interest rate of 4.0 percent compounded semi-annually through 2040; issued in denominations of \$5,000 maturity value due in annual installments of \$810,000 to \$2,130,000 from October 1, 2020 through October 1, 2040. Sales tax revenues were pledged for payment of the bonds. Proceeds of the bonds will be used to refund a portion of the county's outstanding taxable sales tax revenue bonds series 2009b and finance certain capital improvements in and for the county, the issue is subject to federal arbitrage regulations.

35,670,000

Total governmental activities revenue bonds

\$ 65,127,000

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

10. LONG TERM DEBT – CONTINUED

Primary Government – Continued
Governmental Activities – Continued

LOANS AND NOTES - DIRECT BORROWINGS

\$2,480,000 private bank loan from Truist bank with fixed rate of interest of 2.49% through December 1, 2035; interest on the Note shall be payable in semi-annual installments, commencing June 1, 2021, ranging from \$2,400 to \$34,000. Principal payments are due in annual installments, commencing December 1, 2021 ranging from \$165,900 to \$197,400; the loan finances the acquisition of land along the Shoal River Ranch and appurtenant improvements or such other capital improvement as established by resolution of the Board and is secured by a lien upon and pledge of the budget from non- ad valorem revenues lawfully available in each fiscal year until the loan is paid in full. In the event of default, the lender may sue to protect and enforce any and all rights existing under the laws of the State of Florida, of the United States of America, or granted and contained in the agreement, the agreement does not contain any subjective acceleration clauses.

\$ 2,203,000

\$19,700,000 private bank loan from Truist bank with fixed rate of interest of 1.26% through November 1, 2028; interest on the Note shall be payable in semi-annual installments, commencing May 1, 2022, ranging from \$18,500 to \$97,900. Principal payments are due in annual installments, commencing November 1, 2022 ranging from \$2,600,000 to \$2,940,000; the loan finances construction costs to construct communication towers and acquire certain related emergency communication equipment established by resolution of the Board and is secured by a lien upon and pledge of the budget from non-ad valorem revenues lawfully available in each fiscal year until the loan is paid in full. In the event of default, the lender may sue to protect and enforce any and all rights existing under the laws of the State of Florida, of the United States of America, or granted and contained in the agreement, the agreement does not contain any subjective acceleration clauses.

17,100,000

Total direct borrowings

\$ 19,303,000

Also, the County, in compliance with the Tax Reform Act of 1986 and subsequent U.S. Treasury Regulations, has performed arbitrage rebate calculations to determine probable amounts due to the Federal government. At September 30, 2023, the probable arbitrage rebate on the 2019 Sales Tax Refunding and Improvement Bonds is \$307,349 and on the Sales Surtax Revenue Note, Series 2021 is \$441,356. Calculation estimates are required to be reassessed in September, 2024 and December 2026 with payments due November 2024 and February, 2027 if required.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

10. LONG TERM DEBT – CONTINUED

**Primary Government – Continued
Business-Type Activities**

***REVENUE BONDS
WATER AND SEWER***

The following parity bonds are secured by a pledge of the net revenues from the operation of the water and sewer system:

\$67,595,000 water and sewer revenue bonds, series 2015, due in annual installments of \$760,000 to \$3,940,000 through July 1, 2036; interest ranging from 2.00 percent to 3.75 percent per annum. Proceeds from the bond were used to refund Water and Sewer Revenue Bonds, Series 2004; Water and Sewer Revenue Bonds, Series 2006; and Water and Sewer Revenue Note, Series 2012, as well as constructing additions to the water and sewer system, this issue is subject to federal arbitrage regulations.

43,600,000

Total business-type revenue bonds

\$ 43,600,000

Loans - State of Florida – Direct Borrowing

The following loans from the State of Florida were obtained for construction of extensions and improvements to the County sewer system. Water and Sewer revenue net of operating costs and debt service are pledged for repayment of these loans.

***LOANS - STATE OF FLORIDA - DIRECT BORROWINGS
WATER AND SEWER***

\$8,168,888 State of Florida department of environmental protection revolving loan fund; semi-annual payments including capitalized interest of \$291,598 at 2.71% and 3.00% beginning June 15, 2007 reducing to \$263,938 beginning December 15, 2008 through December 15, 2026. In the event of default, the lender may declare all unpaid principal to be immediately due and payable. The agreement does not contain any subjective acceleration clauses.

\$ 1,749,140

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

10. LONG TERM DEBT – CONTINUED

Primary Government – Continued

The following is a summary of changes in long-term debt of the Board of County Commissioners for the fiscal year ended September 30, 2023:

	Balance Due October 1 , 2022, as Restated	Increases	Decreases	Balance Due September 30, 2023	Due Within One Year
GOVERNMENTAL ACTIVITIES:					
REVENUE BONDS					
Sales tax revenue bonds,					
Series 2011	\$ 2,020,000	\$ -	\$ (193,000)	\$ 1,827,000	\$ 200,000
Series 2014	17,160,000	-	(970,000)	16,190,000	1,020,000
Series 2016	11,720,000	-	(280,000)	11,440,000	290,000
Series 2019	36,600,000	-	(930,000)	35,670,000	980,000
Less deferred amounts for issuance discounts/ premiums	7,450,367	-	(797,444)	6,652,923	-
Total revenue bonds	74,950,367	-	(3,170,444)	71,779,923	2,490,000
NOTES FROM DIRECT					
BORROWINGS					
Private note, 2022	275,000	-	(275,000)	-	-
Private bank note, 2021	19,700,000	-	(2,600,000)	17,100,000	2,762,000
Private bank note, 2020	2,345,000	-	(142,000)	2,203,000	145,000
Total direct borrowings	22,320,000	-	(3,017,000)	19,303,000	2,907,000
TOTAL NOTES AND PAYABLES	97,270,367	-	(6,187,444)	91,082,923	5,397,000

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

10. LONG TERM DEBT – CONTINUED

Primary Government – Continued

	Balance Due October 1 , 2022, as Restated	Increases	Decreases	Balance Due September 30, 2023	Due Within One Year
Accrued compensated absences	\$ 7,791,958	\$ 4,584,780	\$ (3,483,879)	\$ 8,892,859	\$ 3,945,262
Arbitrage rebate payable	-	748,705	-	748,705	-
Estimated claims payable	6,067,696	8,377,317	(8,419,824)	6,025,189	2,109,189
Lease agreements	16,858	-	(4,019)	12,839	4,472
Subscription agreements	4,051,905	3,387,172	(1,604,696)	5,834,381	1,574,803
Financed purchases	269,294	-	(197,602)	71,692	61,203
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 115,468,078</u>	<u>\$ 17,097,974</u>	<u>\$ (19,897,464)</u>	<u>\$ 112,668,588</u>	<u>\$ 13,091,929</u>
BUSINESS TYPE ACTIVITIES:					
Revenue bonds					
Water and sewer revenue, Series 2015	47,115,000	-	(3,515,000)	43,600,000	3,690,000
Bond discounts/ premiums	6,377,852	-	(455,561)	5,922,291	-
Total revenue bonds	<u>53,492,852</u>	<u>-</u>	<u>(3,970,561)</u>	<u>49,522,291</u>	<u>3,690,000</u>
LOANS AND NOTES - DIRECT BORROWINGS					
State of Florida revolving loan fund	2,218,679	-	(469,539)	1,749,140	482,659
TOTAL LOANS AND NOTES	<u>2,218,679</u>	<u>-</u>	<u>(469,539)</u>	<u>1,749,140</u>	<u>482,659</u>
Accrued compensated absences	1,828,045	1,114,406	(1,015,793)	1,926,658	1,091,691
Lease agreements	6,218,847	-	(365,716)	5,853,131	321,818
Subscription agreements	226,077	-	(111,495)	114,582	114,582
Estimated closure costs payable	2,056,333	-	(323,463)	1,732,870	407,774
TOTAL BUSINESS TYPE ACTIVITIES	<u>\$ 249,844,874</u>	<u>\$ 30,725,574</u>	<u>\$ (41,289,811)</u>	<u>\$ 239,280,637</u>	<u>\$ 27,605,438</u>

The County adopted GASB 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, as of October 1, 2022. In accordance with the new guidance, the County is required to recognize a subscription asset and a subscription liability equal to the present value of information technology subscription payments during the subscription term.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for those funds are included as part of the above totals for governmental activities. At year-end, \$2,112,540 of internal service funds compensated absences and \$6,025,189 of estimated claims are included in the above amounts.

Compensated absences are liquidated by the general and other governmental funds incurring the expenditures. Claims liabilities are liquidated in the internal service fund.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

10. LONG TERM DEBT – CONTINUED

Primary Government – Continued

Leases – Governmental-Type Activities

The County has a submerged land lease for a commercial fishing pier for \$4,495 a year with an implicit interest rate of 3.12% and an expiration date in May 2026. During September 30, 2023, principal and interest paid were \$4,020 and \$475, respectively.

Leases – Business-Type Activities

The Board of County Commissioners leases cardiac monitors from Zoll Medical Corporation under a lease agreement which expires February of 2024. The lease is based on monthly payments of \$9,900 and has an implicit interest rate of 3.12%. During September 30, 2023, principal and interest paid were \$106,486 and \$2,939, respectively.

The Board of County Commissioners (Okaloosa County) leases the land on which Water and Sewer's Water Reclamation Facility is located from the United States Government under a 30 year lease agreement expiring in September 2037. The lease agreement contains a built in rent increase of 2% for annual escalation factor. During September 30, 2023, principal and interest paid were \$259,230 and \$178,177, respectively.

Subscription Based Information Technology Agreements

Although legally separate entities, the general funds of the Clerk, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector are included as a General Fund component of the County. The Sheriff, Tax Collector, Clerk, and the County's Water & Sewer Fund and Tourist Development Fund have noncancellable right to use contracts for underlying IT assets. As of September 30, 2023, the County's subscription payable of \$5,948,963 was composed of the following:

The future principal and interest subscription payments as of September 30, 2023, were as follows:

Year ending September 30,	SBITAs			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 1,574,803	\$ 246,518	\$ 114,582	\$ 4,642
2025	1,260,448	162,190	-	-
2026	1,475,732	122,691	-	-
2027	1,103,112	58,718	-	-
2028	420,286	12,290	-	-
	<u>\$ 5,834,381</u>	<u>\$ 602,407</u>	<u>\$ 114,582</u>	<u>\$ 4,642</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

10. LONG TERM DEBT – CONTINUED

Primary Government – Continued

Debt service requirements to maturity on long-term debt at September 30, 2023 are as follows:

Year ending September 30,	Governmental Activities			
	Revenue Bonds		Loans and Notes	
	Principal	Interest	Principal	Interest
2024	\$ 2,490,000	\$ 2,924,688	\$ 2,907,000	\$ 251,108
2025	2,612,000	2,797,741	2,945,000	212,433
2026	2,730,000	2,665,029	2,985,000	173,217
2027	2,878,000	2,525,698	3,024,000	133,454
2028	3,012,000	2,379,447	3,064,000	93,144
2029-2033	16,855,000	9,508,779	3,806,000	144,690
2034-2038	14,545,000	5,743,300	572,000	21,588
2039-2043	9,635,000	3,076,663	-	-
2044-2048	7,950,000	1,303,475	-	-
2049-2052	2,420,000	97,800	-	-
	<u>\$ 65,127,000</u>	<u>\$ 33,022,620</u>	<u>\$ 19,303,000</u>	<u>\$ 1,029,634</u>

Year ending September 30,	Governmental Activities			
	Financed Purchases		Lease Contracts	
	Principal	Interest	Principal	Interest
2024	\$ 61,203	\$ 852	\$ 4,149	\$ 348
2025	10,489	328	4,278	216
2026	-	-	4,412	81
	<u>\$ 71,692</u>	<u>\$ 1,180</u>	<u>\$ 12,839</u>	<u>\$ 645</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

10. LONG TERM DEBT – CONTINUED

Year ending September 30,	Business-Type Activities			
	Revenue Bonds		Loans and Notes	
	Principal	Interest	Principal	Interest
2024	\$ 3,690,000	\$ 2,130,750	\$ 482,659	\$ 45,217
2025	3,880,000	1,946,250	496,146	31,730
2026	4,075,000	1,752,250	510,111	17,866
2027	2,540,000	1,548,500	260,224	3,613
2028	2,665,000	1,421,500	-	-
2029-2033	15,480,000	4,968,000	-	-
2034-2038	11,270,000	997,500	-	-
	<u>\$ 43,600,000</u>	<u>\$ 14,764,750</u>	<u>\$ 1,749,140</u>	<u>\$ 98,426</u>

Year ending September 30,	Business-Type Activities			
	Landfill Closure Costs		Lease Contracts	
	Principal	Interest	Principal	Interest
2024	\$ 407,774	\$ -	\$ 321,818	\$ 169,931
2025	407,774	-	294,415	160,663
2026	407,774	-	313,123	151,057
2027	407,774	-	332,611	140,853
2028	101,774	-	352,907	130,026
2029-2033	-	-	2,099,386	464,080
2034-2038	-	-	2,138,871	102,711
	<u>\$ 1,732,870</u>	<u>\$ -</u>	<u>\$ 5,853,131</u>	<u>\$ 1,319,321</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

11. CONDUIT DEBT

Since 1984, Okaloosa County has authorized three industrial development revenue bond issues that are still outstanding. The original issues totaled \$23,304,025 and as of September 30, 2023, \$6,473,221 was the principal liability. Since 2021, Okaloosa County has authorized four revenue bond issues on behalf of Destin High School, Inc. that are still outstanding. The original issues totaled \$20,390,000 and as of September 30, 2023, \$20,249,996 was the principal liability.

These bonds do not constitute an indebtedness of the County and are not a charge against its general credit or taxing powers. The bonds are payable solely from revenues of the respective industries to which these bond proceeds were remitted. The County has no responsibility for debt service payments beyond the resources provided by the Borrower in any circumstances. The County's limited commitment with respect to the conduit debt is to refrain from taking any actions that would result in the interest on the bonds being taxable for federal income tax purposes. The County has made no additional or voluntary commitments related to the bond issuance.

12. FUND BALANCES / RESTRICTED BALANCE

A schedule of the governmental fund balances for September 30, 2023 is provided below:

	Major Funds						Total
	General Fund	Tourist Development	Natural Disaster	Road and Bridge	Infrastructure Surtax	Other	
FUND BALANCES:							
Nonspendable:							
Inventory	\$ 104,286	\$ 344	\$ 1,602	\$ 261,867	\$ 34,833	\$ 745,401	\$ 1,148,333
Prepays	589,394	79,015	-	-	-	29,847	698,256
Restricted for:							
Tourist development 1st cent	-	24,099,353	-	-	-	-	24,099,353
Tourist development 2nd cent	-	4,264,397	-	-	-	-	4,264,397
Tourist development 3rd cent	-	1,564,187	-	-	-	-	1,564,187
Tourist development 4th cent	-	1,224,114	-	-	-	-	1,224,114
Tourist development 5th cent	-	1,749,564	-	-	-	-	1,749,564
Tourist development expansion	-	33,538,029	-	-	-	-	33,538,029
Florida boating Improvements	-	-	-	-	-	489,552	489,552
Capital projects	-	-	-	-	-	24,999,959	24,999,959
Housing and urban development	-	-	-	-	-	392,120	392,120
E- 911 operations	-	-	-	-	-	303,479	303,479
Radio communications	-	-	-	-	-	209,174	209,174
Law enforcement trust fund	-	-	-	-	-	106,950	106,950
Police academy	-	-	-	-	-	124,464	124,464
Park and stormwater projects	-	-	-	-	-	3,153,740	3,153,740
Prisoner benefit fund	-	-	-	-	-	1,310,258	1,310,258
Judicial innovations	-	-	-	-	-	494,481	494,481
Drug abuse trust fund	-	-	-	-	-	137,740	137,740
Domestic violence trust fund	-	-	-	-	-	5,841	5,841
Traffic education	-	-	-	-	-	104,733	104,733
Debt service	-	-	-	-	-	-	-
Transportation projects	-	-	-	1,796,311	-	-	1,796,311
Infrastructure projects	-	-	-	-	51,748,172	-	51,748,172
Natural disasters	-	-	745,738	-	-	-	745,738
Committed to:							
Planning projects	278,580	-	-	-	-	-	278,580
Municipal benefits service units	-	-	-	-	-	657,199	657,199
Assigned to:							
Capital projects	6,971,482	-	-	600,000	-	10,805,860	18,377,342
Planning/Salary study	1,650,000	-	-	-	-	-	1,650,000
PTO/ accrued leave system	1,500,000	-	-	-	-	-	1,500,000
Fiber optic cable	-	-	-	-	-	1,141,143	1,141,143
Health department	-	-	-	-	-	271,951	271,951
Other	340,000	-	-	-	-	-	340,000
Unassigned:							
Unassigned	25,041,474	-	-	-	-	(75,761)	24,965,713
TOTAL FUND BALANCE (DEFICIT)	\$ 36,475,216	\$ 66,519,003	\$ 747,340	\$ 2,658,178	\$ 51,783,005	\$ 45,408,131	\$ 203,590,873

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

13. ENCUMBRANCES

The amount of encumbrances outstanding as of September 30, 2023, is as follows:

	<u>Amount</u>
GOVERNMENTAL FUNDS:	
General fund	\$ 692,340
Tourist development	967,832
Capital outlay	3,494,637
Other governmental	<u>815,709</u>
TOTAL	<u><u>\$ 5,970,518</u></u>

Encumbrances at year end do not constitute expenditures or liabilities; therefore are not reflected in the financial statements.

14. PENSION PLAN

The County participates in the Florida Retirement System (FRS) which is a cost sharing multiple employer contributory retirement system administered by the State of Florida (State). The FRS was established in 1970 by Chapter 121, Florida Statutes. In 2002 the FRS was amended to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. Chapter 112, Florida Statutes established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple employer defined benefit pension plan to assist retired members of any state-administered retirement system in paying the cost of health insurance.

The State of Florida Retirement System issues a publicly available stand-alone financial report (ACFR) which includes financial statements and required supplementary information. Also available are the pension systems actuarial reports to support the schedules of employer allocations and schedules of pension amounts by employer. These reports are available on the division's website at <http://www.dms.myflorida.com> or by email at rep@dms.myflorida.com. The ACFR and actuarial reports may also be obtained by contacting the Division of Retirement at:

**State of Florida Department of Management Services
Division of Retirement
Research and Education Section
P.O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or Toll Free 877-377-1737**

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

14. PENSION PLAN – CONTINUED

There are six classes of membership applicable to the County. Members are eligible for normal retirement when they have met the requirements listed below. Early retirement may be taken any time after vesting within 20 years of normal retirement age; however, there is a 5 percent benefit reduction for each year prior to the normal retirement age.

Regular Class, Senior Management Service Class, and Elected Officers' Class Members –

For members initially enrolled in the FRS before July 1, 2011, six or more years of creditable service and age 62, or the age after completing six years of creditable service if after age 62. Thirty years of creditable service regardless of age before age 62. For members initially enrolled in the FRS on or after July 1, 2011, eight or more years of creditable service and age 65, or the age after completing eight years of creditable service if after age 65. Thirty-three years of creditable service regardless of age before age 65.

Special Risk Class and Special Risk Administrative Support Class Members –

For members initially enrolled in the FRS before July 1, 2011, six or more years of Special Risk Class service and age 55, or the age after completing six years of Special Risk Class service if after age 55. Twenty-five years of special risk service regardless of age before age 55. A total of 25 years of service including special risk service and up to four years of active duty wartime service and age 52. Without six years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class. For members initially enrolled in the FRS on or after July 1, 2011, eight or more years of Special Risk Class service and age 60, or the age after completing eight years of Special Risk Class service if after age 60. Thirty years of special risk service regardless of age before age 60. Without eight years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class.

The Deferred Retirement Option Program (DROP) is available under the FRS Pension Plan when the member first reaches eligibility for normal retirement. The DROP allows a member to retire while continuing employment for up to 60 months.

FRS Membership and Plan Benefits - The FRS Pension Plan provides retirement and disability benefits, death benefits and survivor's benefits. Members are also eligible for in-line-of-duty or regular disability benefits if permanently disabled and unable to work. Benefits are established by State Statutes. Retirement benefits are based on a formula comprised of age, average compensation, length of FRS service, and membership class. Average compensation is computed as the average of an individual's five highest years of earnings for employees hired before July 1, 2011 or eight highest years of earnings for employees hired on or after July 1, 2011. The amount of benefit payments is also affected by the retirement income option chosen by the plan participant.

Pension plan participants may choose to receive benefit in retirement under one of four options which will include a 3% cost-of-living adjustment each July (adjustments are only applicable for FRS service earned prior to July 1, 2011).

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

14. PENSION PLAN – CONTINUED

If a pension plan participant leaves FRS-covered employment, the pension plan benefit is frozen until the employee returns to FRS-covered employment or begins receiving early or normal retirement benefit.

HIS Membership and Plan Benefits - The HIS membership is available to all members within the FRS and defined contribution Investment Plan. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Contribution Requirements - The County is required to contribute at an actuarially determined rate; these rates are a percent of annual covered payroll. Employees are required to contribute 3% of their annual salary, while members participating in DROP are not required to make the 3% contribution. The County's contractually required contribution rate includes the HIS contribution, .06% administrative and educational fee and any applicable unfunded actuarial liability "UAL" rates. The HIS required contribution rate is 1.66% for the 2022 and 2023 FRS plan years. This contribution when combined with the employee contribution is expected to finance the cost of the benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Descriptions and contribution rates in effect during the period ended September 30, 2023 and two preceding FRS fiscal years are as follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>Regular Class:</u>			
Members not qualifying for other classes	13.57%	11.91%	10.82%
<u>Senior Management Class:</u>			
Members of senior management who do not elect the optional annuity retirement program	34.52%	31.57%	29.01%
<u>Elected Officials Class:</u>			
Certain elected county officials	58.68%	57.00%	51.42%
<u>Deferred Retirement Option Program (DROP):</u>			
Members are enrolled in DROP from FRS	21.13%	18.60%	18.34%

For the years ending September 30, 2023, 2022, 2021, the County contributed \$15,311,721, \$13,594,011, and \$13,628,113 respectively, equal to 100% of the required contributions for each year.

The Florida Legislature has the authority for establishing or amending retirement legislation and related bills of significance to members of the Florida Retirement System (FRS). Passed bills are presented to the Governor and approved before they may be enacted into law.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

14. PENSION PLAN – CONTINUED

Net pension liability, deferred outflows/inflows of resources and pension expense related to the County defined benefit pension plan - At September 30, 2023, the County reported a liability of \$150,172,734 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's long-term share of contributions to the FRS relative to the contributions of all participating governments. At June 30, 2023, the County's change in proportion was an increase from its proportion measured as of June 30, 2022.

The following table presents the information on the County's proportionate share of the FRS and HIS:

	<u>FRS</u>	<u>HIS</u>	<u>County Totals</u>
Proportionate share of net pension liability at June 30, 2023	\$ 114,635,290	\$ 35,537,446	\$ 150,172,736
County's proportion at June 30, 2023	0.00287689823	0.00223768646	
County's proportion at June 30, 2022	<u>0.00282240168</u>	<u>0.00219084751</u>	
Change in proportion during current year	<u>0.00005449655</u>	<u>0.00004683895</u>	

At September 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>FRS</u>		<u>HIS</u>		<u>County Total</u>
	<u>Deferred Outflow</u>	<u>Deferred Inflow</u>	<u>Deferred Outflow</u>	<u>Deferred Inflow</u>	<u>Deferred Outflow (Deferred Inflow)</u>
Differences between expected and actual experience	\$ 10,763,265	\$ -	\$ 520,244	\$ 83,412	\$ 11,200,097
Changes in assumptions	7,472,879	-	934,273	3,079,443	5,327,709
Net difference between projected and actual earnings on pension plan investments	4,787,480	-	18,352		4,805,832
Changes in proportion and differences between county					
County contributions and proportionate share of contributions	4,034,985	4,256,049	1,853,917	324,952	1,307,901
County contributions subsequent to the measurement date	<u>3,671,630</u>	<u>-</u>	<u>421,877</u>	<u>-</u>	<u>4,093,507</u>
	<u>\$ 30,730,239</u>	<u>\$ 4,256,049</u>	<u>\$ 3,748,663</u>	<u>\$ 3,487,807</u>	<u>\$ 26,735,046</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

14. PENSION PLAN – CONTINUED

County contributions subsequent to the measurement date of \$4,093,507 reported as deferred outflow of resources will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Reporting Year Ending June 30,	FRS	HIS	County Total Deferred Outflow (Deferred Inflow)
2024	\$ 3,086,416	\$ (6,801)	\$ 3,079,615
2025	(1,294,602)	109,452	(1,185,150)
2026	18,776,981	(9,388)	18,767,593
2027	1,737,130	(295,772)	1,441,358
2028	460,648	(21,002)	439,646
Thereafter	35,987	62,490	98,477
Totals	<u>\$ 22,802,560</u>	<u>\$ (161,021)</u>	<u>\$ 22,641,539</u>

The total FRS pension liability in the June 30, 2023 actuarial valuation was determined based on the discount rate using the following actuarial assumptions, applied to all periods included in the measurement. The total pension liability is calculated using the Individual Entry Age Normal cost allocation method, which differs from the Ultimate Entry Age Normal cost allocation method used in the funding valuation for the system.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

14. PENSION PLAN – CONTINUED

FRS actuarial methods and assumptions are:

Actuarial cost allocation method

Amortization method

Equivalent single amortization period

Asset valuation method

Individual Entry Age Cost
Level Percentage of Pay, Closed
30 years
Fair market value

Actuarial assumptions:

Discount rate

6.70%

Long term expected rate of return, net of
investment expense, including inflation

6.70%

Municipal bond rate

N/ A

Inflation

2.40%

Salary increases including inflation

3.25%

Mortality rates were based on PUB- 2010 base table with scale

HIS actuarial methods and assumptions are:

Actuarial Assumptions:

Discount rate

3.65%

Long term expected rate of return, net of
Investment expense, including inflation

N/ A

Municipal bond rate

3.65%

Inflation

2.40%

Salary increases including inflation

3.25%

Mortality rates were based on Generational PUB- 2010 with scale

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

14. PENSION PLAN – CONTINUED

The actuarial assumptions that determined the total pension liability as of June 30, 2023 were based on the results of an actuarial experience study for the period of July 1, 2013 – June 30, 2018.

The discount rate used for calculating the total FRS pension liability was 6.70%. The FRS plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long term expected rate of return. Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.65% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for the FRS Pension Plan were based on the PUB-2010 base table, projected generationally with Scale MP-2018, and mortality assumptions for the HIS Program were based on the Generational RP-2000 with Projection Scale BB tables.

The long term expected rate of return on Pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of returns for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric)	Standard Deviation
Cash	1.00%	2.90%	2.90%	1.10%
Fixed income	19.80%	4.50%	4.40%	3.40%
Global equity	54.00%	8.70%	7.10%	18.10%
Real estate (property)	10.30%	7.60%	6.60%	14.80%
Private equity	11.10%	11.90%	8.80%	26.30%
Strategic investments	3.80%	6.30%	6.10%	7.70%
	<u>100.00%</u>			
Assumed Inflation - mean			2.40%	1.40%

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

14. PENSION PLAN – CONTINUED

Sensitivity of the County's proportionate share of the pension liability to changes in the discount rate is calculated using discount rate for the respective plans, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
FRS Net Pension Liability	\$ 195,820,416	\$ 114,635,289	\$ 46,714,216

	1% Decrease 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
HIS Net Pension Liability	\$ 40,542,679	\$ 35,537,445	\$ 31,388,443

Detailed information about the pension plan's fiduciary net position is available in the separately issued FRS financial report.

The aggregate pension expense for the year ended September 30, 2023 for all plans was \$21,692,897.

15. POSTEMPLOYMENT BENEFITS

Board of County Commissioners

Plan Description

In addition to providing the pension benefits described, the Board of County Commissioners and all other elected officials except for the Sheriff and Tax Collector (the County) provide post-employment health care and dental insurance benefits (OPEB) for eligible retired employees and their spouses through a single-employer defined benefit plan administered by Blue Cross Blue Shield of Florida (BCBSFL). Pursuant to the provision of Section 112.0801, Florida Statutes, employees who retire from the County and eligible dependents, may continue to participate in the group insurance plan. Retirees and their eligible dependents shall be offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. The County subsidizes the premium rates paid by the retirees by allowing them to participate in the plan at blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. In order for OPEB obligations to be considered funded, an irrevocable trust fund must be used. No assets are currently accumulated or earmarked for this purpose. Benefits, benefit levels, employee contributions and employer contributions are governed and amended through its personnel manual by the County's Self Insurance Fund with approval by the Board. The plan does not issue a separate report.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

15. POSTEMPLOYMENT BENEFITS

Board of County Commissioners – Continued

Plan Membership

Inactive plan members or beneficiaries currently receiving benefits	79
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	889
	<hr/>
	968
	<hr/>

Benefits Provided

The County provides post-employment health care and dental benefits to its retirees. To be eligible for benefits an employee must retire under the County's retirement plan and must have been covered under the medical plan as an active employee immediately prior to retirement. Elected officials are not eligible for benefits if they qualify for retirement.

All health care benefits are provided through the County's health care provider, BCBSFL. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the County's plan becomes secondary.

Contributions

The County contracted Insurance Broker negotiates the premium rates with BCBSFL. Retirees and beneficiaries currently receiving benefits are required to contribute 100% of their current premium costs. The County contributes the remainder to cover the costs of providing the benefits to the retirees via the insured plan. Active employees do not contribute to the plan until retirement.

Total OPEB Liability

The total OPEB liability was actuarially determined based on several actuarial assumptions, using the actuarial measurement date of September 30, 2022. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The actuarial assumptions used in the September 30, 2023 OPEB Plan valuation were based on the results of an actuarial study for the period from October 1, 2021 through September 30, 2022.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

15. POSTEMPLOYMENT BENEFITS – CONTINUED

Board of County Commissioners – Continued

Actuarial Assumptions

The following assumptions were used in determining the total OPEB liability:

Actuarial cost method	Entry age normal
Inflation	2.25%
Discount rate	4.40%
Salary increases	Salary increase rates developed in the 5-year experience study dated January 15, 2019 and covering the period 2012 through 2017; 3.0% - 8.5% , including inflation.
Retirement age	Retirement rates developed in the 5-year experience study dated January 15, 2019 and covering the period 2012 through 2017; varies by age.
Mortality	Mortality tables used for regular and special risk class members in the July 1, 2021 actuarial valuation of the Florida retirement system. They are based on the results of a statewide experience study covering the period 2013 through 2018 and include generational projections.
Healthcare cost trend rates	Based on the getzen model, with trend starting at 8.34% on 10/1/2022 (to reflect actual premiums) followed by 5.75% on 10/1/2023 and gradually decreasing to an ultimate trend rate of 3.75%
Aging factors	Based on the 2013 SOA study “health care costs – from birth to death”
Expenses	Administrative expenses are included in the per capital health costs.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

15. POSTEMPLOYMENT BENEFITS – CONTINUED

Board of County Commissioners – Continued

Change in Net OPEB Liability

	Increase (Decrease)		
	Plan		
	Net OPEB Liability	Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balances at September 30, 2022	\$ 4,363,584	\$ -	\$ 4,363,584
Changes for the year:			
Service cost	325,211	-	325,211
Interest	99,850	-	99,850
Difference in expected and actual experience of the total OPEB liability	-	-	-
Changes of assumptions	(1,052,445)	-	(1,052,445)
Contributions	-	258,870	(258,870)
Benefit payments	(258,870)	(258,870)	-
NET CHANGES	(886,254)	-	(886,254)
BALANCES AT SEPTEMBER 30, 2023	<u>\$ 3,477,330</u>	<u>\$ -</u>	<u>\$ 3,477,330</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

15. POSTEMPLOYMENT BENEFITS – CONTINUED

Board of County Commissioners – Continued

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

	1% Decrease 3.40%	Current Discount Rate 4.40%	1% Increase 5.40%
Net OPEB liability	\$ 3,901,803	\$ 3,477,330	\$ 3,121,309

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trends Rates:

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Net OPEB liability	\$ 3,203,627	\$ 3,477,330	\$ 3,805,943

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the Board recognized OPEB expense of \$130,721. On September 30, 2023, the Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 1,210,011
Changes in assumptions	185,026	1,112,969
Contributions subsequent to the measurement date	206,362	-
	<u>\$ 391,388</u>	<u>\$ 2,322,980</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

15. POSTEMPLOYMENT BENEFITS – CONTINUED

Board of County Commissioners – Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – Continued

Deferred outflows of resources related to OPEB of \$206,362 resulting from the Board's contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30:

2024	\$ 294,340
2025	294,340
2026	294,340
2027	274,444
2028	252,865
Thereafter	727,625
Total	<u>\$ 2,137,954</u>

Sheriff

Plan Description

The Okaloosa County Sheriff's Office (OCSO) administers a single-employer defined benefit healthcare plan ("the Plan"). The Plan provides healthcare insurance for eligible retirees and their spouses through the Sheriff's group health insurance plan, which covers both active and retired members. There is no separate trust through which benefits for retirees are funded. No assets are currently accumulated or earmarked for this purpose. Employer contribution rates for retirees vary based on the type of retirement, years of service, and type of coverage. The Plan does not issue a publicly available financial report but OPEB expenses are reflected in the Sheriff's internal service fund within the County's Annual Comprehensive Financial Report (ACFR).

Plan membership:

Inactive plan members or beneficiaries currently receiving benefits	24
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	362
	<u>386</u>

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

15. POSTEMPLOYMENT BENEFITS – CONTINUED

Sheriff – Continued

Contributions and Funding Policy

Retirees and beneficiaries currently receiving medical/prescription benefits are required to make monthly premium contributions in order to maintain their coverage. The single retiree premium is paid by the OCSO for retirees with at least 20 years of service, until the retiree reaches age 65. Effective October 1, 2010 that benefit is no longer available except to retirees that met the criteria as of September 30, 2010. Effective June 2011, the OCSO instituted a policy whereby retiring members with thirty years of service with the agency will receive a 50% premium subsidy on their retired employee coverage. This subsidy is limited to five years from their retirement date or until they reach age 65, whichever comes first. Dependent coverage is paid by the retiree. The amount of the premium contribution may change from time to time. Surviving spouses of retirees are eligible to continue coverage under the plan, but must continue to pay the full premium. However, the premiums for health coverage for surviving spouses and any dependent children of officers who had sustained catastrophic injuries or death in the line of duty are paid fully by the OCSO as prescribed by FS Sec 112.19(g) and 112.19(h)1.

Total OPEB Liability

The total OPEB liability was actuarially determined based on several actuarial assumptions, using the actuarial measurement date of September 30, 2022. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

15. POSTEMPLOYMENT BENEFITS – CONTINUED

Sheriff – Continued

Actuarial Assumptions

Actuarial cost method	Entry age normal
Inflation	2.25%
Discount rate	4.40%
Salary increases	Salary increase rates used in the July 1, 2021 actuarial valuation of the Florida retirement Systems; 3.4% - 7.8% , including inflation
Retirement age	Retirement rates used in the July 1, 2021 actuarial valuation of the Florida retirement system. They are based on the results of a state wide experience study covering the period 2013 through 2018.
Mortality	These rates were taken from adjusted Pub-2010 mortality tables published by the Society of Actuaries (SOA) with generational mortality improvements using scale MP-2018. Adjustments to referenced tables are based on the results of a state-wide experience study covering the period 2013-2018.
Healthcare cost trend rates	Based on the getzen model, with trend starting at 6.00% for 10/1/2022 (0.00% for premiums) , followed by 5.75% on 10/1/2023 and gradually decreasing to an ultimate trend rate of 3.75%.
Aging factors	Based on the 2013 SOA Study “health care costs – from birth to death”.
Expenses	Administrative expenses are include in the per capital health costs.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

15. POSTEMPLOYMENT BENEFITS – CONTINUED

Sheriff – Continued

Change in Net OPEB Liability

		Increase (Decrease) Plan	
	Total OPEB Liability (a)	Fiduciary Net position (b)	Net OPEB Liability (a) - (b)
Balances at September 30, 2022	\$ 7,380,123	\$ -	\$ 7,380,123
Changes for the year:			
Service cost	333,017	-	333,017
Interest	164,996	-	164,996
Difference in expected and actual experience of the total OPEB liability	-	-	-
Changes of assumptions	(1,405,071)	-	(1,405,071)
Contributions	-	358,856	(358,856)
Benefit payments	(358,856)	(358,856)	-
NET CHANGES	<u>(1,265,914)</u>	<u>-</u>	<u>(1,265,914)</u>
BALANCES AT SEPTEMBER 30, 2023	<u>\$ 6,114,209</u>	<u>\$ -</u>	<u>\$ 6,114,209</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

	1% Decrease 3.40%	Current Discount Rate 4.40%	1% Increase 5.40%
Net OPEB Liability	<u>\$ 6,695,850</u>	<u>\$ 6,114,209</u>	<u>\$ 5,602,505</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability	<u>\$ 5,351,371</u>	<u>\$ 6,114,209</u>	<u>\$ 7,060,158</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

15. POSTEMPLOYMENT BENEFITS – CONTINUED

Sheriff – Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the OCSO recognized OPEB expense of \$453,794. On September 30, 2023, the OCSO reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 554,537	\$ -
Changes in assumptions	635,117	1,679,069
Contributions subsequent to the measurement date	374,165	-
	<u>\$ 1,563,819</u>	<u>\$ 1,679,069</u>

Deferred outflows of resources related to OPEB of \$374,165 resulting from the OCSO's contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30:	
2024	\$ (44,219)
2025	(44,219)
2026	(44,219)
2027	(44,219)
2028	(44,219)
Thereafter	<u>(268,320)</u>
Total	<u>\$ (489,415)</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

15. POSTEMPLOYMENT BENEFITS – CONTINUED

Tax Collector

The Okaloosa County Tax Collector's Office (the Tax Collector) provides certain continuing health care and life insurance benefits for its retired employees. This is considered a single-employer defined benefit OPEB plan administered by the Tax Collector (the TC's OPEB Plan). Medical benefits are provided through comprehensive plans and are made available to employees upon actual retirement and meeting certain eligibility requirements. For purposes of measuring the net OPEB liability, deferred outflows of resources, deferred inflows of resources related to OPEB and OPEB expense, the Tax Collector recognizes benefit payments when due and payable in accordance with the benefit terms. Life insurance coverage is not considered in this valuation.

As of September 30, 2023, the Tax Collector's OPEB plan reports a net OPEB liability of \$98,922, deferred outflows of resources of \$37,794 and deferred inflows of resources of \$29,065 as of September 30, 2023. For the year ended September 30, 2023, the Tax Collector's OPEB plan recognized OPEB expense of \$4,499. Life insurance coverage is not considered in this valuation.

Due to the insignificant amounts involved, management has elected not to record this activity or provide the detailed footnotes as required by generally accepted accounting principles in the United States of America.

The aggregate OPEB expense for the year ended September 30, 2023 for all plans was \$589,014.

16. RISK MANAGEMENT

The County is exposed to risk of loss for claims and judgments for public liability, workers' compensation, employee medical benefits and other special risks. The County uses the Self Insurance Internal Services Fund to account for all risks from workers' compensation loss, general liability, and medical benefit claims for all County employees except those of the Sheriff, from catastrophic damage to real and tangible property and from special risk policies for the Board. The Tax Collector does not participate in the Board's medical benefit claims program, but it does participate in all others. A mixture of commercial insurance coverage and self-insurance, which is described below, manages the risk to the County. There has been no significant reduction in insurance coverage from the prior fiscal year, and insurance coverage has been sufficient to cover all claims made in the prior three fiscal years.

Method of Risk Management

Public Liability

Florida Statutes 768.28(5) limits the maximum County liability for claims and judgments by any one person and any one incident to \$200,000 and \$300,000, respectively. The County self-insures public liability claims for automobile, general and professional liability. A third party administrator manages claims. Currently, the County retains the risk for the first \$50,000 for automobile liability, and \$100,000 for general and professional liability for each claim or incident. A third party administrator manages the claims.

The Sheriff maintains a commercial insurance policy for public liability and bears no risk of loss under this type of coverage.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

16. RISK MANAGEMENT – CONTINUED

Method of Risk Management – Continued

Employee Medical Benefits

The Board of County Commissioners and all other elected officials of Okaloosa County, except the Sheriff and Tax Collector, use a fully insured commercial insurance plan to fund employee medical benefits. The Board of County Commissioners or elected official pays the premiums for the employees while the individual pays for dependent and retiree coverage. The County bears no risk of loss under this type of coverage.

The Sheriff and Tax Collector utilize a self-funded health plan to provide comprehensive medical benefits to the employees, retirees and their dependents by participating in the Florida Sheriffs Employee Benefit Trust (FSEBT). The FSEBT was established in 1984 by several Florida Sheriffs for the main purpose of providing group health, life, and disability insurance benefits for all classes of employees of Florida Sheriffs' offices and associated governmental entities. The Sheriff's and Tax Collector's plans are self-funded coverage up to an agreed upon retention limit. Should a claim reach the retention limit, the Sheriff and Tax Collector are covered through excess coverage and aggregate stop-loss reinsurance offered by the FSEBT. The limits for the Sheriff and Tax Collector are \$200,000 and \$200,000, respectively, on an individual basis in a plan year and \$600,000 and \$500,000, respectively, on an aggregate basis. The Sheriff's and Tax Collector's incurred by not reported health claims are separately calculated under the plans, however, all other financial information is pooled with the Trust. The amounts attributable to the Sheriff and Tax Collector are reflected in the amounts held by others for benefits at September 30, 2023. Participation in the FSEBT generally requires a thirty-six-month commitment period. The commitment period for the Sheriff and the Tax Collector ends in September 2025 and July 2024, respectively. The FSEBT provides annual audited financial statements to its members.

The Sheriff uses an internal service fund to account for risks from medical benefit claims. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. At September 30, 2023, the amount of these liabilities was \$602,076. This liability has been determined based on an actuarial evaluation of all claims reported and all claims incurred but not reported (IBNR) as of September 30, 2023. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

16. RISK MANAGEMENT – CONTINUED

Method of Risk Management – Continued

Employee Medical Benefits – Continued

The Tax Collector uses an internal service fund to account for risks from medical benefit claims. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. At September 30, 2023, the amount of these liabilities was \$39,113. This liability has been determined based on an actuarial evaluation of all claims reported and all claims incurred but not reported (IBNR) as of September 30, 2023. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors.

	<u>2023</u>	<u>2022</u>
Claims liability at beginning of year	\$ 566,696	\$ 393,720
Current year claims and estimated changes	6,781,317	5,871,257
Claims payments	<u>(6,706,824)</u>	<u>(5,698,281)</u>
Claims liability at end of year	<u><u>\$ 641,189</u></u>	<u><u>\$ 566,696</u></u>

Crime Coverage

The Board purchases crime coverage against theft of money and securities with a \$25,000 deductible. All of the other elected officials, except the Sheriff, are covered under the policy. Florida Statute requires certain classes of employees (law enforcement) be provided with a special death and disability benefit. The Board purchases a commercial policy. The County bears no risk of loss under this type of coverage.

The Sheriff insures this exposure separately.

Property Insurance

The County self-insures the risk of physical loss to its real property, business property and equipment. The County retains the risk of the first \$50,000 of physical damage to County property. In the case of a named storm, the self-insurance retention changes to a 3% deductible on each structure with a minimum deductible of \$100,000 on all damaged structures for a capped deductible of \$5,000,000 per storm. Effective October 2015, the County insures vehicles valued at \$25,000 and above and retains the risk for the first \$10,000 of physical damage.

Workers' Compensation

The County contracts with a third party administrator to have its workers' compensation claims processed. The County retains risk for all claims up to \$500,000 per incident. Excess insurance is purchased to cover losses up to a statutory limit for workers' compensation and \$1,000,000 for employers' liability.

The Sheriff participates in the Florida Sheriffs' Workers' Compensation Self Insurance Program. It is a fully insured, guaranteed cost program with a deductible trust fund and insurance with a commercial carrier. The Sheriff retains no risk.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

16. RISK MANAGEMENT – CONTINUED

Claim Liabilities for Retained Risk

Claim liabilities for workers' compensation, general liabilities (including errors and omissions), and auto liability (both bodily injury and property damage) have been determined based on an actuarial evaluation of all claims reported and all claims incurred but not reported (IBNR) as of September 30, 2022. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The actuarial estimation of ultimate losses does not include any future recoveries from the Florida Special Disability Fund, subrogation or third party liens, etc. except to the degree they are implicitly included in the trending process of estimating ultimate losses. The ultimate loss calculation does take into consideration specific excess reinsurance recoverable.

Claims liabilities recognized in the Self Insurance Fund of the Board of County Commissioners at September 30, 2023 were as follows:

	<u>Current</u>	<u>Long- term</u>	<u>Total</u>
Workers' compensation	\$ 956,000	\$ 3,100,000	\$ 4,056,000
General liability	328,000	711,000	1,039,000
Automobile liability	129,000	92,000	221,000
Property	<u>55,000</u>	<u>13,000</u>	<u>68,000</u>
Total claims liability recognized	<u>\$ 1,468,000</u>	<u>\$ 3,916,000</u>	<u>\$ 5,384,000</u>

Funding of Claims Liabilities

The Self Insurance Fund charges the other funds of the Board and other participating elected officials for the cost of claim liabilities based on actuarially projected budget requirements for expected yearly cash payouts. This funding method results in a deficit fund balance that will be charged back to the other funds over a reasonable period of time so that service fund revenues and expenses will be approximately equal.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

16. RISK MANAGEMENT – CONTINUED

Reconciliation of Claims Liabilities

	As of September 30, 2023					As of September 30, 2022				
	Workers' Compensation	General Liability	Automobile	Property	Total	Workers' Compensation	General Liability	Automobile	Property	Total
Unpaid claims and adjustment expenses at beginning of year	\$ 4,334,000	\$ 868,000	\$ 237,000	\$ 62,000	\$ 5,501,000	\$ 4,257,000	\$ 698,600	\$ 244,000	\$ 60,000	\$ 5,259,600
Incurred claims and claim adjustment expenses										
a) Provision for insured events of current fiscal year	(680,000)	(486,000)	(149,000)	(62,000)	(1,377,000)	1,390,000	313,000	70,000	93,000	1,866,000
b) Increases (decreases) in provision for insured events of prior fiscal years	(757,000)	359,000	43,000	19,000	(336,000)	(483,000)	165,000	159,000	18,000	(141,000)
Total incurred claims and claim adjustment expenses payments	(1,437,000)	(127,000)	(106,000)	(43,000)	(1,713,000)	907,000	478,000	229,000	111,000	1,725,000
a) Claims and claim adjustment expenses attributable to insured events of current fiscal year	1,488,000	377,000	101,000	93,000	2,059,000	(134,000)	(18,600)	(6,000)	(60,000)	(218,600)
b) Claims and claim adjustment expenses attributable to insured events of prior fiscal year	(329,000)	(79,000)	(11,000)	(44,000)	(463,000)	(696,000)	(290,000)	(230,000)	(49,000)	(1,265,000)
TOTAL PAYMENTS	<u>1,159,000</u>	<u>298,000</u>	<u>90,000</u>	<u>49,000</u>	<u>1,596,000</u>	<u>(830,000)</u>	<u>(308,600)</u>	<u>(236,000)</u>	<u>(109,000)</u>	<u>(1,483,600)</u>
UNPAID CLAIMS AND CLAIM ADJUSTMENT EXPENSES AT THE END OF THE YEAR	<u>\$ 4,056,000</u>	<u>\$ 1,039,000</u>	<u>\$ 221,000</u>	<u>\$ 68,000</u>	<u>\$ 5,384,000</u>	<u>\$ 4,334,000</u>	<u>\$ 868,000</u>	<u>\$ 237,000</u>	<u>\$ 62,000</u>	<u>\$ 5,501,000</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

17. COMMITMENTS AND CONTINGENCIES

Wastewater Service Interlocal Agreement with Fort Walton Beach

In 2009, the Board adopted the Wastewater Service Interlocal Agreement (Agreement) with the City of Fort Walton Beach (City). The Agreement outlines a long-term association for the treatment of the City's influent wastewater flow at a set percentage of the County's base sewer rate plus a locked-in annual rate escalator. The agreement provides other ancillary benefits to the City such as the provision of "no cost" tertiary treated effluent for use as irrigation water at the City's 36-hole municipal golf club. The Agreement is effective for 30 years and can be automatically extended for up to two additional terms for a period of ten years for each extension term.

The City will be billed monthly at a rate equal to \$2.46 per each 1,000 gallons of wastewater flow. Additionally, the City will pay to the County the Sewer Readiness to Serve Fee, which is equal to \$3,750 per month. Beginning March 2011, and each year thereafter, the Readiness to Serve Fee will increase by 3% annually. Service to the City began March 2010. Fees of \$2,513,276 paid by the City during 2023 are reflected as Charges for Services in the Water and Sewer fund. The minimum commitment to the County under the Agreement is as follows:

Fiscal Year Ending September 30,	Payment
2024	\$ 67,074
2025	69,086
2026	71,159
2027	73,294
2028	75,493
2029-2033	412,830
2034-2038	478,584
2039-2040	104,501
TOTAL	\$ 1,352,021

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Board expects such amount, if any, to be immaterial.

Lawsuits

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Board's management that resolution of most of these matters will not have a material adverse effect on the financial condition of the Board.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

17. COMMITMENTS AND CONTINGENCIES – CONTINUED

Inmate Health Services Agreement

The County has in place an Inmate Health Service Agreement for which a contractor has assumed the responsibilities of the provision for certain health care services to be delivered to individuals in the custody and control of the County. The annual compensation is based on an average daily population of the inmates served; however, there is an annual limited exposure of \$3,205,500 in the contract. Health service expenses above these amounts are the responsibility of the County. During the year ended September 30, 2023, the County incurred additional expenses of \$287,541 as actual costs exceeded the annual exposure amount.

City of Destin Interlocal Agreement

In October 2022, the County and City of Destin entered an amended Interlocal Agreement using tourist development taxes for the acquisition, demolition, design, and construction of public beachfront park property at an estimated cost of \$26,500,000. The project includes two phases: beach access phase I project Crystal Beach, \$9,750,000, which costs are split between the County (59%) and the City (41%), and beach access phase II project Tarpon, \$16,750,000, which costs are split between the County and the City equally.

In November of 2022, \$14,052,725 was disbursed from the Tourist Development special revenue fund to the City of Destin, Florida to fund acquisition of land (project Tarpon) for public beach use. The City of Destin, Florida will reimburse the County for their 50% portion by an annual reduction in their district's Tourist Development taxes in the amount of \$750,000. All tourist development taxes levied in Okaloosa County are collected and held by the County as restricted fund balance until disbursed for allowable use.

18. RELATED ORGANIZATIONS

Library Cooperative

The Okaloosa County Board of County Commissioners entered into an inter-local agreement with six (6) municipalities located within Okaloosa County, Florida to provide for operation of a countywide public library system. The governing body of the cooperative is the Okaloosa County Public Library Cooperative Board made up of one appointee from each municipality and the County. Capital assets remain the property of the participating municipalities. Under the agreement, the County agreed to provide annual funding to the cooperative.

The current agreement was entered into in November 2022 and shall end or be renewed December 2023. The Okaloosa County Board of County Commissioners' contribution to the library cooperative for the year ended September 30, 2023 was \$778,523. In addition, approximately \$103,490 of allocable indirect costs was charged to the fund. These charges were treated as an in-kind contribution by the County during the year ended September 30, 2023. The future commitment to the library cooperative in 2024 is \$816,638.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

19. CHANGE IN ACCOUNTING PRINCIPLES

Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs), was implemented as of October 1, 2022 during fiscal year 2023. The new requirements require the reporting of certain lease assets and liabilities which were previously not reported. The result of these changes had no effect on the beginning net position.

Governmental Activities

	Balances September 30, 2022 as Previously Reported	Changes to Implement GASB No. 96	Balances October 1, 2022, as Restated
Capital assets, depreciable	\$ 460,050,732	\$ 4,051,905	\$ 464,102,637
Long-term debt, SBITA contracts	-	4,051,905	4,051,905
	<u>\$ 460,050,732</u>	<u>\$ 8,103,810</u>	<u>\$ 468,154,542</u>

Business-type Activities

	Balances September 30, 2022 as Previously Reported	Changes to Implement GASB No. 96	Balances October 1, 2022, as Restated
Capital assets, depreciable	\$ 581,500,132	\$ 226,077	\$ 581,726,209
Long-term debt, SBITA contracts	-	226,077	226,077
	<u>\$ 581,500,132</u>	<u>\$ 452,154</u>	<u>\$ 581,952,286</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

20. PRIOR PERIOD ADJUSTMENTS

Water and Sewer Fund

The County identified billing cycles which have not previously been included in the unbilled revenue calculation at year-end. This correction of error is required to be applied retroactively and therefore, the County restated the beginning net position of the Water and Sewer Fund in the statement of revenues, expenses, and changes in net position as follows:

	September 30, 2022			October 1, 2022
	Balance as		Correction of	Balance
	Previously Reported		Error	
Gross accounts receivable	\$ 4,337,177	\$ 882,960		\$ 5,220,137
Net position	\$ 202,968,975	\$ 882,960		\$ 203,851,935

Road and Bridge Construction Capital Projects Fund

The County identified Triumph expenditures from 2021 and 2022 that are not available revenue based on County accounting policy at fund level. This correction of error is required to be applied retroactively and therefore, the County restated the beginning fund balance of the Road and Bridge Construction Projects Fund in the statement of revenues, expenditures, and changes in fund balance as follows:

	September 30, 2022			October 1, 2022
	Balance as		Correction of	Balance
	Previously Reported		Error	
Unavailable revenue	\$ -	\$ 12,757,300		\$ 12,757,300
Fund balance	\$ 30,952,771	\$ (12,757,300)		\$ 18,195,471

21. SUBSEQUENT EVENTS

The County has evaluated events and transactions that occurred between September 30, 2023, and March 25, 2024, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements. No subsequent events have been recognized or disclosed.

REQUIRED SUPPLEMENTARY INFORMATION

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes	\$ 85,082,044	\$ 86,459,544	\$ 86,227,061	\$ (232,483)
Licenses and permits	25,000	43,000	42,675	(325)
Intergovernmental	30,357,998	48,108,381	37,730,096	(10,378,285)
Charges for services	15,086,780	19,162,147	22,228,537	3,066,390
Fines	10,600	55,031	61,807	6,776
Investment income (loss)	280,000	3,283,616	2,524,420	(759,196)
Miscellaneous	2,040,828	3,474,710	4,013,626	538,916
Total revenues	132,883,250	160,586,429	152,828,222	(7,758,207)
EXPENDITURES				
Current				
General government	42,777,598	43,632,829	38,156,329	5,476,500
Public safety	91,529,855	93,915,282	78,313,538	15,601,744
Physical environment	969,424	1,616,930	897,588	719,342
Transportation	87,016	8,449,622	4,168,188	4,281,434
Economic environment	3,721,654	3,721,654	3,703,848	17,806
Human services	4,289,726	5,198,367	4,593,311	605,056
Culture and recreation	2,971,870	3,969,167	3,161,412	807,755
Court-related	3,051,177	3,528,134	3,853,281	(325,147)
Capital outlay	3,377,686	16,877,853	13,832,132	3,045,721
Debt service				
Principal	-	13,200	1,874,101	(1,860,901)
Interest	-	-	106,006	(106,006)
Total expenditures	152,776,006	180,923,038	152,659,734	28,263,304
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	(19,892,756)	(20,336,609)	168,488	20,505,097
OTHER FINANCING SOURCES (USES)				
Transfers in	8,690,588	10,398,155	9,726,687	(671,468)
Transfers out	(7,795,074)	(14,881,837)	(14,776,965)	104,872
Transfers among constitutional officers	(6,790,981)	(1,160,745)	738,559	1,899,304
SBITA proceeds	-	-	3,387,172	3,387,172
Total other financing sources (uses)	(5,895,467)	(5,644,427)	(924,547)	4,719,880
NET CHANGE IN FUND BALANCE	(25,788,223)	(25,981,036)	(756,059)	25,224,977
FUND BALANCE - BEGINNING	25,788,223	25,981,036	37,231,275	11,250,239
FUND BALANCE - ENDING	\$ -	\$ -	\$ 36,475,216	\$ 36,475,216

See notes to required supplementary information.

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
TOURIST DEVELOPMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final budget
				Positive
				(Negative)
REVENUES				
Taxes	\$ 27,000,000	\$ 42,784,532	\$ 42,784,532	\$ -
Intergovernmental	-	2,921,450	376,302	(2,545,148)
Charges for services	1,069,500	1,069,500	1,020,585	(48,915)
Investment income (loss)	545,000	545,000	2,947,743	2,402,743
Miscellaneous	50,000	50,000	72,374	22,374
Total revenues	28,664,500	47,370,482	47,201,536	(168,946)
EXPENDITURES				
Current				
Economic environment	32,811,446	51,049,703	19,933,129	31,116,574
Culture and recreation	38,651,113	38,097,018	17,249,099	20,847,919
Capital outlay	6,393,418	20,823,051	7,076,176	13,746,875
Debt service				
Principal	-	-	32,089	(32,089)
Interest	-	-	516	(516)
Total expenditures	77,855,977	109,969,772	44,291,009	65,678,763
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	(49,191,477)	(62,599,290)	2,910,527	65,509,817
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,203,430)	(5,084,007)	(4,115,460)	968,547
NET CHANGE IN FUND BALANCES	(52,394,907)	(67,683,297)	(1,204,933)	66,478,364
FUND BALANCE - BEGINNING	52,394,907	67,683,297	67,723,936	40,639
FUND BALANCE - ENDING	\$ -	\$ -	\$ 66,519,003	\$ 66,519,003

See notes to required supplementary information.

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
NATURAL DISASTER SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Intergovernmental	\$ -	\$ 38,954,800	\$ 3,915,703	\$ (35,039,097)
Investment income (loss)	-	197,310	738,531	541,221
Total revenues	-	39,152,110	4,654,234	(34,497,876)
EXPENDITURES				
Current				
Public safety	50,000	27,853,086	710,596	27,142,490
Economic environment	-	173,078	129,528	43,550
Capital outlay	-	11,740,909	3,070,135	8,670,774
Total expenditures	50,000	39,767,073	3,910,259	35,856,814
EXCESS (DEFICIENCY) OF REVENUES OVER UNDER EXPENDITURES	<u>(50,000)</u>	<u>(614,963)</u>	<u>743,975</u>	<u>1,358,938</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	564,963	564,963	-
Total other financing sources (uses)	-	564,963	564,963	-
NET CHANGE IN FUND BALANCE	<u>(50,000)</u>	<u>(50,000)</u>	<u>1,308,938</u>	<u>1,358,938</u>
FUND BALANCE - BEGINNING	<u>50,000</u>	<u>50,000</u>	<u>(561,598)</u>	<u>(611,598)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 747,340</u>	<u>\$ 747,340</u>

See notes to required supplementary information.

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
BOARD OF COUNTY COMMISSIONERS, CLERK OF COURTS, SUPERVISOR OF ELECTIONS, AND PROPERTY APPRAISER
SEPTEMBER 30, 2023

LAST 10 YEARS (1)

Reporting Year Ended September 30,	2023	2022	2021	2020	2019	2018
TOTAL OPEB LIABILITY						
Service cost	\$ 325,211	\$ 352,112	\$ 335,118	\$ 292,775	\$ 301,261	\$ 315,544
Interest	99,850	126,559	136,081	194,080	175,371	155,871
Difference between expected and actual experience	-	(821,021)	-	(773,538)	-	-
Changes in assumptions and other inputs	(1,052,445)	(106,417)	(17,276)	312,630	(190,963)	(228,803)
Benefit payments	<u>(258,870)</u>	<u>(173,913)</u>	<u>(161,860)</u>	<u>(212,688)</u>	<u>(228,144)</u>	<u>(263,492)</u>
NET CHANGE IN TOTAL OPEB LIABILITY	(886,254)	(622,680)	292,063	(186,741)	57,525	(20,880)
TOTAL OPEB LIABILITY - BEGINNING	<u>4,363,584</u>	<u>4,986,264</u>	<u>4,694,201</u>	<u>4,880,942</u>	<u>4,823,417</u>	<u>4,844,297</u>
(2) TOTAL OPEB LIABILITY - ENDING	<u><u>\$ 3,477,330</u></u>	<u><u>\$ 4,363,584</u></u>	<u><u>\$ 4,986,264</u></u>	<u><u>\$ 4,694,201</u></u>	<u><u>\$ 4,880,942</u></u>	<u><u>\$ 4,823,417</u></u>
COVERED EMPLOYEE PAYROLL	\$ 46,389,052	\$ 45,037,915	\$ 42,462,696	\$ 41,026,759	\$ 46,908,840	\$ 3,975,614
TOTAL OPEB LIABILITY AS A PERCENTAGE OF PAYROLL	7.50%	9.69%	11.74%	11.44%	10.41%	121.33%

(1) This schedule is intended to show information for 10 years. Additional years will be presented as data becomes available.

(2) There are no assets accumulated in a Trust to pay related benefits for the OPEB Plan.

See notes to required supplementary information.

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
SHERIFF'S PLAN
SEPTEMBER 30, 2023

LAST 10 YEARS (1)

Reporting Year Ended September 30,	2023	2022	2021	2020	2019	2018
TOTAL OPEB LIABILITY						
Service cost	\$ 333,017	\$ 290,699	\$ 290,317	\$ 286,196	\$ 289,638	\$ 299,973
Interest	164,996	148,675	164,992	215,697	195,267	173,653
Difference between expected and actual experience	-	453,591	-	236,378	-	-
Changes in assumptions and other inputs	(1,405,071)	734,353	(27,539)	(130,119)	(204,160)	(253,549)
Benefit payments	<u>(358,856)</u>	<u>(251,142)</u>	<u>(266,413)</u>	<u>(222,307)</u>	<u>(226,832)</u>	<u>(237,985)</u>
NET CHANGE IN OPEB LIABILITY	(1,265,914)	1,376,176	161,357	385,845	53,913	(17,908)
TOTAL OPEB LIABILITY - BEGINNING	<u>7,380,123</u>	<u>6,003,947</u>	<u>5,842,590</u>	<u>5,456,745</u>	<u>5,402,832</u>	<u>5,420,740</u>
(2) TOTAL OPEB LIABILITY - ENDING	<u><u>\$ 6,114,209</u></u>	<u><u>\$ 7,380,123</u></u>	<u><u>\$ 6,003,947</u></u>	<u><u>\$ 5,842,590</u></u>	<u><u>\$ 5,456,745</u></u>	<u><u>\$ 5,402,832</u></u>
COVERED EMPLOYEE PAYROLL	\$ 27,248,822	\$ 18,486,506	\$ 24,956,664	\$ 19,281,684	\$ 21,725,682	\$ 15,887,651
TOTAL OPEB LIABILITY AS A PERCENTAGE OF PAYROLL	22.44%	39.92%	24.06%	30.30%	25.12%	34.01%

(1) This schedule is intended to show information for 10 years. Additional years will be presented as data becomes available.

(2) There are no assets accumulated in a Trust to pay related benefits for the OPEB Plan.

See notes to required supplementary information.

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2023

	Florida Retirement System				
	2023	2022	2021	2020	2019
County's proportion of the net pension liability (asset)	0.29%	0.28%	0.28%	0.30%	0.29%
County's proportionate share of the net pension liability (asset)	\$ 114,635,289	\$ 105,016,024	\$ 20,835,800	\$ 128,458,322	\$ 101,144,655
County's covered payroll	\$ 88,674,096	\$ 79,119,061	\$ 89,370,064	\$ 82,201,157	\$ 88,574,717
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	129.28%	132.73%	23.31%	156.27%	114.19%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.29%	96.40%	78.85%	82.61%
	Health Insurance Subsidy				
	2023	2022	2021	2020	2019
County's proportion of the net pension liability (asset)	0.22%	0.22%	0.21%	0.21%	0.21%
County's proportionate share of the net pension liability (asset)	\$ 35,537,445	\$ 23,204,574	\$ 25,693,815	\$ 25,340,684	\$ 23,169,078
County's covered payroll	\$ 88,674,096	\$ 79,119,061	\$ 89,370,064	\$ 82,201,157	\$ 88,574,717
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	40.08%	29.33%	28.75%	30.83%	26.16%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%	2.63%

See notes to required supplementary information.

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY – CONTINUED
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2023

	Florida Retirement System				
	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset)	0.29%	0.28%	0.28%	0.27%	0.27%
County's proportionate share of the net pension liability (asset)	\$ 87,393,354	\$ 83,995,538	\$ 71,598,556	\$ 34,835,695	\$ 16,322,350
County's covered payroll	\$ 82,752,416	\$ 76,059,862	\$ 75,588,485	\$ 73,573,015	\$ 70,721,165
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	105.61%	110.43%	94.72%	47.35%	23.08%
Plan fiduciary net position as a percentage of the total pension liability	84.26%	83.89%	84.88%	92.00%	96.09%
	Health Insurance Subsidy				
	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset)	0.20%	0.20%	0.20%	0.20%	0.20%
County's proportionate share of the net pension liability (asset)	\$ 21,574,482	\$ 21,241,191	\$ 23,012,784	\$ 20,014,715	\$ 18,257,627
County's covered payroll	\$ 82,752,416	\$ 76,059,862	\$ 75,588,485	\$ 73,573,015	\$ 70,721,165
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	26.07%	27.93%	30.44%	27.20%	25.82%
Plan fiduciary net position as a percentage of the total pension liability	2.15%	1.64%	0.97%	0.50%	0.99%

See notes to required supplementary information.

**OKALOOSA COUNTY, FLORIDA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2023**

	Florida Retirement System				
	2023	2022	2021	2020	2019
Contractually required contribution	\$ 13,839,731	\$ 12,043,702	\$ 10,507,921	\$ 9,847,613	\$ 9,106,681
Contributions in relation to the contractually required contribution	(13,839,731)	(12,043,702)	(10,507,921)	(9,847,613)	(9,106,681)
CONTRIBUTION DEFICIENCY (EXCESS)	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 88,674,096	\$ 79,119,061	\$ 89,370,064	\$ 82,201,157	\$ 88,574,717
Contributions as a percentage of covered payroll	15.61%	15.22%	11.76%	11.98%	10.28%
	Health Insurance Subsidy				
	2023	2022	2021	2020	2019
Contractually required contribution	\$ 1,471,990	\$ 1,325,647	\$ 1,231,227	\$ 1,195,974	\$ 1,149,840
Contributions in relation to the contractually required contribution	(1,471,990)	(1,325,647)	(1,231,227)	(1,195,974)	(1,149,840)
CONTRIBUTION DEFICIENCY (EXCESS)	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 88,674,096	\$ 79,119,061	\$ 89,370,064	\$ 82,201,157	\$ 88,574,717
Contributions as a percentage of covered payroll	1.66%	1.68%	1.38%	1.45%	1.30%

See notes to required supplementary information.

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF CONTRIBUTIONS – CONTINUED
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2023

Florida Retirement System					
	2018	2017	2016	2015	2014
Contractually required contribution	\$ 8,268,916	\$ 7,389,824	\$ 6,915,008	\$ 6,575,576	\$ 5,859,714
Contributions in relation to the contractually required contribution	(8,268,916)	(7,389,824)	(6,915,008)	(6,575,576)	(5,859,714)
CONTRIBUTION DEFICIENCY (EXCESS)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
County's covered payroll	\$ 82,752,416	\$ 76,059,862	\$ 75,588,485	\$ 73,573,015	\$ 70,721,165
Contributions as a percentage of covered payroll	9.99%	9.72%	9.15%	8.94%	8.29%
Health Insurance Subsidy					
	2018	2017	2016	2015	2014
Contractually required contribution	\$ 1,105,421	\$ 1,051,344	\$ 1,012,092	\$ 750,201	\$ 668,908
Contributions in relation to the contractually required contribution	(1,105,421)	(1,051,344)	(1,012,092)	(750,201)	(668,908)
CONTRIBUTION DEFICIENCY (EXCESS)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
County's covered payroll	\$ 82,752,416	\$ 76,059,862	\$ 75,588,485	\$ 73,573,015	\$ 70,721,165
Contributions as a percentage of covered payroll	1.34%	1.38%	1.34%	1.02%	0.95%

See notes to required supplementary information.

OKALOOSA COUNTY, FLORIDA
NOTES REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2023

Budgetary Information

On or about June 1 of each year, proposed budgets are received by the Board of County Commissioners from its department heads, from all other constitutional officers, and from other agencies requesting funding for the ensuing fiscal year. These proposed expenditures, along with all estimated receipts, taxes to be levied, and balances expected to be brought forward are considered by the Board of County Commissioners in a series of workshops beginning on or after July 15. The Board of County Commissioners requires such changes as deemed necessary, sets proposed millages and establishes dates for tentative and final public budget hearings as prescribed by Florida Statutes. Proposed budgets are advertised in a newspaper of general circulation in the County. Public hearings are conducted in Crestview and Shalimar for the purpose of receiving input, responding to complaints and providing reasons and explanations for intended actions to all citizens participating.

In the event the final budget has not been adopted by October 1, the beginning of the fiscal year, Florida Statutes provide for expenditures based on the adopted tentative budget or the Board re-adopts its prior year's adopted final budget, as amended, and expends monies based on that budget until such time as its tentative budget is adopted pursuant to law. The final appropriations budget is adopted by resolution of the Board of County Commissioners.

Florida Statutes require that the individual budgets of several of the constitutional officers must be approved by the State of Florida. The "fee" portion of these budgets is not a part of the appropriations budget passed by the Board of County Commissioners. The budgetary information shown in these financial statements includes the entire budget for each constitutional office. The level of budgetary control (that is the level at which expenditures cannot legally exceed appropriations) has been established at the fund level. The County Administrator is authorized to transfer budgeted amounts within departments of a fund and between departments of a fund; however, the Board of County Commissioners must approve any revisions that alter the total expenditures of any fund. Each constitutional officer is authorized to make line item transfers but must request approval from the Board for increases in appropriations.

Budget amounts are originally adopted amounts as amended by action of the Board of County Commissioners by revision of fund totals. The County does not include grant activity carried forward from the prior year as part of their original budget adoption and, therefore, all grant activity is reflected as an amendment to the original budget. Supplemental budgetary appropriations of \$292,095,259 representing a 46% increase over the original adopted budget were necessary during the fiscal year. All amendments to originally adopted amounts were made in a legally permissible manner.

Pension Related Notes to Schedule:

The following changes in actuarial assumptions occurred in 2023:

FRS: The Mortality assumption used is the PUB-2010 base table projected generationally with Scale MP-2018. The inflation rate assumption remained at 2.40%. Payroll growth, including inflation remained at 3.25%. The long-term expected rate of return remained at 6.7%.

HIS: The municipal rate used to determine total pension liability was increased from 3.54% to 3.65%.

OKALOOSA COUNTY, FLORIDA
NOTES REQUIRED SUPPLEMENTARY INFORMATION – CONTINUED
SEPTEMBER 30, 2023

OPEB Related Notes to Schedule:

The following changes in actuarial assumptions occurred in 2023:

Changes of Benefit Terms: There were no benefit changes during the year.

Changes in Assumptions: Changes in assumptions and other inputs include the change in the discount rate from 2.19% to 4.40% as of September 30, 2023. The following are the discount rates used in each period:

2023	4.40%
2022	2.19%
2021	2.41%
2020	2.75%
2019	3.83%
2018	3.50%
2017	3.10%

Healthcare Cost Trend Rates: Based on the Getzen Model, with trending starting at 6.00% (17.1% for premiums to reflect actual increase) and gradually decreasing to an ultimate trend rate of 3.75%.

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

**OKALOOSA COUNTY, FLORIDA
GOVERNMENTAL FUNDS
GENERAL FUND**

The General Fund is the government's primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund includes the Board of County Commissioners, Clerk of Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector:

Board of County Commissioners

This fund is the primary operating fund of Okaloosa County. It is used to account for all financial resources of the general government except those required to be accounted for in other funds.

Clerk of the Circuit Court and Comptroller

This fund reflects the activities of the Office of the Clerk of Circuit Court. Services provided are in accordance with provisions of the Florida Statutes related primarily to the county and circuit court systems, recording operations, and various other services.

Property Appraiser

This fund reflects the operations of the Office of the Property Appraiser who provides independent appraisals of tangible and personal property for all taxing authorities within the County.

Sheriff

This fund reflects the operations of the Office of the Sheriff. Services provided are for all the law enforcement activities within the County.

Supervisor of Elections

This fund reflects the operations of the Office of the Supervisor of Elections in the performance of its duties in accordance with Florida Statutes.

Tax Collector

This fund reflects the operations of the Office of the Tax Collector who collects and remits ad valorem taxes, licenses, and other revenues, to the related taxing authorities.

**OKALOOSA COUNTY, FLORIDA
COMBINING BALANCE SHEET
GENERAL FUND BY CATEGORY
SEPTEMBER 30, 2023**

	Board	Clerk	Sheriff	Supervisor of Elections	Tax Collector	Property Appraiser	Total
ASSETS							
Cash and cash equivalents	\$ 1,131,471	\$ 3,381,273	\$ 1,868,872	\$ 95,662	\$ 976,639	\$ 508,524	\$ 7,962,441
Investments	26,085,945	217,521	-	96,891	-	-	26,400,357
Accounts receivable	175,164	-	-	896	-	-	176,060
Lease receivable	15,915,763	-	-	-	361,732	-	16,277,495
Due from other funds	7,074,150	-	-	-	-	-	7,074,150
Due from other elected officials	1,593,962	703,257	558,125	-	157	-	2,855,501
Due from other governments	4,525,236	8,506	523,435	-	31,087	-	5,088,264
Inventory	104,286	-	-	-	-	-	104,286
Prepays	394,750	78,249	-	116,395	-	-	589,394
TOTAL ASSETS	\$ 57,000,727	\$ 4,388,806	\$ 2,950,432	\$ 309,844	\$ 1,369,615	\$ 508,524	\$ 66,527,948
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES							
LIABILITIES							
Accounts payable	560,043	25,249	434,096	12,521	18,651	6,261	1,056,821
Contracts payable	1,301,199	-	-	-	-	-	1,301,199
Other accrued liabilities	1,818,567	231,683	1,602,119	45,093	29,283	48,751	3,775,496
Due to other funds	-	-	297,940	-	-	-	297,940
Due to other elected officials	925,725	4,233,035	370,323	238,686	693,788	401,680	6,863,237
Due to other governments	41,770	9,669	245,954	-	77,506	51,832	426,731
Due to depositors	24,316	-	-	-	7,683	-	31,999
Unearned revenue	753,249	-	-	13,544	180,972	-	947,765
TOTAL LIABILITIES	5,424,869	4,499,636	2,950,432	309,844	1,007,883	508,524	14,701,188
DEFERRED INFLOW OF RESOURCES							
Lease receivable	14,989,812	-	-	-	361,732	-	15,351,544
FUND BALANCES							
Nonspendable	499,036	78,249	-	116,395	-	-	693,680
Committed	278,580	-	-	-	-	-	278,580
Assigned	10,461,482	-	-	-	-	-	10,461,482
Unassigned	25,346,948	(189,079)	-	(116,395)	-	-	25,041,474
TOTAL FUND BALANCES	36,586,046	(110,830)	-	-	-	-	36,475,216
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES	\$ 57,000,727	\$ 4,388,806	\$ 2,950,432	\$ 309,844	\$ 1,369,615	\$ 508,524	\$ 66,527,948

OKALOOSA COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND BY CATEGORY
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Board	Clerk	Sheriff	Supervisor of Elections	Tax Collector	Property Appraiser	Total
REVENUES							
Taxes	\$ 86,227,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 86,227,061
Licenses and permits	42,675	-	-	-	-	-	42,675
Intergovernmental	36,438,934	591,436	618,509	81,217	-	-	37,730,096
Charges for services	12,879,996	1,270,953	-	28,582	7,617,956	431,050	22,228,537
Fines	61,807	-	-	-	-	-	61,807
Investment income (loss)	2,524,420	-	-	-	-	-	2,524,420
Miscellaneous	3,507,018	138,765	-	2,255	363,467	2,121	4,013,626
Total revenues	141,681,911	2,001,154	618,509	112,054	7,981,423	433,171	152,828,222
EXPENDITURES							
Current							
General government	21,401,023	4,707,043	-	2,085,804	6,769,224	3,193,235	38,156,329
Public safety	22,274,859	-	56,038,679	-	-	-	78,313,538
Physical environment	897,588	-	-	-	-	-	897,588
Transportation	4,168,188	-	-	-	-	-	4,168,188
Economic environment	3,703,848	-	-	-	-	-	3,703,848
Human services	4,593,311	-	-	-	-	-	4,593,311
Culture and recreation	3,161,412	-	-	-	-	-	3,161,412
Court-related	1,309,456	-	2,543,825	-	-	-	3,853,281
Capital outlay	3,372,457	98,026	9,482,096	257,295	17,949	604,309	13,832,132
Debt service							
Principal	8,040	507,740	823,474	-	534,847	-	1,874,101
Interest	948	16,733	9,238	-	79,087	-	106,006
Total expenditures	64,891,130	5,329,542	68,897,312	2,343,099	7,401,107	3,797,544	152,659,734
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	76,790,781	(3,328,388)	(68,278,803)	(2,231,045)	580,316	(3,364,373)	168,488
OTHER FINANCING SOURCES (USES)							
Transfers in	8,897,262	829,425	-	-	-	-	9,726,687
Transfers out	(14,776,965)	-	-	-	-	-	(14,776,965)
SBITA proceeds	-	-	3,387,172	-	-	-	3,387,172
Transfers among constitutional officers	(71,556,307)	2,388,133	64,891,631	2,231,045	(580,316)	3,364,373	738,559
Total other financing sources (uses)	(77,436,010)	3,217,558	68,278,803	2,231,045	(580,316)	3,364,373	(924,547)
NET CHANGE IN FUND BALANCE	(645,229)	(110,830)	-	-	-	-	(756,059)
FUND BALANCES - BEGINNING	37,231,275	-	-	-	-	-	37,231,275
FUND BALANCES (DEFICIT) - ENDING	\$ 36,586,046	\$ (110,830)	\$ -	\$ -	\$ -	\$ -	\$ 36,475,216

OTHER SUPPLEMENTARY INFORMATION

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
ROAD AND BRIDGE CONSTRUCTION CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 2,352,387	\$ 2,352,387	\$ 2,221,744	\$ (130,643)
Intergovernmental	2,294,500	14,929,101	4,857,736	(10,071,365)
Charges for services	-	2,032,100	15,469	(2,016,631)
Investment income (loss)	-	1,571,200	1,523,906	(47,294)
Miscellaneous	-	46,942,065	1,127,516	(45,814,549)
Total revenues	<u>4,646,887</u>	<u>67,826,853</u>	<u>9,746,371</u>	<u>(58,080,482)</u>
EXPENDITURES				
Current				
Transportation	9,025,634	12,638,219	1,504,554	11,133,665
Capital Outlay	32,851,307	90,586,588	22,903,983	67,682,605
Debt service				
Principal	-	-	175,127	(175,127)
Total expenditures	<u>41,876,941</u>	<u>103,224,807</u>	<u>24,583,664</u>	<u>78,641,143</u>
EXCESS (DEFICIENCY) OF REVENUES OVER UNDER EXPENDITURES	<u>(37,230,054)</u>	<u>(35,397,954)</u>	<u>(14,837,293)</u>	<u>20,560,661</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	600,000	600,000	600,000	-
Transfers out	-	(1,300,000)	(1,300,000)	-
Total other financing sources (uses)	<u>600,000</u>	<u>(700,000)</u>	<u>(700,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>(36,630,054)</u>	<u>(36,097,954)</u>	<u>(15,537,293)</u>	<u>20,560,661</u>
FUND BALANCE - BEGINNING	<u>36,630,054</u>	<u>36,097,954</u>	<u>18,195,471</u>	<u>(17,902,483)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,658,178</u>	<u>\$ 2,658,178</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
INFRASTRUCTURE SURTAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Taxes	\$ 20,049,384	\$ 20,403,384	\$ 22,004,325	\$ 1,600,941
Investment income (loss)	85,000	1,938,900	1,701,301	(237,599)
TOTAL REVENUES	<u>20,134,384</u>	<u>22,342,284</u>	<u>23,705,626</u>	<u>1,363,342</u>
EXPENDITURES				
Current				
Public Safety	35,553,139	22,910,300	-	22,910,300
Transportation	213,637	263,077	262,060	1,017
Capital outlay	11,131,659	38,312,525	10,804,179	27,508,346
TOTAL EXPENDITURES	<u>46,898,435</u>	<u>61,485,902</u>	<u>11,066,239</u>	<u>50,419,663</u>
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER)				
EXPENDITURES	(26,764,051)	(39,143,618)	12,639,387	51,783,005
OTHER FINANCING				
SOURCES (USES)				
Transfer out	(4,104,200)	(4,104,200)	(4,104,200)	-
TOTAL OTHER FINANCING				
SOURCES (USES)	<u>(4,104,200)</u>	<u>(4,104,200)</u>	<u>(4,104,200)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(30,868,251)	(43,247,818)	8,535,187	51,783,005
FUND BALANCE - BEGINNING	<u>30,868,251</u>	<u>43,247,818</u>	<u>43,247,818</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,783,005</u>	<u>\$ 51,783,005</u>

**OKALOOSA COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Board of County Commissioners

County Transportation Trust Fund

This fund is used to account for maintenance and in-house construction of Okaloosa County roads. These activities include road maintenance traffic control engineering right-of-way acquisition and construction of new roadways. Funds are provided from state shared revenue and certain gasoline taxes collected and distributed by the State of Florida.

Local Housing Assistance Trust Fund

This fund is used to account for funds received from the State Housing Initiatives Partnership Program for implementing and administering the local housing assistance plan.

E-911 Operations Fund

This fund is used to account for E911 revenues collected exclusively for costs associated with developing and maintaining E911 systems and networks.

Radio Communications Fund

This fund is used to account for surcharges collected to fund the acquisition of equipment software and engineering administrative and maintenance services to construct, operate and maintain a statewide radio system.

Law Enforcement Trust Fund

This fund is used to account for the revenues received as a result of criminal or forfeiture proceedings and used for school resource officer crime prevention safe neighborhood drug abuse education and prevention programs or for other law enforcement purposes.

Police Academy Fund

This fund is used to account for an additional \$2 assessed by the County for criminal justice education degree programs and training courses.

County Public Health Fund

This fund is used to account for funds appropriated by Okaloosa County for or on behalf of the county public health unit such as capital projects costs.

Municipal Services Benefit Units Fund

This fund is used to account for the assessments levied against benefiting properties for providing street lighting street and drainage improvements and maintenance.

Unincorporated Municipal Services Taxing Unit Fund

This fund is used to account for ad valorem tax proceeds levied on property in the unincorporated areas of Okaloosa County for the maintenance of parks in those areas.

**OKALOOSA COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2023**

SPECIAL REVENUE FUNDS – CONTINUED

Board of County Commissioners – Continued

Prisoner Benefit Fund

This fund is used to account for profits from the detention facility's commissary and expenses involved in the commissary operation.

Additional Court Cost Fund

This fund is used to account for the \$65 additional court costs imposed by the County to fund innovations in legal aid law library and teen court operations.

Drug Abuse Trust Fund

This fund is used to account for an additional assessment collected for the purpose of providing assistance for alcohol and other drug abuse treatment or education programs.

Domestic Violence Trust Fund

This fund is used to account for the \$85 surcharge imposed on domestic violence offenses and is used to provide additional training to law enforcement personnel in combating domestic violence.

Traffic Education Trust Fund

This fund is used to account for the additional \$5 surcharge imposed on each traffic penalty and is used to fund driver education programs in public and non-public schools.

Choctaw Bay Estuary Fund

This fund is used to account for comprehensive management and improvement of water quality, habitat, natural resources and economic benefits of Choctawhatchee Bay.

Fiber Optic Cable Fund

This fund provides for the engineering, operation, maintenance and sustainability of the County Fiber Optic Telecommunication Utility System and related critical assets.

Clerk of Circuit Court

Clerk of Circuit Court Courts Special Revenue Fund

This fund is used to account for the statutory fines, fees, service charges and costs collected by the Clerk related to the performance of court-related activities. All excess funds over the amount of the Clerk's operating budget for this fund approved by the Clerks of Court Operations Corporation are remitted to the Florida Department of Revenue.

Public Records Modernization Trust Fund

This fund is used to account for recording fees collected by the Clerk under Florida Statute 28.24(12) (d). The fund is used exclusively for equipment personnel training and technical assistance in modernizing the public records system.

Public Records Courts Special Revenue Fund

This fund is used to account for recording fees collected by the Clerk under Florida Statute 28.24(12) (e). The fund is used exclusively for court-related technology needs.

**OKALOOSA COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2023**

SPECIAL REVENUE FUNDS – CONTINUED

Sheriff

Sheriff Federal Law Enforcement Trust Fund

This fund is used to account for confiscated merchandise and funds and is expended for Law Enforcement Purposes. Funds cannot be used for normal operating expenses.

Teen Driver Challenge Fund

This fund is used to account for revenues restricted by the Florida Sheriffs Association and is expended to support a new safety program for teen drivers. Funds cannot be used for normal operating expenses.

DEBT SERVICE FUND

Debt Service funds are used to account for the accumulation of resources and payment of special obligation bond principal and interest from governmental resources when Okaloosa County is obligated in some manner for the payment.

Board of County Commissioners

Okaloosa Debt Service Fund

This fund is used to account for accumulation of resources and payment of bond debt for Sales Tax Revenue Bonds Series 2011, 2014, 2016, 2019 and Tourist Development note.

CAPITAL PROJECTS FUND

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Board of County Commissioners

Capital Outlay Construction Trust Capital Projects Fund

This fund is used to account for proceeds of bond issues, federal and state grants, and local appropriations for major capital projects. At the end of the fiscal year, completed projects are capitalized and reported on the government-wide financial statements of Okaloosa County, Florida.

**OKALOOSA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

	County Transportation Trust Special Revenue Fund	Local Housing Assistance trust Fund	E- 911 Operations Special Revenue Fund
ASSETS			
Cash and cash equivalents	\$ 274,637	\$ 167,939	\$ 12,103
Investments	3,687,674	3,520,125	195,976
Accounts receivable	40	10,230	-
Due from other funds	-	-	-
Due from other elected officials	2,948	-	-
Due from other governments	718,578	-	290,255
Inventory	745,401	-	-
Prepays	45	-	1,300
TOTAL ASSETS	\$ 5,429,323	\$ 3,698,294	\$ 499,634
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 104,007	\$ -	\$ 400
Contracts payable	8,690	-	-
Other accrued liabilities	263,554	-	-
Due to other funds	-	-	-
Due to other elected officials	-	97	194,455
Due to other governments	1,766	-	-
Due to depositors	-	-	-
Unearned revenue	-	3,306,077	-
TOTAL LIABILITIES	378,017	3,306,174	194,855
FUND BALANCES			
Nonspendable	745,446	-	1,300
Restricted	-	392,120	303,479
Committed	-	-	-
Assigned	4,305,860	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	5,051,306	392,120	304,779
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,429,323	\$ 3,698,294	\$ 499,634

**OKALOOSA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2023**

	Radio Communications Special Revenue Fund	Law Enforcement Trust Special Revenue Fund	Police Academy Special Revenue Fund
ASSETS			
Cash and cash equivalents	\$ 97,205	\$ 29,778	\$ 101,023
Investments	107,574	77,172	39,280
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other elected officials	-	-	-
Due from other governments	4,395	-	-
Inventory	-	-	-
Prepays	-	-	-
TOTAL ASSETS	\$ 209,174	\$ 106,950	\$ 140,303
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ 4,414
Contracts payable	-	-	-
Other accrued liabilities	-	-	-
Due to other funds	-	-	-
Due to other elected officials	-	-	-
Due to other governments	-	-	11,425
Due to depositors	-	-	-
Unearned revenue	-	-	-
TOTAL LIABILITIES	-	-	15,839
FUND BALANCES			
Nonspendable	-	-	-
Restricted	209,174	106,950	124,464
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	209,174	106,950	124,464
TOTAL LIABILITIES AND FUND BALANCES	\$ 209,174	\$ 106,950	\$ 140,303

**OKALOOSA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2023**

	County Public Health Special Revenue Fund	Municipal Services Benefit Unit Special Revenue Fund	Unincorporated Municipal Services Taxing Unit Fund
ASSETS			
Cash and cash equivalents	\$ 225,857	\$ 7,780	\$ 478,887
Investments	101,236	590,727	2,744,815
Accounts receivable	-	-	2,425
Due from other funds	-	-	-
Due from other elected officials	10	1,011	5,071
Due from other governments	-	178,707	-
Inventory	-	-	-
Prepays	-	805	-
TOTAL ASSETS	\$ 327,103	\$ 779,030	\$ 3,231,198
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ -	\$ 32,026	\$ 35,764
Contracts payable	55,152	15,150	16,105
Other accrued liabilities	-	-	25,563
Due to other funds	-	73,850	-
Due to other elected officials	-	-	-
Due to other governments	-	-	26
Due to depositors	-	-	-
Unearned revenue	-	-	-
TOTAL LIABILITIES	55,152	121,026	77,458
FUND BALANCES			
Nonspendable	-	805	-
Restricted	-	-	3,153,740
Committed	-	657,199	-
Assigned	271,951	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	271,951	658,004	3,153,740
TOTAL LIABILITIES AND FUND BALANCES	\$ 327,103	\$ 779,030	\$ 3,231,198

**OKALOOSA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2023**

	Prisoner Benefit Special Revenue Fund	Additional Court Cost Special Revenue Fund	Drug Abuse Trust Special Revenue Fund
ASSETS			
Cash and cash equivalents	\$ 276,606	\$ 237,608	\$ 82,713
Investments	1,133,571	280,085	54,977
Accounts receivable	48,502	265	-
Due from other funds	-	-	-
Due from other elected officials	-	-	-
Due from other governments	-	83,531	50
Inventory	-	-	-
Prepays	833	-	-
TOTAL ASSETS	\$ 1,459,512	\$ 601,489	\$ 137,740
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 6,687	\$ 955	\$ -
Contracts payable	47,386	33,873	-
Other accrued liabilities	10,111	10,010	-
Due to other funds	-	-	-
Due to other elected officials	-	-	-
Due to other governments	-	62,170	-
Due to depositors	84,237	-	-
Unearned revenue	-	-	-
TOTAL LIABILITIES	148,421	107,008	-
FUND BALANCES			
Nonspendable	833	-	-
Restricted	1,310,258	494,481	137,740
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	1,311,091	494,481	137,740
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,459,512	\$ 601,489	\$ 137,740

**OKALOOSA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2023**

	Domestic Violence Trust Special Revenue Fund	Traffic Education Special Revenue Fund	Choctaw Bay Estuary Fund
ASSETS			
Cash and cash equivalents	\$ 1,348	\$ 36,300	\$ 23,475
Investments	1,549	68,433	657
Accounts receivable	-	-	-
Due from other funds			
Due from other elected officials	-	-	-
Due from other governments	2,944	-	158,965
Inventory	-	-	-
Prepays	-	-	6,064
TOTAL ASSETS	\$ 5,841	\$ 104,733	\$ 189,161
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ 464
Contracts payable	-	-	59,997
Other accrued liabilities	-	-	2,700
Due to other funds	-	-	125,000
Due to other elected officials	-	-	-
Due to other governments	-	-	-
Due to depositors	-	-	-
Unearned revenue	-	-	500
TOTAL LIABILITIES	-	-	188,661
FUND BALANCES			
Nonspendable	-	-	6,064
Restricted	5,841	104,733	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	(5,564)
TOTAL FUND BALANCES	5,841	104,733	500
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,841	\$ 104,733	\$ 189,161

**OKALOOSA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2023**

	Fiber Optic Cable Fund	Courts Special Revenue Fund	Public Records Modernization Trust Special Revenue Fund
ASSETS			
Cash and cash equivalents	\$ 702,382	\$ 823,335	\$ -
Investments	446,273	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other elected officials	-	210	-
Due from other governments	-	60,455	-
Inventory	-	-	-
Prepays	-	20,800	-
TOTAL ASSETS	\$ 1,148,655	\$ 904,800	\$ -
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 7,512	\$ 5,295	\$ -
Contracts payable	-	-	-
Other accrued liabilities	-	401,055	-
Due to other funds	-	-	-
Due to other elected officials	-	-	-
Due to other governments	-	498,450	-
Due to depositors	-	-	-
Unearned revenue	-	-	-
TOTAL LIABILITIES	7,512	904,800	-
FUND BALANCES			
Nonspendable	-	20,800	-
Restricted	-	-	-
Committed	-	-	-
Assigned	1,141,143	-	-
Unassigned	-	(20,800)	-
TOTAL FUND BALANCES	1,141,143	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,148,655	\$ 904,800	\$ -

**OKALOOSA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2023**

	Public Records Courts Special Revenue Fund	Federal Law Enforcement Trust Special Revenue Fund	Teen Driver Challenge Special Revenue Fund
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other elected officials	-	-	-
Due from other governments	-	-	-
Inventory	-	-	-
Prepays	-	-	-
TOTAL ASSETS	\$ -	\$ -	\$ -
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Contracts payable	-	-	-
Other accrued liabilities	-	-	-
Due to other funds	-	-	-
Due to other elected officials	-	-	-
Due to other governments	-	-	-
Due to depositors	-	-	-
Unearned revenue	-	-	-
TOTAL LIABILITIES	-	-	-
FUND BALANCES			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ -	\$ -

**OKALOOSA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2023**

	Okaloosa Debt Service Fund	Capital Outlay Construction Trust Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 4,313,766	\$ 678,001	\$ 8,570,743
Investments	137,637	33,310,080	46,497,841
Accounts receivable	-	802	62,264
Due from other funds	-	-	-
Due from other elected officials	-	100,652	109,902
Due from other governments	-	34,004	1,531,884
Inventory	-	-	745,401
Prepays	-	-	29,847
TOTAL ASSETS	\$ 4,451,403	\$ 34,123,539	\$ 57,547,882
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 800	\$ 102,789	\$ 301,113
Contracts payable	-	2,026,215	2,262,568
Other accrued liabilities	-	-	712,993
Due to other funds	4,500,000	-	4,698,850
Due to other elected officials	-	4,500	199,052
Due to other governments	-	524	574,361
Due to depositors	-	-	84,237
Unearned revenue	-	-	3,306,577
TOTAL LIABILITIES	4,500,800	2,134,028	12,139,751
FUND BALANCES			
Nonspendable	-	-	775,248
Restricted	-	25,489,511	31,832,491
Committed	-	-	657,199
Assigned	-	6,500,000	12,218,954
Unassigned	(49,397)	-	(75,761)
TOTAL FUND BALANCES	(49,397)	31,989,511	45,408,131
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,451,403	\$ 34,123,539	\$ 57,547,882

**OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	County Transportation Trust Special Revenue Fund	Local Housing Assistance Trust Fund	E- 911 Operations Special Revenue Fund
REVENUES			
Taxes	\$ 6,415,418	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	2,088,727	272,792	2,085,593
Charges for services	741,848	-	-
Fines	-	-	-
Investment income (loss)	237,137	59,924	21,717
Miscellaneous	16,741	534,937	-
TOTAL REVENUES	9,499,871	867,653	2,107,310
EXPENDITURES			
Current			
General government	-	490,614	-
Public safety	-	-	17,906
Physical environment	943,562	-	-
Transportation	9,667,985	-	-
Economic environment	-	345,591	-
Human services	-	-	-
Culture and recreation	-	-	-
Court- related	-	-	-
Capital outlay	905,838	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	11,517,385	836,205	17,906
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,017,514)	31,448	2,089,404
OTHER FINANCING SOURCES (USES)			
Transfers in	984,469	-	-
Transfers out	-	-	(1,507,327)
Transfers among constitutional officers	2,934	-	(947,394)
TOTAL OTHER FINANCING SOURCES (USES)	987,403	-	(2,454,721)
NET CHANGE IN FUND BALANCES	(1,030,111)	31,448	(365,317)
FUND BALANCE - BEGINNING	6,081,417	360,672	670,096
FUND BALANCE - ENDING	\$ 5,051,306	\$ 392,120	\$ 304,779

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Radio Communications Special Revenue Fund	Law Enforcement Trust Special Revenue Fund	Police Academy Special Revenue Fund
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	19,424
Fines	64,074	8,842	-
Investment income (loss)	9,347	2,585	4,150
Miscellaneous	-	-	-
TOTAL REVENUES	73,421	11,427	23,574
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	30,601
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court- related	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	-	-	30,601
EXCESS (DEFICIENCY) OF REVENUES			
OVER (UNDER) EXPENDITURES	73,421	11,427	(7,027)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(153,501)	-	-
Transfers among constitutional officers	-	(40,350)	-
TOTAL OTHER FINANCING SOURCES (USES)	(153,501)	(40,350)	-
NET CHANGE IN FUND BALANCES	(80,080)	(28,923)	(7,027)
FUND BALANCE - BEGINNING	289,254	135,873	131,491
FUND BALANCE - ENDING	\$ 209,174	\$ 106,950	\$ 124,464

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	County Public Health Special Revenue Fund	Municipal Services Benefit Unit Special Revenue Fund	Unincorporated Municipal Services Taxing Unit Fund
REVENUES			
Taxes	\$ 667,493	\$ -	\$ 2,225,550
Licenses and permits	-	626,137	-
Intergovernmental	-	174,901	-
Charges for services	-	-	42,695
Fines	-	-	-
Investment income (loss)	12,496	24,946	112,529
Miscellaneous	15,460	186	-
TOTAL REVENUES	695,449	826,170	2,380,774
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	664,189	-
Economic environment	-	-	-
Human services	661,827	-	-
Culture and recreation	-	-	1,450,780
Court- related	-	-	-
Capital outlay	15,460	264,490	272,293
Debt service			
Principal	-	-	-
Interest	-	2,356	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	677,287	931,035	1,723,073
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	18,162	(104,865)	657,701
OTHER FINANCING SOURCES (USES)			
Transfers in	4,000	-	-
Transfers out	-	-	-
Transfers among constitutional officers	-	994	4,907
TOTAL OTHER FINANCING SOURCES (USES)	4,000	994	4,907
NET CHANGE IN FUND BALANCES	22,162	(103,871)	662,608
FUND BALANCE - BEGINNING	249,789	761,875	2,491,132
FUND BALANCE - ENDING	\$ 271,951	\$ 658,004	\$ 3,153,740

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Prisoner Benefit Special Revenue Fund	Additional Court Cost Special Revenue Fund	Drug Abuse Trust Special Revenue Fund
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	1,168,623	1,129,442	-
Fines	-	-	11,056
Investment income (loss)	43,585	11,980	4,018
Miscellaneous	-	68,147	-
TOTAL REVENUES	1,212,208	1,209,569	15,074
EXPENDITURES			
Current			
General government	-	-	-
Public safety	1,190,295	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court- related	-	907,920	1,828
Capital outlay	5,675	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	1,195,970	907,920	1,828
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	16,238	301,649	13,246
OTHER FINANCING SOURCES (USES)			
Transfers in	-	273,127	-
Transfers out	-	(438,072)	-
Transfers among constitutional officers	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(164,945)	-
NET CHANGE IN FUND BALANCES	16,238	136,704	13,246
FUND BALANCE - BEGINNING	1,294,853	357,777	124,494
FUND BALANCE - ENDING	\$ 1,311,091	\$ 494,481	\$ 137,740

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Domestic Violence Trust Special Revenue Fund	Traffic Education Special Revenue Fund	Choctaw Bay Estuary Fund
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	358,923
Charges for services	-	-	-
Fines	29,868	65,685	-
Investment income (loss)	129	4,428	-
Miscellaneous	-	-	-
TOTAL REVENUES	29,997	70,113	358,923
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	358,923
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court- related	-	135,389	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	-	135,389	358,923
EXCESS (DEFICIENCY) OF REVENUES			
OVER (UNDER) EXPENDITURES	29,997	(65,276)	-
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(29,868)	-	-
Transfers among constitutional officers	-	(30,644)	-
TOTAL OTHER FINANCING SOURCES (USES)	(29,868)	(30,644)	-
NET CHANGE IN FUND BALANCES	129	(95,920)	-
FUND BALANCE - BEGINNING	5,712	200,653	500
FUND BALANCE - ENDING	\$ 5,841	\$ 104,733	\$ 500

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Fiber Optic Cable Fund	Courts Special Revenue Fund	Public Records Modernization Trust Special Revenue Fund
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	389,751	-
Charges for services	1,547,471	3,091,157	118,719
Fines	-	1,039,206	-
Investment income (loss)	58,217	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	1,605,688	4,520,114	118,719
EXPENDITURES			
Current			
General government	563,087	-	-
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court- related	-	4,693,676	-
Capital outlay	1,607,355	177,410	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	2,170,442	4,871,086	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(564,754)	(350,972)	118,719
OTHER FINANCING SOURCES (USES)			
Transfers in	-	150,972	-
Transfers out	-	-	(438,561)
Transfers among constitutional officers	-	200,000	-
TOTAL OTHER FINANCING SOURCES (USES)	-	350,972	(438,561)
NET CHANGE IN FUND BALANCES	(564,754)	-	(319,842)
FUND BALANCE - BEGINNING	1,705,897	-	319,842
FUND BALANCE - ENDING	\$ 1,141,143	\$ -	\$ -

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Public Records Courts Special Revenue Fund	Federal Law Enforcement Trust Special Revenue Fund	Teen Driver Challenge Special Revenue Fund
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	358,928	-	-
Fines	-	-	-
Investment income (loss)	-	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	358,928	-	-
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	40,350	30,644
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court- related	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	-	40,350	30,644
EXCESS (DEFICIENCY) OF REVENUES			
OVER (UNDER) EXPENDITURES	358,928	(40,350)	(30,644)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(541,836)	-	-
Transfers among constitutional officers	-	40,350	30,644
TOTAL OTHER FINANCING SOURCES (USES)	(541,836)	40,350	30,644
NET CHANGE IN FUND BALANCES	(182,908)	-	-
FUND BALANCE - BEGINNING	182,908	-	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ -

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Okaloosa Debt Service Fund	Capital Outlay Construction Trust Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ -	\$ 3,777,347	\$ 13,085,808
Licenses and permits	-	-	626,137
Intergovernmental	446,500	134,607	5,951,794
Charges for services	-	-	8,218,307
Fines	-	-	1,218,731
Investment income (loss)	802	953,471	1,561,461
Miscellaneous	-	44,215	679,686
TOTAL REVENUES	447,302	4,909,640	31,341,924
EXPENDITURES			
Current			
General government	190,750	-	1,244,451
Public safety	-	-	1,309,796
Physical environment	-	283	1,302,768
Transportation	-	-	10,332,174
Economic environment	-	-	345,591
Human services	-	-	661,827
Culture and recreation	-	35,556	1,486,336
Court- related	-	-	5,738,813
Capital outlay	-	3,412,476	6,660,997
Debt service			
Principal	5,115,000	-	5,115,000
Interest	3,334,176	-	3,336,532
Other debt service costs	2,100	-	2,100
TOTAL EXPENDITURES	8,642,026	3,448,315	37,536,385
EXCESS (DEFICIENCY) OF REVENUES			
OVER (UNDER) EXPENDITURES	(8,194,724)	1,461,325	(6,194,461)
OTHER FINANCING SOURCES (USES)			
Transfers in	8,448,740	7,995,175	17,856,483
Transfers out	(255,750)	-	(3,364,915)
Transfers among constitutional officers	-	-	(738,559)
TOTAL OTHER FINANCING SOURCES (USES)	8,192,990	7,995,175	13,753,009
NET CHANGE IN FUND BALANCES	(1,734)	9,456,500	7,558,548
FUND BALANCE - BEGINNING	(47,663)	22,533,011	37,849,583
FUND BALANCE (DEFICIT) - ENDING	\$ (49,397)	\$ 31,989,511	\$ 45,408,131

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COUNTY TRANSPORTATION TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
			<u>Amounts</u>	<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Taxes	\$ 6,997,101	\$ 7,014,901	\$ 6,415,418	\$ (599,483)
Intergovernmental	2,070,672	4,460,963	2,088,727	(2,372,236)
Charges for service	685,864	738,764	741,848	3,084
Investment income (loss)	4,000	287,400	237,137	(50,263)
Miscellaneous	2,000	17,700	16,741	(959)
TOTAL REVENUES	<u>9,759,637</u>	<u>12,519,728</u>	<u>9,499,871</u>	<u>(3,019,857)</u>
EXPENDITURES				
Current				
Physical environment	2,640,084	2,666,598	943,562	1,723,036
Transportation	13,086,507	13,239,484	9,667,985	3,571,499
Capital outlay	545,795	3,679,530	905,838	2,773,692
TOTAL EXPENDITURES	<u>16,272,386</u>	<u>19,585,612</u>	<u>11,517,385</u>	<u>8,068,227</u>
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(6,512,749)</u>	<u>(7,065,884)</u>	<u>(2,017,514)</u>	<u>5,048,370</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	984,469	984,469	984,469	-
Transfers among constitutional officers	-	-	2,934	2,934
TOTAL OTHER FINANCING				
SOURCES (USES)	<u>984,469</u>	<u>984,469</u>	<u>987,403</u>	<u>2,934</u>
NET CHANGE IN FUND BALANCE	<u>(5,528,280)</u>	<u>(6,081,415)</u>	<u>(1,030,111)</u>	<u>5,051,304</u>
FUND BALANCE - BEGINNING	<u>5,528,280</u>	<u>6,081,415</u>	<u>6,081,417</u>	<u>2</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,051,306</u>	<u>\$ 5,051,306</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
LOCAL HOUSING ASSISTANCE TRUST SPECIAL REVENUE FUND
FOR THE ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ 1,672,994	\$ 272,792	\$ (1,400,202)
Investment income (loss)	2,000	18,211	59,924	41,713
Miscellaneous	-	1,155,143	534,937	(620,206)
TOTAL REVENUES	<u>2,000</u>	<u>2,846,348</u>	<u>867,653</u>	<u>(1,978,695)</u>
EXPENDITURES				
Current				
General government	-	1,733,225	490,614	1,242,611
Economic environment	352,147	2,503,433	345,591	2,157,842
TOTAL EXPENDITURES	<u>352,147</u>	<u>4,236,658</u>	<u>836,205</u>	<u>3,400,453</u>
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(350,147)</u>	<u>(1,390,310)</u>	<u>31,448</u>	<u>1,421,758</u>
NET CHANGE IN FUND BALANCE	<u>(350,147)</u>	<u>(1,390,310)</u>	<u>31,448</u>	<u>1,421,758</u>
FUND BALANCE - BEGINNING	<u>350,147</u>	<u>1,390,310</u>	<u>360,672</u>	<u>(1,029,638)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 392,120</u>	<u>\$ 392,120</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
E-911 OPERATIONS SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 1,105,000	\$ 3,734,122	\$ 2,085,593	\$ (1,648,529)
Investment income (loss)	1,000	30,600	21,717	(8,883)
TOTAL REVENUES	<u>1,106,000</u>	<u>3,764,722</u>	<u>2,107,310</u>	<u>(1,657,412)</u>
EXPENDITURES				
Current				
Public Safety	41,246	369,569	17,906	351,663
TOTAL EXPENDITURES	<u>41,246</u>	<u>369,569</u>	<u>17,906</u>	<u>351,663</u>
EXCESS (DEFICIENCY) OF REVENUES				
REVENUES OVER (UNDER)				
EXPENDITURES	<u>1,064,754</u>	<u>3,395,153</u>	<u>2,089,404</u>	<u>(1,305,749)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,490,629)	(1,507,327)	(1,507,327)	-
Transfers among constitutional officer	-	(2,557,922)	(947,394)	1,610,528
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,490,629)</u>	<u>(4,065,249)</u>	<u>(2,454,721)</u>	<u>1,610,528</u>
NET CHANGE IN FUND BALANCE	<u>(425,875)</u>	<u>(670,096)</u>	<u>(365,317)</u>	<u>304,779</u>
FUND BALANCE - BEGINNING	<u>425,875</u>	<u>670,096</u>	<u>670,096</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 304,779</u>	<u>\$ 304,779</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
RADIO COMMUNICATIONS SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			Variance With
	<u>Original</u>	<u>Final</u>	<u>Actual</u> <u>Amounts</u>	Final Budget
				Positive
				(Negative)
REVENUES				
Fines	\$ 68,000	\$ 68,000	\$ 64,074	\$ (3,926)
Investment income (loss)	500	11,300	9,347	(1,953)
TOTAL REVENUES	<u>68,500</u>	<u>79,300</u>	<u>73,421</u>	<u>(5,879)</u>
EXPENDITURES				
Current				
Public Safety	297,829	297,829	-	297,829
Capital Outlay	-	(55,755)	-	(55,755)
TOTAL EXPENDITURES	<u>297,829</u>	<u>242,074</u>	<u>-</u>	<u>242,074</u>
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	<u>(229,329)</u>	<u>(162,774)</u>	<u>73,421</u>	<u>236,195</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(126,480)</u>	<u>(126,480)</u>	<u>(153,501)</u>	<u>(27,021)</u>
TOTAL OTHER FINANCING				
SOURCES (USES)	<u>(126,480)</u>	<u>(126,480)</u>	<u>(153,501)</u>	<u>(27,021)</u>
NET CHANGE IN FUND BALANCE	<u>(355,809)</u>	<u>(289,254)</u>	<u>(80,080)</u>	<u>209,174</u>
FUND BALANCE - BEGINNING	<u>355,809</u>	<u>289,254</u>	<u>289,254</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 209,174</u>	<u>\$ 209,174</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
LAW ENFORCEMENT TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			Variance With
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
			<u>Amounts</u>	<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Fines	\$ 18,000	\$ 26,900	\$ 8,842	\$ (18,058)
Investment income (loss)	-	3,300	2,585	(715)
TOTAL REVENUES	<u>18,000</u>	<u>30,200</u>	<u>11,427</u>	<u>(18,773)</u>
EXPENDITURES				
Current				
Public safety	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	18,000	30,200	11,427	(18,773)
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	(170,385)	(182,585)	(40,350)	142,235
TOTAL OTHER FINANCING				
SOURCES (USES)	<u>(170,385)</u>	<u>(182,585)</u>	<u>(40,350)</u>	<u>142,235</u>
NET CHANGE IN FUND BALANCE	(152,385)	(152,385)	(28,923)	123,462
FUND BALANCE - BEGINNING	<u>152,385</u>	<u>152,385</u>	<u>135,873</u>	<u>(16,512)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,950</u>	<u>\$ 106,950</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
POLICE ACADEMY SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
			<u>Amounts</u>	<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Charges for services	\$ 15,500	\$ 19,500	\$ 19,424	\$ (76)
Investment income (loss)	400	5,000	4,150	(850)
TOTAL REVENUES	<u>15,900</u>	<u>24,500</u>	<u>23,574</u>	<u>(926)</u>
EXPENDITURES				
Current				
Public safety	<u>21,200</u>	<u>35,195</u>	<u>30,601</u>	<u>4,594</u>
TOTAL EXPENDITURES	<u>21,200</u>	<u>35,195</u>	<u>30,601</u>	<u>4,594</u>
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	<u>(5,300)</u>	<u>(10,695)</u>	<u>(7,027)</u>	<u>3,668</u>
NET CHANGE IN FUND BALANCE	<u>(5,300)</u>	<u>(10,695)</u>	<u>(7,027)</u>	<u>3,668</u>
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	<u>(109,839)</u>	<u>(120,792)</u>	<u>-</u>	<u>120,792</u>
TOTAL OTHER FINANCING				
SOURCES (USES)	<u>(115,139)</u>	<u>(131,487)</u>	<u>(7,027)</u>	<u>124,460</u>
FUND BALANCE - BEGINNING	<u>115,139</u>	<u>131,487</u>	<u>131,491</u>	<u>4</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 124,464</u>	<u>\$ 124,464</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COUNTY PUBLIC HEALTH SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 657,327	\$ 668,527	\$ 667,493	\$ (1,034)
Investment income (loss)	500	14,400	12,496	(1,904)
Miscellaneous	-	15,500	15,460	(40)
TOTAL REVENUES	<u>657,827</u>	<u>698,427</u>	<u>695,449</u>	<u>(2,978)</u>
EXPENDITURES				
Current				
Human services	661,827	661,827	661,827	-
Capital outlay	-	40,600	15,460	25,140
TOTAL EXPENDITURES	<u>661,827</u>	<u>702,427</u>	<u>677,287</u>	<u>25,140</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,000)	(4,000)	18,162	22,162
OTHER FINANCING SOURCES (USES)				
Transfers in	4,000	4,000	4,000	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	22,162	22,162
FUND BALANCE - BEGINNING	-	-	249,789	249,789
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 271,951</u>	<u>\$ 271,951</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
MUNICIPAL SERVICES BENEFIT UNIT SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and permits	\$ 656,586	\$ 656,586	\$ 626,137	\$ (30,449)
Intergovernmental	-	202,952	174,901	(28,051)
Investment income (loss)	-	-	24,946	24,946
Miscellaneous	-	-	186	186
TOTAL REVENUES	<u>656,586</u>	<u>859,538</u>	<u>826,170</u>	<u>(33,368)</u>
EXPENDITURES				
Current				
Transportation	1,287,914	1,256,625	664,189	592,436
Capital outlay	-	234,241	264,490	(30,249)
Interest	-	-	2,356	(2,356)
TOTAL EXPENDITURES	<u>1,287,914</u>	<u>1,490,866</u>	<u>931,035</u>	<u>559,831</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(631,328)</u>	<u>(631,328)</u>	<u>(104,865)</u>	<u>526,463</u>
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	-	-	994	994
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>994</u>	<u>994</u>
NET CHANGE IN FUND BALANCE	<u>(631,328)</u>	<u>(631,328)</u>	<u>(103,871)</u>	<u>527,457</u>
FUND BALANCE - BEGINNING	<u>631,328</u>	<u>631,328</u>	<u>761,875</u>	<u>130,547</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 658,004</u>	<u>\$ 658,004</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
UNINCORPORATED MUNICIPAL SERVICES TAXING UNIT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 1,980,919	\$ 2,225,619	\$ 2,225,550	\$ (69)
Charges for services	15,399	40,799	42,695	1,896
Investment income (loss)	1,000	131,900	112,529	(19,371)
Miscellaneous	10,000	10,000	-	(10,000)
TOTAL REVENUES	<u>2,007,318</u>	<u>2,408,318</u>	<u>2,380,774</u>	<u>(27,544)</u>
EXPENDITURES				
Current				
Culture and recreation	1,906,692	1,943,409	1,450,780	492,629
Capital outlay	3,238,846	3,603,129	272,293	3,330,836
TOTAL EXPENDITURES	<u>5,145,538</u>	<u>5,546,538</u>	<u>1,723,073</u>	<u>3,823,465</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,138,220)</u>	<u>(3,138,220)</u>	<u>657,701</u>	<u>3,795,921</u>
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	-	-	4,907	4,907
TOTAL TRANSFERS AMONG SOURCES (USES)	<u>-</u>	<u>-</u>	<u>4,907</u>	<u>4,907</u>
NET CHANGE IN FUND BALANCE	<u>(3,138,220)</u>	<u>(3,138,220)</u>	<u>662,608</u>	<u>3,800,828</u>
FUND BALANCE - BEGINNING	<u>3,138,220</u>	<u>3,138,220</u>	<u>2,491,132</u>	<u>(647,088)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,153,740</u>	<u>\$ 3,153,740</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
PRISONER BENEFIT SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 1,111,000	\$ 1,111,000	\$ 1,168,623	\$ 57,623
Investment income (loss)	-	-	43,585	43,585
TOTAL REVENUES	<u>1,111,000</u>	<u>1,111,000</u>	<u>1,212,208</u>	<u>101,208</u>
EXPENDITURES				
Current				
Public safety	2,061,567	2,324,776	1,190,295	1,134,481
Capital outlay	<u>75,200</u>	<u>80,875</u>	<u>5,675</u>	<u>75,200</u>
TOTAL EXPENDITURES	<u>2,136,767</u>	<u>2,405,651</u>	<u>1,195,970</u>	<u>1,209,681</u>
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(1,025,767)</u>	<u>(1,294,651)</u>	<u>16,238</u>	<u>1,310,889</u>
NET CHANGE IN FUND BALANCE	<u>(1,025,767)</u>	<u>(1,294,651)</u>	<u>16,238</u>	<u>1,310,889</u>
FUND BALANCE - BEGINNING	<u>1,025,767</u>	<u>1,294,651</u>	<u>1,294,853</u>	<u>202</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,311,091</u>	<u>\$ 1,311,091</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
ADDITIONAL COURT COST SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 1,287,730	\$ 1,372,630	\$ 1,129,442	\$ (243,188)
Investment income (loss)	-	14,700	11,980	(2,720)
Miscellaneous	-	55,100	68,147	13,047
TOTAL REVENUES	<u>1,287,730</u>	<u>1,442,430</u>	<u>1,209,569</u>	<u>(232,861)</u>
EXPENDITURES				
Current				
Court - related	1,548,274	1,619,874	907,920	711,954
Capital outlay	43,000	43,000	-	43,000
TOTAL EXPENDITURES	<u>1,591,274</u>	<u>1,662,874</u>	<u>907,920</u>	<u>754,954</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(303,544)</u>	<u>(220,444)</u>	<u>301,649</u>	<u>522,093</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	273,127	273,127	273,127	-
Transfers out	(355,000)	(438,100)	(438,072)	28
TOTAL OTHER FINANCING SOURCES (USES)	<u>(81,873)</u>	<u>(164,973)</u>	<u>(164,945)</u>	<u>28</u>
NET CHANGE IN FUND BALANCE	<u>(385,417)</u>	<u>(385,417)</u>	<u>136,704</u>	<u>522,121</u>
FUND BALANCE - BEGINNING	<u>385,417</u>	<u>385,417</u>	<u>357,777</u>	<u>(27,640)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 494,481</u>	<u>\$ 494,481</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
DRUG ABUSE TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			<u>Variance With</u>
			<u>Actual</u>	<u>Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Fines	\$ 7,500	\$ 11,100	\$ 11,056	\$ (44)
Investment income (loss)	100	4,800	4,018	(782)
TOTAL REVENUES	<u>7,600</u>	<u>15,900</u>	<u>15,074</u>	<u>(826)</u>
EXPENDITURES				
Current				
Court- related	<u>124,947</u>	<u>140,394</u>	<u>1,828</u>	<u>138,566</u>
TOTAL EXPENDITURES	<u>124,947</u>	<u>140,394</u>	<u>1,828</u>	<u>138,566</u>
EXCESS(DEFICIENCY) OF REVENUES				
 OVER (UNDER) EXPENDITURES	<u>(117,347)</u>	<u>(124,494)</u>	<u>13,246</u>	<u>137,740</u>
NET CHANGE IN FUND BALANCE	<u>(117,347)</u>	<u>(124,494)</u>	<u>13,246</u>	<u>137,740</u>
FUND BALANCE - BEGINNING	<u>117,347</u>	<u>124,494</u>	<u>124,494</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 137,740</u>	<u>\$ 137,740</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
DOMESTIC VIOLENCE TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			Variance With
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
			<u>Amounts</u>	<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Fines	\$ 26,411	\$ 27,011	\$ 29,868	\$ 2,857
Investment income (loss)	-	-	129	129
TOTAL REVENUES	<u>26,411</u>	<u>27,011</u>	<u>29,997</u>	<u>2,986</u>
EXPENDITURES				
Current				
Court-related	<u>5,123</u>	<u>5,123</u>	<u>-</u>	<u>5,123</u>
TOTAL EXPENDITURES	<u>5,123</u>	<u>5,123</u>	<u>-</u>	<u>5,123</u>
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	<u>21,288</u>	<u>21,888</u>	<u>29,997</u>	<u>8,109</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(27,000)</u>	<u>(27,600)</u>	<u>(29,868)</u>	<u>(2,268)</u>
TOTAL OTHER FINANCING				
SOURCES (USES)	<u>(27,000)</u>	<u>(27,600)</u>	<u>(29,868)</u>	<u>(2,268)</u>
NET CHANGE IN FUND BALANCE	<u>(5,712)</u>	<u>(5,712)</u>	<u>129</u>	<u>5,841</u>
FUND BALANCE - BEGINNING	<u>5,712</u>	<u>5,712</u>	<u>5,712</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,841</u>	<u>\$ 5,841</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
TRAFFIC EDUCATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines	\$ 63,000	\$ 63,000	\$ 65,685	\$ 2,685
Investment income (loss)	-	-	4,428	4,428
TOTAL REVENUES	<u>63,000</u>	<u>63,000</u>	<u>70,113</u>	<u>7,113</u>
EXPENDITURES				
Current				
Court-related	<u>119,579</u>	<u>144,073</u>	<u>135,389</u>	<u>8,684</u>
TOTAL EXPENDITURES	<u>119,579</u>	<u>144,073</u>	<u>135,389</u>	<u>8,684</u>
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	<u>(56,579)</u>	<u>(81,073)</u>	<u>(65,276)</u>	<u>15,797</u>
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	<u>(119,580)</u>	<u>(119,580)</u>	<u>(30,644)</u>	<u>88,936</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(119,580)</u>	<u>(119,580)</u>	<u>(30,644)</u>	<u>88,936</u>
NET CHANGE IN FUND BALANCE	<u>(176,159)</u>	<u>(200,653)</u>	<u>(95,920)</u>	<u>104,733</u>
FUND BALANCE - BEGINNING	<u>176,159</u>	<u>200,653</u>	<u>200,653</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,733</u>	<u>\$ 104,733</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CHOCTAW ESTUARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 203,049	\$ 1,003,163	\$ 358,923	\$ (644,240)
Miscellaneous	-	500	-	(500)
TOTAL REVENUES	<u>203,049</u>	<u>1,003,663</u>	<u>358,923</u>	<u>(644,740)</u>
EXPENDITURES				
Current				
Physical environment	203,049	1,003,663	358,923	644,740
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>203,049</u>	<u>1,003,663</u>	<u>358,923</u>	<u>644,740</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 500</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
FIBER OPTIC FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			Variance With
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget
			<u>Amounts</u>	Positive
				(Negative)
REVENUES				
Charges for services	\$ 149,893	\$ 1,547,473	\$ 1,547,471	\$ (2)
Investment income (loss)	-	65,800	58,217	(7,583)
TOTAL REVENUES	<u>149,893</u>	<u>1,613,273</u>	<u>1,605,688</u>	<u>(7,585)</u>
EXPENDITURES				
Current				
General government	2,238,366	642,661	563,087	79,574
Capital outlay	-	3,059,085	1,607,355	1,451,730
TOTAL EXPENDITURES	<u>2,238,366</u>	<u>3,701,746</u>	<u>2,170,442</u>	<u>1,531,304</u>
EXCESS(DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	<u>(2,088,473)</u>	<u>(2,088,473)</u>	<u>(564,754)</u>	<u>1,523,719</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING				
SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>(2,088,473)</u>	<u>(2,088,473)</u>	<u>(564,754)</u>	<u>1,523,719</u>
FUND BALANCE - BEGINNING	<u>2,088,473</u>	<u>2,088,473</u>	<u>1,705,897</u>	<u>(382,576)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,141,143</u>	<u>\$ 1,141,143</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COURTS SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 366,196	\$ 366,196	\$ 389,751	\$ 23,555
Charges for services	3,062,989	3,062,989	3,091,157	28,168
Fines	947,567	947,567	1,039,206	91,639
TOTAL REVENUES	<u>4,376,752</u>	<u>4,376,752</u>	<u>4,520,114</u>	<u>143,362</u>
EXPENDITURES				
Current				
Court- related	5,102,140	5,102,140	4,693,676	408,464
Capital outlay	-	-	177,410	(177,410)
TOTAL EXPENDITURES	<u>5,102,140</u>	<u>5,102,140</u>	<u>4,871,086</u>	<u>231,054</u>
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(725,388)</u>	<u>(725,388)</u>	<u>(350,972)</u>	<u>374,416</u>
OTHER FINANCING SOURCES (USES)				
Transfers from constitutional officers	525,388	525,388	200,000	(325,388)
Transfers in	200,000	200,000	150,972	(49,028)
TOTAL OTHER FINANCING SOURCES (USES)	<u>725,388</u>	<u>725,388</u>	<u>350,972</u>	<u>(374,416)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
PUBLIC RECORDS MODERNIZATION TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 200,000	\$ 200,000	\$ 118,719	\$ (81,281)
Fines	319,842	319,842	-	(319,842)
TOTAL REVENUES	<u>519,842</u>	<u>519,842</u>	<u>118,719</u>	<u>(401,123)</u>
EXPENDITURES				
Current				
General government	113,842	113,842	-	113,842
TOTAL EXPENDITURES	<u>113,842</u>	<u>113,842</u>	<u>-</u>	<u>113,842</u>
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>406,000</u>	<u>406,000</u>	<u>118,719</u>	<u>(287,281)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(406,000)	(406,000)	(438,561)	(32,561)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(406,000)</u>	<u>(406,000)</u>	<u>(438,561)</u>	<u>(32,561)</u>
NET CHANGE IN FUND BALANCE	-	-	(319,842)	(319,842)
FUND BALANCE - BEGINNING	-	-	319,842	319,842
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
PUBLIC RECORDS COURTS SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 600,000	\$ 600,000	\$ 358,928	\$ (241,072)
Miscellaneous	182,908	182,908	-	(182,908)
TOTAL REVENUES	<u>782,908</u>	<u>782,908</u>	<u>358,928</u>	<u>(423,980)</u>
EXPENDITURES				
Current				
Court- related	164,355	164,355	-	164,355
TOTAL EXPENDITURES	<u>164,355</u>	<u>164,355</u>	<u>-</u>	<u>164,355</u>
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>618,553</u>	<u>618,553</u>	<u>358,928</u>	<u>(259,625)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(618,553)	(618,553)	(541,836)	76,717
TOTAL OTHER FINANCING SOURCES (USES)	<u>(618,553)</u>	<u>(618,553)</u>	<u>(541,836)</u>	<u>76,717</u>
NET CHANGE IN FUND BALANCE	-	-	(182,908)	(182,908)
FUND BALANCE - BEGINNING	-	-	182,908	182,908
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
FEDERAL LAW ENFORCEMENT TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	-	-
EXPENDITURES				
Current				
Public safety	-	-	40,350	(40,350)
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	40,350	(40,350)
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(40,350)	(40,350)
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	-	-	40,350	40,350
TOTAL OTHER FINANCING SOURCES (USES)	-	-	40,350	40,350
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
TEEN DRIVER CHALLENGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	-	-
EXPENDITURES				
Current				
Public safety	-	-	30,644	(30,644)
TOTAL EXPENDITURES	-	-	30,644	(30,644)
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(30,644)	(30,644)
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	-	-	30,644	30,644
TOTAL OTHER FINANCING SOURCES (USES)	-	-	30,644	30,644
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ -	\$ -

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
OKALOOSA DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted amounts</u>			Variance With
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget
			<u>Amounts</u>	Positive
				(Negative)
REVENUES				
Intergovernmental	\$ 446,500	\$ 446,500	\$ 446,500	\$ -
Investment income (loss)	-	-	802	802
TOTAL REVENUES	<u>446,500</u>	<u>446,500</u>	<u>447,302</u>	<u>802</u>
EXPENDITURES				
Current				
General government	190,750	190,750	190,750	-
Debt service				
Principal	5,115,000	5,115,000	5,115,000	-
Interest	3,333,740	3,333,740	3,334,176	(436)
Other debt service costs	-	-	2,100	(2,100)
TOTAL EXPENDITURES	<u>8,639,490</u>	<u>8,639,490</u>	<u>8,642,026</u>	<u>(2,536)</u>
EXCESS(DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	<u>(8,192,990)</u>	<u>(8,192,990)</u>	<u>(8,194,724)</u>	<u>(1,734)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	8,448,740	8,448,740	8,448,740	-
Transfers out	(255,750)	(255,750)	(255,750)	-
TOTAL OTHER FINANCING				
SOURCES (USES)	<u>8,192,990</u>	<u>8,192,990</u>	<u>8,192,990</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	(1,734)	(1,734)
FUND BALANCE - BEGINNING	-	-	(47,663)	(47,663)
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (49,397)</u>	<u>\$ (49,397)</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CAPITAL OUTLAY CONSTRUCTION TRUST CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 3,721,014	\$ 3,782,914	\$ 3,777,347	\$ (5,567)
Intergovernmental	100,000	2,600,000	134,607	(2,465,393)
Investment income (loss)	-	1,565,200	953,471	(611,729)
Miscellaneous	-	44,300	44,215	(85)
TOTAL REVENUES	<u>3,821,014</u>	<u>7,992,414</u>	<u>4,909,640</u>	<u>(3,082,774)</u>
EXPENDITURES				
Current				
Culture and recreation	273,315	320,315	35,556	284,759
Capital outlay	8,366,620	35,900,785	3,412,476	32,488,309
Physical environment	-	2,250,000	283	2,249,717
TOTAL EXPENDITURES	<u>8,639,935</u>	<u>38,471,100</u>	<u>3,448,315</u>	<u>35,022,785</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(4,818,921)</u>	<u>(30,478,686)</u>	<u>1,461,325</u>	<u>31,940,011</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,500,000	7,945,675	7,995,175	49,500
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,500,000</u>	<u>7,945,675</u>	<u>7,995,175</u>	<u>49,500</u>
NET CHANGE IN FUND BALANCE	<u>(3,318,921)</u>	<u>(22,533,011)</u>	<u>9,456,500</u>	<u>31,989,511</u>
FUND BALANCE - BEGINNING	<u>3,318,921</u>	<u>22,533,011</u>	<u>22,533,011</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,989,511</u>	<u>\$ 31,989,511</u>

**OKALOOSA COUNTY, FLORIDA
NONMAJOR ENTERPRISE FUNDS**

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the Board of County Commissioner of Okaloosa County is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the Board has decided that periodic determination of net income is appropriate for accountability purposes.

Board of County Commissioners

Emergency Medical Services Enterprise Fund

This fund is used to account for the operation of a county-wide emergency medical technician and paramedic service. Revenue sources include ad valorem property tax subsidies, user charges, and private donations.

Solid Waste Fund

This fund is used to account for the revenues and expenses associated with the provision of solid waste management within Okaloosa County.

Inspection and Code Enforcement Fund

This fund is used to account for the license, permit and inspection fees and related expenses for the provision of inspection and code enforcement services to residents of the unincorporated areas of Okaloosa County.

Tax Collector

Building Maintenance Fund

This fund accounts for certain common area maintenance charges billed to all tenants who occupy space in the building in Niceville, Florida in which the Tax Collector is landlord. The common area maintenance fees accumulated for future repairs and maintenance to the building are accounted for in this fund.

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2023

	Business-Type Activities				
	Solid Waste	Emergency Medical Services	Inspection and Code Enforcement	Tax Collector Building Maintenance	Total Nonmajor Enterprise Funds
ASSETS					
Current assets					
Cash and cash equivalents	\$ 1,429,033	\$ 69,040	\$ 1,348,918	\$ 367,324	\$ 3,214,315
Investments	10,952,264	8,329,491	5,398,936	-	24,680,691
Receivables, net of allowance for uncollectible	1,035,147	4,368,801	17,163	-	5,421,111
Due from other funds	25	-	-	-	25
Due from other governments	44,202	-	-	-	44,202
Inventory	-	456,964	-	-	456,964
Prepays	61	6,177	29,523	-	35,761
Restricted cash					
Customer deposits	23,508	-	-	-	23,508
Total current assets	13,484,240	13,230,473	6,794,540	367,324	33,876,577
Capital assets, net					
Non-depreciable/ amortizable	175,748	-	-	-	175,748
Depreciable/ amortizable, net	571,745	1,762,599	85,055	-	2,419,399
Total capital assets, net	747,493	1,762,599	85,055	-	2,595,147
TOTAL ASSETS	14,231,733	14,993,072	6,879,595	367,324	36,471,724
DEFERRED OUTFLOWS OF RESOURCES	348,150	3,399,618	295,953	-	4,043,721
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 14,579,883	\$ 18,392,690	\$ 7,175,548	\$ 367,324	\$ 40,515,445

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION – CONTINUED
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2023

	Business-Type Activities				Total
	Solid Waste	Emergency Medical Services	Inspection and Code Enforcement	Tax Collector Building Maintenance	Nonmajor Enterprise Funds
LIABILITIES					
Current liabilities					
Accounts payable	\$ 47,566	\$ 117,049	\$ 7,419	\$ -	\$ 172,034
Contracts payable	1,279,037	224,565	1,206	-	1,504,808
Compensated absences	66,020	226,806	126,736	-	419,562
Closure cost payable	407,774	-	-	-	407,774
Other accrued liabilities	37,326	353,466	60,802	-	451,594
Due to other elected officials	-	66	-	-	66
Due to other governments	-	412	21,548	-	21,960
Unearned revenue	-	8,023	27,742	-	35,765
Lease contracts	-	45,358	-	-	45,358
Current liabilities payable from restricted assets					
Customer deposits payable	23,508	-	-	-	23,508
Total current liabilities	1,861,231	975,745	245,453	-	3,082,429
Noncurrent liabilities					
Compensated absences	42,762	126,128	91,964	-	260,854
Closure costs payable	1,325,096	-	-	-	1,325,096
Other post employment benefits	45,563	411,436	45,208	-	502,207
Net pension liability	1,541,728	15,195,543	1,720,694	-	18,457,965
Total noncurrent liabilities	2,955,149	15,733,107	1,857,866	-	20,546,122
TOTAL LIABILITIES	4,816,380	16,708,852	2,103,319	-	23,628,551
DEFERRED INFLOWS OF RESOURCES	164,923	1,056,439	31,989	-	1,253,351
NET POSITION					
Net investment in capital assets	747,493	1,717,241	85,055	-	2,549,789
Unrestricted (deficit)	8,851,087	(1,089,842)	4,955,185	367,324	13,083,754
NET POSITION	9,598,580	627,399	5,040,240	367,324	15,633,543
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	<u>\$ 14,579,883</u>	<u>\$ 18,392,690</u>	<u>\$ 7,175,548</u>	<u>\$ 367,324</u>	<u>\$ 40,515,445</u>

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Business-Type Activities				Total
	Solid Waste	Emergency Medical Services	Inspection and Code Enforcement	Tax Collector Building Maintenance	Nonmajor Enterprise Funds
OPERATING REVENUES					
Licenses and permits	\$ -	\$ -	\$ 2,758,689	\$ -	\$ 2,758,689
Charges for services	16,565,774	11,973,776	438,733	-	28,978,283
Miscellaneous	663	2,116	4,288	46,866	53,933
Total operating revenues	16,566,437	11,975,892	3,201,710	46,866	31,790,905
OPERATING EXPENSES					
Personal services	1,318,919	11,581,727	2,051,405	-	14,952,051
Contractual services	12,926,171	798,925	394,401	-	14,119,497
Supplies	128,145	1,086,964	40,431	-	1,255,540
Utilities	13,183	33,873	-	-	47,056
Other operating expenses	858,209	811,775	170,164	-	1,840,148
Depreciation/ amortization	199,641	488,769	27,695	-	716,105
Total operating revenues	15,444,268	14,802,033	2,684,096	-	32,930,397
OPERATING INCOME (LOSS)	1,122,169	(2,826,141)	517,614	46,866	(1,139,492)
NONOPERATING REVENUES (EXPENSES)					
Taxes	-	204	-	-	204
Intergovernmental	223,955	570,411	-	-	794,366
Investment income	384,481	281,816	190,372	-	856,669
Interest expense	-	(2,939)	-	-	(2,939)
Gain on disposal of capital assets	25,571	115,568	-	-	141,139
Miscellaneous	-	541	-	-	541
Total nonoperating revenues (expenses)	634,007	965,601	190,372	-	1,789,980
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	1,756,176	(1,860,540)	707,986	46,866	650,488
Transfers in	1,500,000	33,000	-	-	1,533,000
Transfers out	(48,786)	-	-	-	(48,786)
CHANGE IN NET POSITION	3,207,390	(1,827,540)	707,986	46,866	2,134,702
NET POSITION - BEGINNING	6,391,190	2,454,939	4,332,254	320,458	13,498,841
NET POSITION - ENDING	\$ 9,598,580	\$ 627,399	\$ 5,040,240	\$ 367,324	\$ 15,633,543

**OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Business-Type Activities				
	Solid Waste	Emergency Medical Services	Inspection and Code Enforcement	Tax Collector Building Maintenance	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from users	\$ -	\$ -	\$ -	\$ 46,866	\$ 46,866
Receipts from customers	16,390,437	10,353,977	3,206,013	-	29,950,427
Payments to suppliers	(16,856,361)	(2,734,153)	(629,730)	-	(20,220,244)
Payments to employees	(1,086,764)	(9,596,353)	(1,789,139)	-	(12,472,256)
Payments for other revenues	-	541	-	-	541
Net cash provided by (used in) operating activities	(1,552,688)	(1,975,988)	787,144	46,866	(2,694,666)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Operating subsidy - intergovernmental revenue	223,955	570,411	-	-	794,366
Interfund activity	1,451,189	33,060	-	-	1,484,249
Net cash provided by non-capital financing activities	1,675,144	603,471	-	-	2,278,615
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(72,526)	(816,641)	(7,649)	-	(896,816)
Proceeds from sale of capital assets	-	169,476	-	-	169,476
Principal payments on lease contracts	-	(106,486)	-	-	(106,486)
Interest paid on debt	-	(2,939)	-	-	(2,939)
Net cash used in capital and related financing activities	(72,526)	(756,590)	(7,649)	-	(836,765)
CASH FLOWS FROM INVESTING ACTIVITIES					
Sale (purchase) of investments	(1,354,923)	668,242	(690,370)	-	(1,377,051)
Interest income	384,481	281,816	190,372	-	856,669
Net cash provided by (used in) investing activities	(970,442)	950,058	(499,998)	-	(520,382)
Net increase (decrease) in cash and cash equivalents	(920,512)	(1,179,049)	279,497	46,866	(1,773,198)
Cash and cash equivalents - beginning of year	2,373,053	1,248,089	1,069,421	320,458	5,011,021
Cash and cash equivalents - end of year	\$ 1,452,541	\$ 69,040	\$ 1,348,918	\$ 367,324	\$ 3,237,823
Cash and cash equivalents at end of year consist of:					
Current assets	\$ 1,429,033	\$ 69,040	\$ 1,348,918	\$ 367,324	\$ 3,214,315
Restricted assets	23,508	-	-	-	23,508
Total	\$ 1,452,541	\$ 69,040	\$ 1,348,918	\$ 367,324	\$ 3,237,823

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS – CONTINUED
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Business-type Activities				
	Solid Waste	Emergency Medical Services	Inspection and Code Enforcement	Tax Collector Building Maintenance	Total Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	\$ 1,122,169	\$ (2,826,141)	\$ 517,614	\$ 46,866	\$ (1,139,492)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities					
Depreciation/ amortization	199,641	488,769	27,695	-	716,105
Other revenue	-	745	-	-	745
Decrease (increase) in assets					
Accounts receivables	(169,323)	(1,080,379)	6,157	-	(1,243,545)
Prepaid expenses	(61)	(3,409)	(27,171)	-	(30,641)
Due from other governments	(8,677)	-	-	-	(8,677)
Inventories	-	(236,032)	-	-	(236,032)
Deferred outflows	8,683	80,529	12,435	-	101,647
Increase (decrease) in liabilities					
Accounts payable	(35,098)	61,478	(141)	-	26,239
Contracts payable	(2,576,872)	124,981	(6,321)	-	(2,458,212)
Due to other elected officials	-	(79)	-	-	(79)
Due to other governments	(139)	349	1,027	-	1,237
Accrued liabilities	4,980	50,096	(497)	-	54,579
Compensated absences	21,080	35,798	(40,236)	-	16,642
Closure costs	(323,463)	-	-	-	(323,463)
Other post employment benefits	(11,612)	(104,861)	(11,522)	-	(127,995)
Deferred revenue	-	(547,602)	(3,063)	-	(550,665)
Customer deposits	2,000	5,862	1,209	-	9,071
Net pension liability	214,598	1,981,878	315,586	-	2,512,062
Deferred inflows	(594)	(7,970)	(5,628)	-	(14,192)
Net cash provided by (used in) operating activities	<u>\$ (1,552,688)</u>	<u>\$ (1,975,988)</u>	<u>\$ 787,144</u>	<u>\$ 46,866</u>	<u>\$ (2,694,666)</u>

**OKALOOSA COUNTY, FLORIDA
INTERNAL SERVICE FUNDS**

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Board of County Commissioners of Okaloosa County and to other government units, on a cost reimbursement basis.

Board of County Commissioners Self Insurance

This fund is used to account for premiums and claims associated with the provision of self-insurance programs for Okaloosa County.

Garage Service Fund

This fund is used to account for user charges and expenses associated with vehicle maintenance and the centralized distribution of gasoline and special fuel to various Okaloosa County Departments as well as other County agencies.

Sheriff Compensated Absences Fund

This fund is used to accumulate and fund the short-term portion of compensated absence liability for the Sheriff.

Sheriff Health Benefits Self Insurance Fund

This fund is used to account for premiums and claims associated with the provision of self-insurance of health benefits for the Sheriff and to record the liability for other post employment benefits provided to the retirees of the Sheriff.

Tax Collector FSEBT Fund

This fund accounts for the collection of self funded health insurance costs for the Tax Collector. The payments to the plan provider are also accounted for in this fund.

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2023

	Self- Insurance	Garage Services	Tax Collector FSEBT	Sherriff Compensated Absences	Sheriff Health Benefits Self Insurance	Total Internal Service Funds
ASSETS						
Current assets						
Cash and cash equivalents	\$ 692,116	\$ 202,431	\$ -	\$ 1,678,851	\$ -	\$ 2,573,398
Investments	7,808,196	-	-	-	-	7,808,196
Receivables, net of allowance for uncollectible	162	-	-	-	-	162
Due from other funds	-	1,641	-	297,940	-	299,581
Due from other elected officials	-	1,506	-	-	-	1,506
Due from other governments	-	131,525	-	-	-	131,525
Amounts held by others for benefits	-	-	438,167	-	4,367,288	4,805,455
Inventory	-	298,920	-	-	-	298,920
Prepays	654,586	-	-	-	-	654,586
Total current assets	9,155,060	636,023	438,167	1,976,791	4,367,288	16,573,329
Noncurrent assets						
Capital assets, net						
Non-depreciable/amortizable	-	316,861	-	-	-	316,861
Depreciable/amortizable, net	-	400,644	-	-	-	400,644
Total capital assets, net	-	717,505	-	-	-	717,505
TOTAL ASSETS	9,155,060	1,353,528	438,167	1,976,791	4,367,288	17,290,834
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charges related to pensions	61,723	562,784	-	-	-	624,507
Deferred charges related to OPEB	601	3,828	-	-	158,388	162,817
TOTAL DEFERRED OUTFLOWS OF RESOURCES	62,324	566,612	-	-	158,388	787,324
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 9,217,384	\$ 1,920,140	\$ 438,167	\$ 1,976,791	\$ 4,525,676	\$ 18,078,158

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION – CONTINUED
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2023

	Self- Insurance	Garage Services	Tax Collector FSEBT	Sherriff Compensated Absences	Sheriff Health Benefits Self Insurance	Total Internal Service Funds
LIABILITIES						
Current liabilities						
Accounts payable	\$ 26,562	\$ 89,349	\$ -	\$ -	\$ -	\$ 115,911
Contracts payable	17,829	138,610	-	-	-	156,439
Compensated absences	17,311	71,067	-	1,976,791	-	2,065,169
Claims and judgments	1,468,000	-	39,113	-	602,076	2,109,189
Other accrued liabilities	18,561	48,277	-	-	-	66,838
Due to other funds	1,641	2,375,000	-	-	-	2,376,641
Due to other governments	3,951	-	-	-	-	3,951
Due to depositors	3,116	-	-	-	-	3,116
Total current liabilities	1,556,971	2,722,303	39,113	1,976,791	602,076	6,897,254
NONCURRENT LIABILITIES						
Compensated absences	-	47,371	-	-	-	47,371
Claims and judgements	3,916,000	-	-	-	-	3,916,000
Other post employment benefits	10,126	64,509	-	-	6,114,209	6,188,844
Net pension liability	379,410	2,258,720	-	-	-	2,638,130
Total noncurrent liabilities	4,305,536	2,370,600	-	-	6,114,209	12,790,345
TOTAL LIABILITIES	5,862,507	5,092,903	39,113	1,976,791	6,716,285	19,687,599
DEFERRED INFLOWS OF RESOURCES						
Deferred charges related to pensions	36,465	200,101	-	-	-	236,566
Deferred charges related to OPEB	6,226	39,661	-	-	273,638	319,525
Total deferred inflows of resources	42,691	239,762	-	-	273,638	556,091
NET POSITION						
Net investment in capital assets	-	717,505	-	-	-	717,505
Unrestricted (deficit)	3,312,186	(4,130,030)	399,054	-	(2,464,247)	(2,883,037)
TOTAL NET POSITION (DEFICIT)	3,312,186	(3,412,525)	399,054	-	(2,464,247)	(2,165,532)
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION (DEFICIT)	\$ 9,217,384	\$ 1,920,140	\$ 438,167	\$ 1,976,791	\$ 4,525,676	\$ 18,078,158

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Self- Insurance</u>	<u>Garage Services</u>	<u>Tax Collector FSEBT</u>	<u>Sheriff Compensated Absences</u>	<u>Sheriff Health Benefits Self Insurance</u>	<u>Total Internal Service Funds</u>
OPERATING REVENUES						
Charges for services	\$ 5,231,535	\$ 5,396,784	\$ 955,443	\$ -	\$ 6,455,190	\$ 18,038,952
Miscellaneous	1,770,826	-	-	-	719,639	2,490,465
Total operating revenues	7,002,361	5,396,784	955,443	-	7,174,829	20,529,417
OPERATING EXPENSES						
Personal services	1,526,181	1,720,149	-	-	79,989	3,326,319
Contractual services	251,625	76,582	-	-	-	328,207
Supplies	4,156	3,694,382	-	-	-	3,698,538
Insurance premiums and claims	3,152,276	-	906,559	-	6,734,357	10,793,192
Utilities	-	7,182	-	-	-	7,182
Other operating expenses	26,835	296,911	73,636	-	450,258	847,640
Depreciation/ amortization	796	64,370	-	-	-	65,166
Total operating expenses	4,961,869	5,859,576	980,195	-	7,264,604	19,066,244
Operating income (loss)	2,040,492	(462,792)	(24,752)	-	(89,775)	1,463,173
NONOPERATING REVENUES (EXPENSES)						
Investment income	182,241	-	-	-	-	182,241
Gain/loss on disposal of capital assets	602	43,713	-	-	-	44,315
Total nonoperating revenues (expenses)	182,843	43,713	-	-	-	226,556
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	2,223,335	(419,079)	(24,752)	-	(89,775)	1,689,729
Transfers in	447,938	-	-	-	-	447,938
CHANGES IN NET POSITION	2,671,273	(419,079)	(24,752)	-	(89,775)	2,137,667
TOTAL NET POSITION (DEFICIT) - BEGINNING	640,913	(2,993,446)	423,806	-	(2,374,472)	(4,303,199)
TOTAL NET POSITION (DEFICIT) - ENDING	<u>\$ 3,312,186</u>	<u>\$ (3,412,525)</u>	<u>\$ 399,054</u>	<u>\$ -</u>	<u>\$ (2,464,247)</u>	<u>\$ (2,165,532)</u>

**OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Self-Insurance	Garage Services	Tax Collector FSEBT	Sheriff Compensated Absences	Sheriff Health Benefits Self Insurance	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 7,011,786	\$ 5,381,037	\$ -	\$ -	\$ -	\$ 12,392,823
Receipts from users	-	-	955,443	13,823	7,424,829	8,394,095
Transfers of cash to others for benefits	-	-	19,586	-	(59,541)	(39,955)
Cash paid to employees for services	(3,714,121)	(1,498,800)	-	-	-	(5,212,921)
Payments to suppliers	(1,448,669)	(4,201,245)	(975,029)	-	(7,365,288)	(13,990,231)
Net cash provided by (used in) operating activities	1,848,996	(319,008)	-	13,823	-	1,543,811
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES						
Interfund activity	1,449,579	621,363	-	-	-	2,070,942
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	-	(144,416)	-	-	-	(144,416)
Proceeds from sales of capital assets	-	43,713	-	-	-	43,713
Net cash used in capital and related financing activities	-	(100,703)	-	-	-	(100,703)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of investments	(3,081,992)	-	-	-	-	(3,081,992)
Interest income	182,241	-	-	-	-	182,241
Net cash used in investing activities	(2,899,751)	-	-	-	-	(2,899,751)
NET INCREASE IN CASH AND CASH EQUIVALENTS	398,824	201,652	-	13,823	-	614,299
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	293,292	779	-	1,665,028	-	1,959,099
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 692,116</u>	<u>\$ 202,431</u>	<u>\$ -</u>	<u>\$ 1,678,851</u>	<u>\$ -</u>	<u>\$ 2,573,398</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR CONSIST OF:						
Current assets	<u>\$ 692,116</u>	<u>\$ 202,431</u>	<u>\$ -</u>	<u>\$ 1,678,851</u>	<u>\$ -</u>	<u>\$ 2,573,398</u>

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS – CONTINUED
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Self- Insurance</u>	<u>Garage Services</u>	<u>Tax Collector FSEBT</u>	<u>Sheriff Compensated Absences</u>	<u>Sheriff Health Benefits Self Insurance</u>	<u>Total Internal Service Funds</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities						
Operating income (loss)	\$ 2,040,492	\$ (462,792)	\$ (24,752)	\$ -	\$ (89,775)	\$ 1,463,173
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Depreciation/ amortization	796	64,370	-	-	-	65,166
Decrease (increase) in assets						
Accounts receivable	1,902	5,266	-	-	-	7,168
Amounts held by others for benefits	-	-	19,586	-	(59,541)	(39,955)
Due from other governments	5,773	(21,013)	-	-	-	(15,240)
Inventories	-	(53,357)	-	-	-	(53,357)
Due from other funds	-	-	-	(284,117)	250,000	(34,117)
Prepaid expenses	(189,880)	-	-	-	-	(189,880)
Deferred outflows	2,975	9,908	-	-	1,489,024	1,501,907
Increase (decrease) in liabilities						
Accounts payable	1,866	8,821	-	-	-	10,687
Contracts payable	17,434	(84,421)	-	-	-	(66,987)
Due to elected officials	(120)	-	-	-	-	(120)
Due to other governments	3,951	-	-	-	-	3,951
Accrued liabilities	4,520	2,769	-	-	-	7,289
Compensated absences	2,886	(14,261)	-	297,940	-	286,565
Claims and judgements payable	(117,000)	-	-	-	(180,673)	(297,673)
Claims incurred but not reported	-	-	5,166	-	-	5,166
Other post employment benefits	(2,581)	(16,441)	-	-	(1,265,914)	(1,284,936)
Customer deposits	1,750	-	-	-	-	1,750
Net pension liability	75,740	239,845	-	-	-	315,585
Deferred inflows	(1,508)	2,298	-	-	(143,121)	(142,331)
Net cash provided by (used in) operating activities	<u>\$ 1,848,996</u>	<u>\$ (319,008)</u>	<u>\$ -</u>	<u>\$ 13,823</u>	<u>\$ -</u>	<u>\$ 1,543,811</u>

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	Fine and Forfeiture	Jury and Witness	Tax Deed	Support	Registry of Court	BCC Custodial
ASSETS						
Cash and cash equivalents	\$ 84,989	\$ 15,355	\$ 494,671	\$ 56,976	\$ 18,937,594	\$ 27,540
Investments	285,000	-	710,000	-	-	-
Accounts receivable	-	-	-	6,928	6,667	-
Due from other elected officials	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total assets	<u>369,989</u>	<u>15,355</u>	<u>1,204,671</u>	<u>63,904</u>	<u>18,944,261</u>	<u>27,540</u>
LIABILITIES						
Due to other governments	369,989	-	4,600	345	180,404	27,540
Due to depositors	-	15,355	-	63,559	1	-
Taxes collected in advance for other governments	-	-	-	-	-	-
Total liabilities	<u>369,989</u>	<u>15,355</u>	<u>4,600</u>	<u>63,904</u>	<u>180,405</u>	<u>27,540</u>
NET POSITION						
Restricted for individuals, organizations, and other governments	-	-	1,200,071	-	18,763,856	-
TOTAL NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,200,071</u>	<u>\$ -</u>	<u>\$ 18,763,856</u>	<u>\$ -</u>

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
SEPTEMBER 30, 2023

	<u>State Custodial</u>	<u>Bridgeway Center Incorporated</u>	<u>Escrow Custodial</u>	<u>Juvenile Custodial</u>	<u>Foreclosure Escrow</u>	<u>Cash Bond</u>
ASSETS						
Cash and cash equivalents	\$ 257,627	\$ -	\$ 29,715	\$ 818	\$ 473,498	\$ 493,218
Investments	430,000	-	150,000	-	459,000	275,000
Accounts receivable	-	-	-	-	-	-
Due from other elected officials	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total assets	<u>687,627</u>	<u>-</u>	<u>179,715</u>	<u>818</u>	<u>932,498</u>	<u>768,218</u>
LIABILITIES						
Due to other governments	687,627	-	21,581	818	-	85,543
Due to depositors	-	-	-	-	-	-
Taxes collected in advance for other governments	-	-	-	-	-	-
Total liabilities	<u>687,627</u>	<u>-</u>	<u>21,581</u>	<u>818</u>	<u>-</u>	<u>85,543</u>
NET POSITION						
Restricted for individuals, organizations, and other governments	-	-	158,134	-	932,498	682,675
TOTAL NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158,134</u>	<u>\$ -</u>	<u>\$ 932,498</u>	<u>\$ 682,675</u>

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
SEPTEMBER 30, 2023

	<u>Individual Depositors</u>	<u>Suspense (Levies)</u>	<u>Disbursements</u>	<u>Airport Escrow</u>	<u>Water and Sewer Escrow</u>	<u>Total</u>
ASSETS						
Cash and cash equivalents	\$ 5,210	\$ 2,660	\$ 3,467,812	\$ 4,998,991	\$ 2,222,939	\$ 31,569,613
Investments	-	-	-	-	-	2,309,000
Accounts receivable	-	-	7,460	-	-	21,055
Due from other elected officials	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total assets	<u>5,210</u>	<u>2,660</u>	<u>3,475,272</u>	<u>4,998,991</u>	<u>2,222,939</u>	<u>33,899,668</u>
LIABILITIES						
Due to other governments	-	-	138,168	-	-	1,516,615
Due to depositors	-	-	32,947	-	-	111,862
Taxes collected in advance for other governments	-	-	3,278,866	-	-	3,278,866
Total liabilities	<u>-</u>	<u>-</u>	<u>3,449,981</u>	<u>-</u>	<u>-</u>	<u>4,907,343</u>
NET POSITION						
Restricted for individuals, organizations, and other governments	<u>5,210</u>	<u>2,660</u>	<u>25,291</u>	<u>4,998,991</u>	<u>2,222,939</u>	<u>28,992,325</u>
TOTAL NET POSITION	<u>\$ 5,210</u>	<u>\$ 2,660</u>	<u>\$ 25,291</u>	<u>\$ 4,998,991</u>	<u>\$ 2,222,939</u>	<u>\$ 28,992,325</u>

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Fine and Forfeiture</u>	<u>Jury and Witness</u>	<u>Tax Deed</u>	<u>Support</u>	<u>Registry of Court</u>	<u>BCC Custodial</u>
ADDITIONS						
Collections from individuals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures and fees collected	4,939,106	-	-	-	-	-
Witness advanced funding	-	7,524	-	-	-	-
Tax deeds and fees collected	-	-	693,126	-	-	-
Child support collected	-	-	-	796,931	-	-
Registry of the court and fees collected	-	-	-	-	30,342,719	-
Recording fees collected	-	-	-	-	-	378,003
Documentary stamps and intangible tax collected	-	-	-	-	-	-
Probation fees collected	-	-	-	-	-	-
Restitution and escrow funds collected	-	-	-	-	-	-
Juvenile restitution collected	-	-	-	-	-	-
Online foreclosure funds collected	-	-	-	-	-	-
Cash bonds collected	-	-	-	-	-	-
County related taxes and fees	-	-	-	-	-	-
State related licenses and fees	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total additions	<u>4,939,106</u>	<u>7,524</u>	<u>693,126</u>	<u>796,931</u>	<u>30,342,719</u>	<u>378,003</u>

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>State Custodial</u>	<u>Bridgeway Center Incorporated</u>	<u>Escrow Custodial</u>	<u>Juvenile Custodial</u>	<u>Foreclosure Escrow</u>	<u>Cash Bond</u>
ADDITIONS						
Collections from individuals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures and fees collected	-	-	-	-	-	-
Witness advanced funding	-	-	-	-	-	-
Tax deeds and fees collected	-	-	-	-	-	-
Child support collected	-	-	-	-	-	-
Registry of the court and fees collected	-	-	-	-	-	-
Recording fees collected	-	-	-	-	-	-
Documentary stamps and intangible tax collected	35,015,846	-	-	-	-	-
Probation fees collected	-	2	-	-	-	-
Restitution and escrow funds collected	-	-	265,570	-	-	-
Juvenile restitution collected	-	-	-	1,358	-	-
Online foreclosure funds collected	-	-	-	-	1,537,266	-
Cash bonds collected	-	-	-	-	-	687,472
County related taxes and fees	-	-	-	-	-	-
State related licenses and fees	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total additions	<u>35,015,846</u>	<u>2</u>	<u>265,570</u>	<u>1,358</u>	<u>1,537,266</u>	<u>687,472</u>

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Individual Depositors</u>	<u>Suspense (Levies)</u>	<u>Disbursements</u>	<u>Airport Escrow</u>	<u>Water and Sewer Escrow</u>	<u>Total</u>
ADDITIONS						
Collections from individuals	\$ 1,240	\$ -	\$ -	\$ -	\$ -	\$ 1,240
Fines and forfeitures and fees collected	-	-	-	-	-	4,939,106
Witness advanced funding	-	-	-	-	-	7,524
Tax deeds and fees collected	-	-	-	-	-	693,126
Child support collected	-	-	-	-	-	796,931
Registry of the court and fees collected	-	-	-	-	-	30,342,719
Recording fees collected	-	-	-	-	-	378,003
Documentary stamps and intangible tax collected	-	-	-	-	-	35,015,846
Probation fees collected	-	-	-	-	-	2
Restitution and escrow funds collected	-	-	-	-	-	265,570
Juvenile restitution collected	-	-	-	-	-	1,358
Online foreclosure funds collected	-	-	-	-	-	1,537,266
Cash bonds collected	-	-	-	-	-	687,472
County related taxes and fees	-	-	431,211,725	-	-	431,211,725
State related licenses and fees	-	-	32,319,377	-	-	32,319,377
Other	-	-	529,595	718,415	90,347	1,338,357
Total additions	<u>1,240</u>	<u>-</u>	<u>464,060,697</u>	<u>718,415</u>	<u>90,347</u>	<u>539,535,622</u>

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Fine and Forfeiture	Jury and Witness	Tax Deed	Support	Registry of Court	BCC Custodial
DEDUCTIONS						
Distributions to individuals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures and fees disbursed	4,939,106	-	-	-	-	-
Witness advanced funding	-	7,524	-	-	-	-
Tax deeds and fees disbursed	-	-	641,516	-	-	-
Child support disbursed	-	-	-	796,931	-	-
Registry of the court and fees disbursed	-	-	-	-	30,540,255	-
Recording fees disbursed	-	-	-	-	-	378,003
Documentary stamps and intangible tax disbursed	-	-	-	-	-	-
Probation fees disbursed	-	-	-	-	-	-
Restitution and escrow funds disbursed	-	-	-	-	-	-
Juvenile restitution disbursed	-	-	-	-	-	-
Online foreclosure funds disbursed	-	-	-	-	-	-
Cash bonds disbursed	-	-	-	-	-	-
County related taxes and fees	-	-	-	-	-	-
State related licenses and fees	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total deductions	4,939,106	7,524	641,516	796,931	30,540,255	378,003
NET INCREASE (DECREASE)						
IN FIDUCIARY NET POSITION	-	-	51,610	-	(197,536)	-
TOTAL NET POSITION - BEGINNING	-	-	1,148,461	-	18,961,392	-
TOTAL NET POSITION - ENDING	\$ -	\$ -	\$ 1,200,071	\$ -	\$ 18,763,856	\$ -

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	State Custodial	Bridgeway Center Incorporated	Escrow Custodial	Juvenile Custodial	Foreclosure Escrow	Cash Bond
DEDUCTIONS						
Distributions to individuals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures and fees disbursed	-	-	-	-	-	-
Witness advanced funding	-	-	-	-	-	-
Tax deeds and fees disbursed	-	-	-	-	-	-
Child support disbursed	-	-	-	-	-	-
Registry of the court and fees disbursed	-	-	-	-	-	-
Recording fees disbursed	-	-	-	-	-	-
Documentary stamps and intangible tax disbursed	35,015,846	-	-	-	-	-
Probation fees disbursed	-	2	-	-	-	-
Restitution and escrow funds disbursed	-	-	268,145	-	-	-
Juvenile restitution disbursed	-	-	-	1,358	-	-
Online foreclosure funds disbursed	-	-	-	-	1,925,658	-
Cash bonds disbursed	-	-	-	-	-	710,605
County related taxes and fees	-	-	-	-	-	-
State related licenses and fees	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total deductions	<u>35,015,846</u>	<u>2</u>	<u>268,145</u>	<u>1,358</u>	<u>1,925,658</u>	<u>710,605</u>
NET INCREASE (DECREASE)						
IN FIDUCIARY NET POSITION	-	-	(2,575)	-	(388,392)	(23,133)
TOTAL NET POSITION - BEGINNING	<u>-</u>	<u>-</u>	<u>160,709</u>	<u>-</u>	<u>1,320,890</u>	<u>705,808</u>
TOTAL NET POSITION - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158,134</u>	<u>\$ -</u>	<u>\$ 932,498</u>	<u>\$ 682,675</u>

OKALOOSA COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Individual Depositors	Suspense (Levies)	Disbursements	Airport Escrow	Water and Sewer Escrow	Total
DEDUCTIONS						
Distributions to individuals	\$ -	\$ 2,547	\$ -	\$ -	\$ -	\$ 2,547
Fines and forfeitures and fees collected	-	-	-	-	-	4,939,106
Witness advanced funding	-	-	-	-	-	7,524
Tax deeds and fees collected	-	-	-	-	-	641,516
Child support disbursed	-	-	-	-	-	796,931
Registry of the court and fees collected	-	-	-	-	-	30,540,255
Recording fees collected	-	-	-	-	-	378,003
Documentary stamps and intangible tax collected	-	-	-	-	-	35,015,846
Probation fees disbursed	-	-	-	-	-	2
Restitution and escrow funds collected	-	-	-	-	-	268,145
Juvenile restitution collected	-	-	-	-	-	1,358
Online foreclosure funds collected	-	-	-	-	-	1,925,658
Cash bonds collected	-	-	-	-	-	710,605
County related taxes and fees	-	-	431,211,889	-	-	431,211,889
State related licenses and fees	-	-	32,319,377	-	-	32,319,377
Other	-	-	532,857	50,654	1,200	584,711
Total deductions	-	2,547	464,064,123	50,654	1,200	539,343,473
NET INCREASE (DECREASE)						
IN FIDUCIARY NET POSITION	1,240	(2,547)	(3,426)	667,761	89,147	192,149
TOTAL NET POSITION - BEGINNING	3,970	5,207	28,717	4,331,230	2,133,792	28,800,176
TOTAL NET POSITION - ENDING	<u>\$ 5,210</u>	<u>\$ 2,660</u>	<u>\$ 25,291</u>	<u>\$ 4,998,991</u>	<u>\$ 2,222,939</u>	<u>\$ 28,992,325</u>

III. STATISTICAL SECTION (UNAUDITED)

**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023**

This part of Okaloosa County, Florida's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

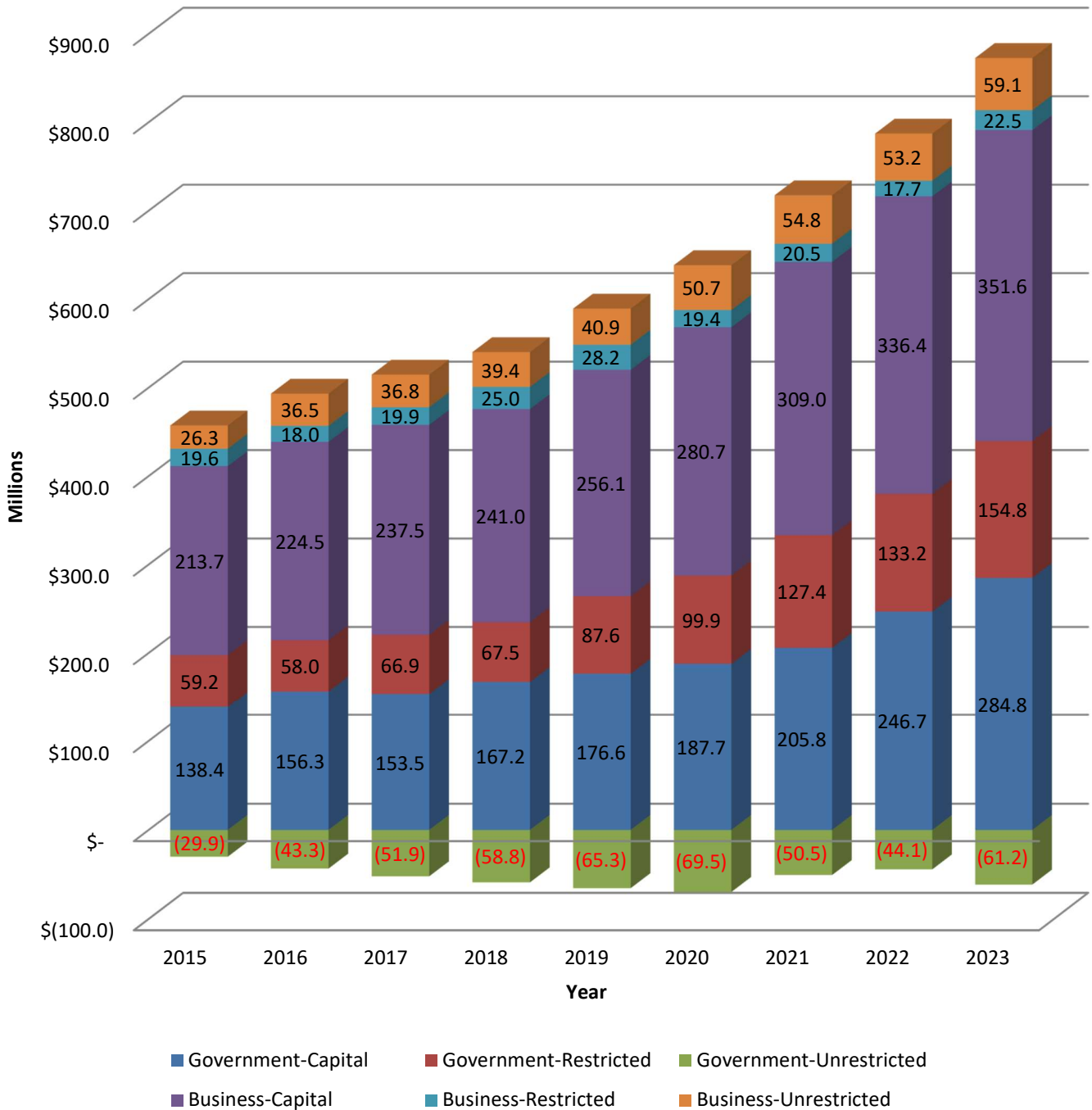
SCHEDULE 1

NET POSITION BY CATEGORY - LAST NINE FISCAL YEARS * - (ACCRUAL BASIS OF ACCOUNTING)

(amounts in thousands)	2015	2016	2017	2018	2019	2020	2021	2022	2023
GOVERNMENTAL ACTIVITIES:									
NET INVESTMENT IN CAPITAL ASSETS	\$138,402	\$156,262	\$153,520	\$167,159	\$176,565	\$187,707	\$205,802	\$246,725	\$284,793
RESTRICTED:									
DEBT SERVICE	\$1,039	\$0	\$435	\$467	\$563	\$706	\$324	\$0	\$0
OTHER PURPOSES	\$58,132	\$57,959	\$66,498	\$67,034	\$86,997	\$99,174	\$127,051	\$133,154	\$147,669
UNRESTRICTED (DEFICIT)	(\$29,906)	(\$43,267)	(\$51,926)	(\$58,761)	(\$65,276)	(\$69,511)	(\$50,498)	(\$44,140)	(\$54,115)
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	\$167,667	\$170,954	\$168,527	\$175,899	\$198,849	\$218,076	\$282,679	\$335,739	\$378,347
BUSINESS-TYPE ACTIVITIES									
NET INVESTMENT IN CAPITAL ASSETS	\$213,694	\$224,457	\$237,458	\$241,039	\$256,056	\$280,690	\$309,029	\$336,353	\$351,572
RESTRICTED:									
DEBT SERVICE	\$8,643	\$5,837	\$5,150	\$4,156	\$4,200	\$4,276	\$4,797	\$4,837	\$4,353
OTHER PURPOSES	\$10,969	\$12,194	\$14,778	\$20,843	\$24,019	\$15,117	\$15,664	\$12,887	\$18,098
UNRESTRICTED	\$26,319	\$36,495	\$36,799	\$39,410	\$40,876	\$50,723	\$54,750	\$53,246	\$59,085
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	\$259,625	\$278,983	\$294,185	\$305,449	\$325,151	\$350,806	\$384,240	\$407,323	\$433,108
PRIMARY GOVERNMENT									
NET INVESTMENT IN CAPITAL ASSETS	\$352,096	\$380,719	\$390,978	\$408,199	\$432,621	\$468,397	\$514,831	\$583,078	\$636,365
RESTRICTED:									
DEBT SERVICE	\$9,682	\$5,837	\$5,585	\$4,623	\$4,764	\$4,982	\$5,121	\$4,837	\$4,353
OTHER PURPOSES	\$69,101	\$70,153	\$81,276	\$87,876	\$111,015	\$114,291	\$142,715	\$146,041	\$165,767
UNRESTRICTED	(\$3,587)	(\$6,772)	(\$15,127)	(\$19,350)	(\$24,400)	(\$18,788)	\$4,252	\$9,106	\$4,970
TOTAL PRIMARY GOVERNMENT NET POSITION	\$427,292	\$449,937	\$462,712	\$481,348	\$524,000	\$568,882	\$666,919	\$743,062	\$811,455

OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023

Net Position by Category Last Nine Fiscal Years



**OKALOOSA COUNTY, FLORIDA
STATISITICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

SCHEDULE 2

CHANGES IN NET POSITION - LAST NINE FISCAL YEARS * - (ACCRUAL BASIS OF ACCOUNTING)

(amounts in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023
EXPENSES									
GOVERNMENTAL ACTIVITIES:									
GENERAL GOVERNMENT	\$30,449	\$33,975	\$33,691	\$33,716	\$35,902	\$43,513	\$39,954	\$44,214	\$51,297
PUBLIC SAFETY	49,096	52,621	59,924	62,277	68,591	81,394	93,551	90,904	100,147
PHYSICAL ENVIRONMENT	1,139	1,376	1,864	1,993	2,176	2,221	2,303	2,451	7,949
TRANSPORTATION	14,349	17,224	17,788	17,752	18,747	25,703	20,148	20,083	23,725
ECONOMIC ENVIRONMENT	6,432	8,501	10,730	10,333	7,616	10,772	19,043	20,824	28,385
HUMAN SERVICES	4,535	4,931	5,325	5,011	5,318	6,383	5,894	6,089	6,555
CULTURE AND RECREATION	7,317	8,238	9,480	10,488	16,834	20,679	15,109	12,144	28,861
COURT-RELATED	8,154	8,147	9,135	9,405	9,242	9,625	9,443	9,970	11,733
INTEREST AND FISCAL CHARGES	2,659	2,471	2,595	2,716	2,786	2,414	2,366	2,370	2,745
TOTAL GOVERNMENTAL EXPENSES	\$124,130	\$137,484	\$150,532	\$153,691	\$167,212	\$202,704	\$207,811	\$209,049	\$261,397
BUSINESS-TYPE ACTIVITIES:									
WATER AND SEWER	26,444	26,004	26,832	29,224	29,359	30,291	31,106	31,578	36,011
AIRPORT	12,415	13,966	13,134	14,618	15,775	14,986	15,291	19,983	24,048
SOLID WASTE	7,155	7,913	9,053	9,907	10,417	10,971	11,818	13,087	15,444
INSPECTIONS	1,678	1,671	1,975	1,917	2,032	2,199	9,260	11,704	14,805
EMERGENCY MEDICAL SERVICES	7,440	8,553	9,292	10,876	11,513	11,611	2,015	2,659	2,684
CONFERENCE CENTER	-	-	-	-	-	-	-	-	-
TAX COLLECTOR BUILDING MAINTENANCE	-	-	-	-	-	-	-	-	-
TOTAL BUSINESS-TYPE EXPENSES	\$55,132	\$58,107	\$60,286	\$66,542	\$69,096	70,058	\$69,490	\$79,011	\$92,992
TOTAL PRIMARY GOVERNMENT EXPENSES	\$179,262	\$195,591	\$210,818	\$220,233	\$236,308	\$272,762	\$277,301	\$288,060	\$354,389
PROGRAM REVENUES - GOVERNMENTAL ACTIVITIES:									
CHARGES FOR SERVICES									
GENERAL GOVERNMENTAL	\$12,538	\$12,124	\$22,252	\$19,914	\$13,405	\$21,976	\$16,802	\$25,513	\$28,531
OTHER	13,423	13,338	3,874	5,897	15,788	24,035	33,644	25,274	23,469
OPERATING GRANTS AND CONTRIBUTIONS	6,738	8,959	15,761	9,173	7,738	16,884	32,536	11,026	13,526
CAPITAL GRANTS AND CONTRIBUTIONS	1,393	984	1,047	3,288	9,969	10,957	14,883	15,119	18,625
TOTAL GOVERNMENT PROGRAM REVENUE	\$34,092	\$35,405	\$42,934	\$38,271	\$46,899	\$73,852	\$97,865	\$76,932	\$84,151

**OKALOOSA COUNTY, FLORIDA
STATISITICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

SCHEDULE 2

CHANGES IN NET POSITION - LAST NINE FISCAL YEARS * - (ACCRUAL BASIS OF ACCOUNTING)

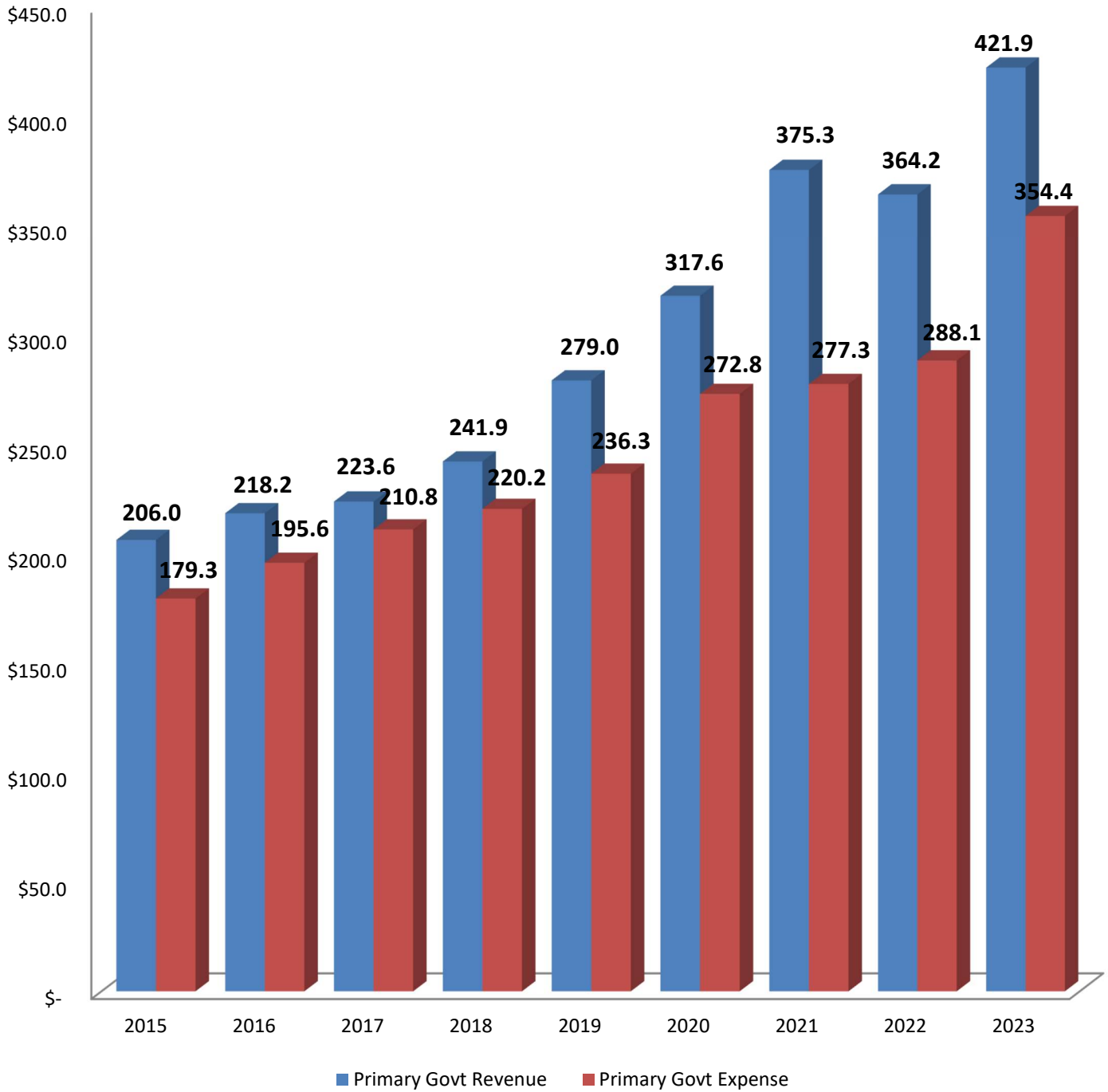
(amounts in thousands)

BUSINESS-TYPE ACTIVITIES:

	2015	2016	2017	2018	2019	2020	2021	2022	2023
CHARGES FOR SERVICES									
WATER & SEWER	\$28,239	\$33,038	\$34,063	\$33,819	\$37,015	\$37,134	\$38,784	\$40,978	\$40,488
OTHER	25,255	29,401	30,898	36,678	38,252	34,743	42,858	48,651	47,003
OPERATING GRANTS AND CONTRIBUTIONS	272	455	893	628	408	7,684	4,913	1,471	12,657
CAPITAL GRANTS AND CONTRIBUTIONS	10,860	11,697	9,059	7,737	11,299	16,664	17,901	10,020	14,949
TOTAL BUSINESS-TYPE PROGRAM REVENUE	<u>\$64,626</u>	<u>\$74,591</u>	<u>\$74,913</u>	<u>\$78,862</u>	<u>\$86,974</u>	<u>\$96,225</u>	<u>\$104,456</u>	<u>101,120</u>	<u>115,097</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$98,718</u>	<u>\$109,996</u>	<u>\$117,847</u>	<u>\$117,133</u>	<u>\$133,872</u>	<u>\$170,077</u>	<u>\$202,321</u>	<u>\$178,052</u>	<u>\$199,248</u>
NET (EXPENSE)/REVENUE									
GOVERNMENT ACTIVITIES	(\$90,038)	(\$102,079)	(\$107,598)	(\$115,419)	(\$120,313)	(\$128,852)	(\$109,946)	(\$132,117)	(\$177,246)
BUSINESS-TYPE ACTIVITIES	9,494	16,484	14,627	12,319	17,877	26,167	34,966	22,109	22,105
TOTAL PRIMARY GOVERNMENT NET EXPENSE	<u>(\$80,544)</u>	<u>(\$85,595)</u>	<u>(\$92,971)</u>	<u>(\$103,100)</u>	<u>(\$102,436)</u>	<u>(\$102,685)</u>	<u>(\$74,980)</u>	<u>(\$110,008)</u>	<u>(\$155,141)</u>
GENERAL REVENUES									
GOVERNMENTAL ACTIVITIES:									
TAXES	\$73,101	\$77,192	\$82,104	\$92,802	\$107,468	\$114,110	\$137,729	\$148,859	\$166,323
STATE SHARED REVENUE	23,228	24,643	17,977	25,795	28,978	27,314	32,076	36,999	4,319
GRANT AND CONTRIBUTIONS NOT RESTRICTED	3	3	-	-	-	-	-	-	31,798
OTHER	5,831	3,527	5,090	6,378	6,817	6,654	4,745	(680)	17,414
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$102,163</u>	<u>\$105,365</u>	<u>\$105,171</u>	<u>\$124,975</u>	<u>\$143,263</u>	<u>\$148,078</u>	<u>\$174,550</u>	<u>\$185,178</u>	<u>\$219,854</u>
BUSINESS-TYPE ACTIVITIES:									
TAXES	\$1,504	\$1,122	\$2	\$1	\$1,247	\$668	\$0	-	-
STATE SHARED REVENUE	-	-	-	-	-	-	-	-	-
GRANT AND CONTRIBUTIONS NOT RESTRICTED	-	-	-	-	-	-	-	-	-
OTHER	3,641	1,752	572	(209)	578	(1,180)	(1,532)	972	2,797
TOTAL BUSINESS-TYPE ACTIVITIES	<u>\$5,145</u>	<u>\$2,874</u>	<u>\$574</u>	<u>(\$208)</u>	<u>\$1,825</u>	<u>(\$512)</u>	<u>(\$1,532)</u>	<u>\$972</u>	<u>\$2,797</u>
CHANGES IN NET POSITION									
GOVERNMENTAL ACTIVITIES	\$12,125	\$3,286	(\$2,427)	\$9,556	\$22,950	\$19,226	\$64,604	\$53,060	\$42,608
BUSINESS-TYPE ACTIVITIES	\$14,639	\$19,358	\$15,201	\$12,111	\$19,702	\$25,655	\$33,434	\$23,083	24,902
TOTAL PRIMARY GOVERNMENT	<u>\$26,764</u>	<u>\$22,644</u>	<u>\$12,774</u>	<u>\$21,667</u>	<u>\$42,652</u>	<u>\$44,881</u>	<u>\$98,038</u>	<u>\$76,143</u>	<u>\$67,510</u>

OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023

**Changes in Net Position - Primary Government
Last Nine Fiscal Years**



**OKALOOSA COUNTY, FLORIDA
STATISITICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

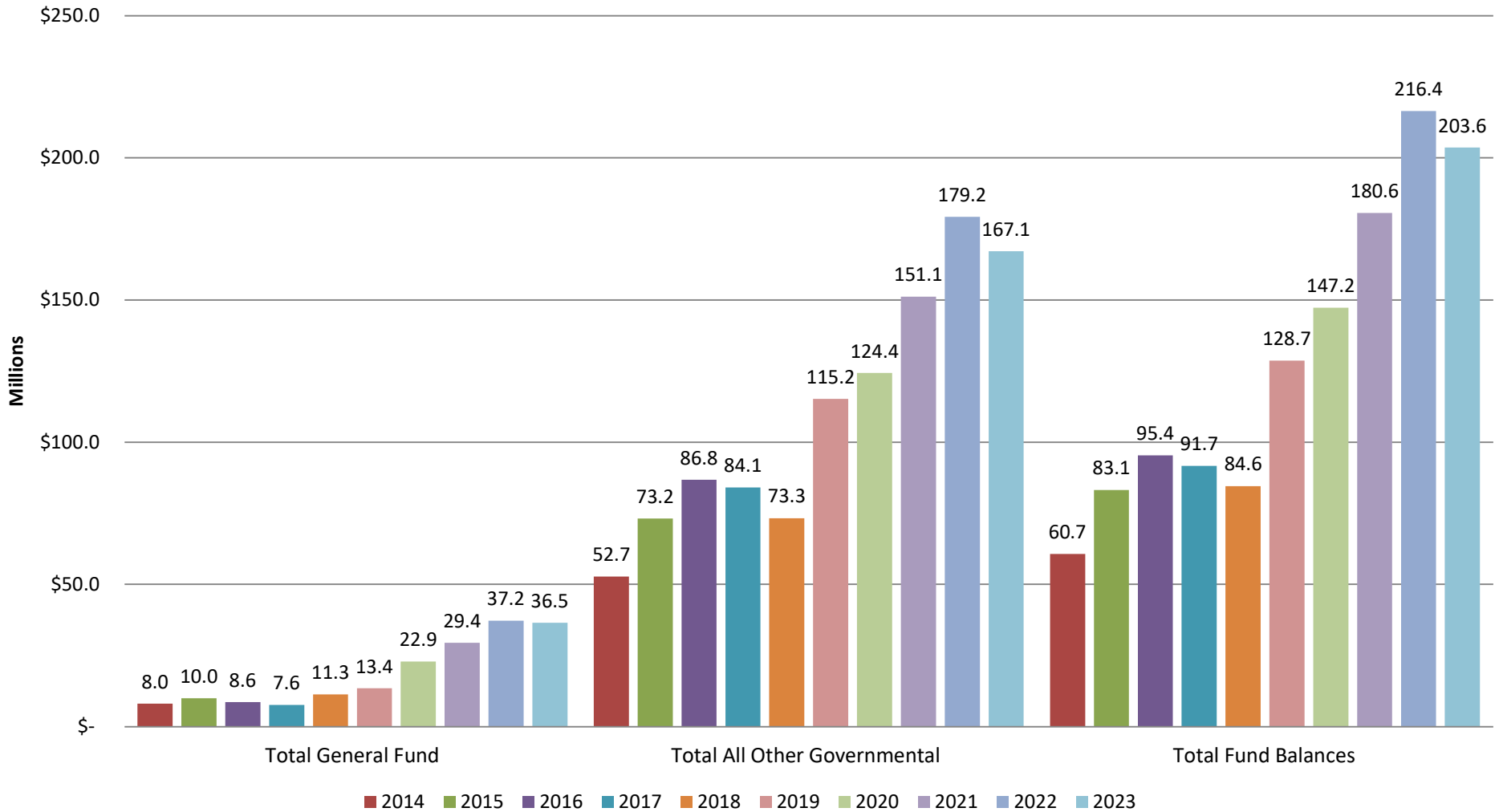
SCHEDULE 3

FUND BALANCES -GOVERNMENTAL FUNDS - LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GENERAL FUND										
NONSPENDABLE:										
NONSPENDABLE	\$288,101	\$380,834	\$439,248	\$244,992	\$684,298	\$670,484	\$693,021	\$1,590,994	\$847,274	\$693,680
SPENDABLE:										
RESTRICTED	-	-	-	-	-	-	174,672	-	-	-
COMMITTED	28,271	32,811	32,229	35,829	33,732	35,455	135,455	190,777	234,173	278,580
ASSIGNED	-	4,269,298	3,739,233	1,074,730	-	-	8,100,000	2,014,940	4,108,600	10,461,482
UNASSIGNED	7,700,502	5,309,928	4,404,725	6,268,994	10,577,270	12,731,814	13,774,037	25,645,387	32,041,228	25,041,474
TOTAL GENERAL FUND	8,016,874	9,992,871	8,615,435	7,624,545	11,295,300	13,437,753	22,877,185	29,442,098	37,231,275	36,475,216
ALL OTHER GOVERNMENTAL FUNDS										
NONSPENDABLE:										
NONSPENDABLE	50,299	63,714	150,989	123,806	823,802	713,878	555,052	814,997	542,933	1,152,909
SPENDABLE:										
RESTRICTED	49,600,151	69,362,485	85,406,990	79,617,856	69,574,098	111,202,709	118,614,646	142,655,799	170,792,903	152,562,356
COMMITTED	519,514	556,145	584,502	525,437	486,014	548,332	678,155	716,840	761,875	657,199
ASSIGNED	3,378,819	3,238,048	3,421,017	3,923,588	2,398,598	2,761,043	4,541,200	8,389,876	7,755,282	12,818,954
UNASSIGNED	(833,541)	(63,714)	(2,794,019)	(123,806)	-	(5,678)	(23,496)	(1,446,531)	(640,483)	(75,761)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	52,715,242	73,156,678	86,769,479	84,066,881	73,282,512	115,220,284	124,365,557	151,130,981	179,212,510	167,115,657
TOTAL FUND BALANCES	<u>\$60,732,116</u>	<u>\$83,149,549</u>	<u>\$95,384,914</u>	<u>\$91,691,426</u>	<u>\$84,577,812</u>	<u>\$128,658,037</u>	<u>147,242,742</u>	<u>\$180,573,079</u>	<u>\$216,443,785</u>	<u>203,590,873</u>

OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023

Fund Balances - Governmental Funds Last Ten Fiscal Years



**OKALOOSA COUNTY, FLORIDA
STATISITICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

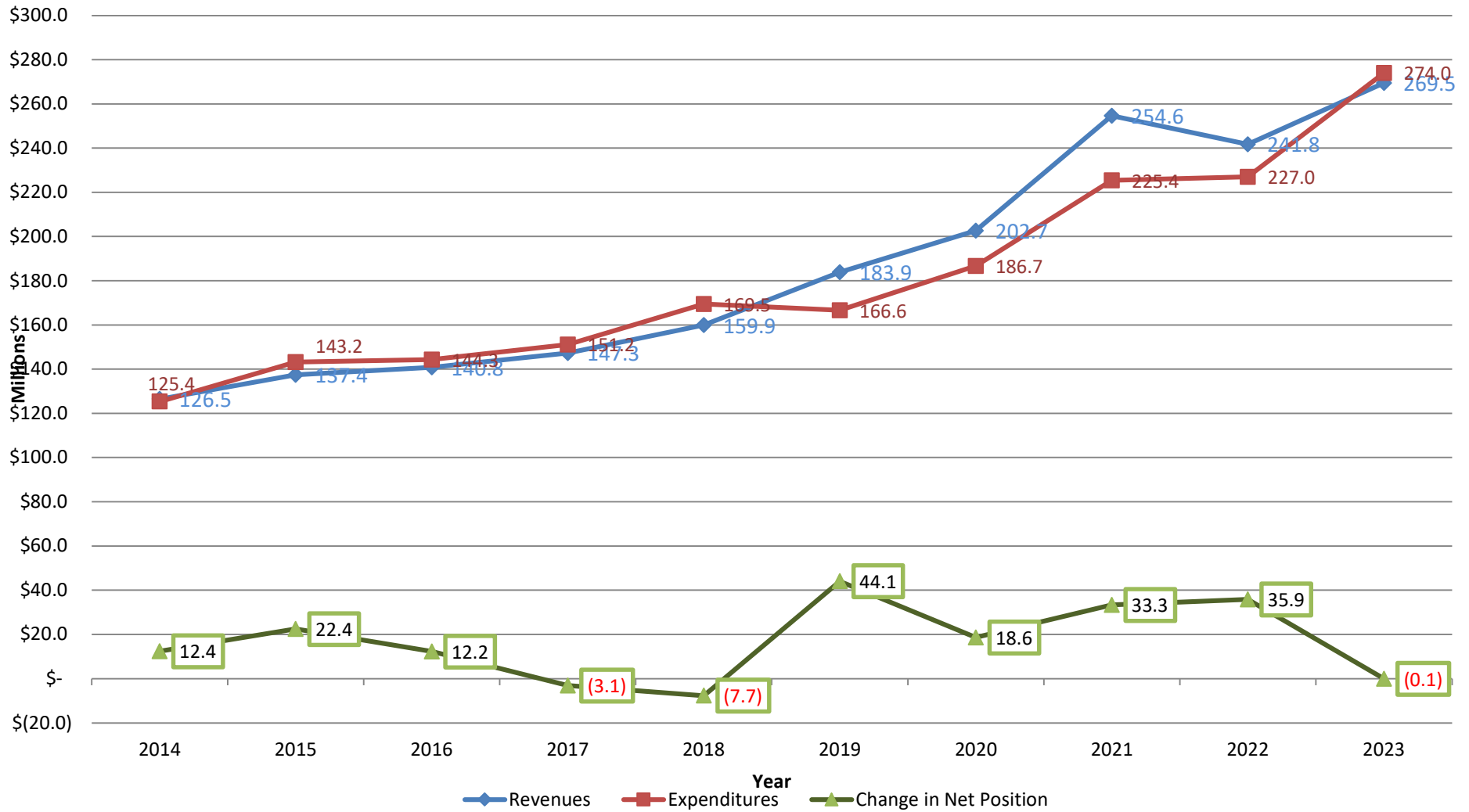
SCHEDULE 4

CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS-LAST TEN FISCAL YEARS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUES											
TAXES	\$58,009,904	\$68,739,375	\$73,100,840	\$77,192,003	\$82,103,975	\$91,202,391	\$109,068,378	\$114,110,263	\$137,729,257	\$148,859,101	\$166,323,470
LICENSES & PERMITS	\$816,294	\$822,400	\$848,363	\$865,485	\$462,139	\$514,511	\$561,794	\$577,186	\$617,238	\$631,480	\$668,812
INTERGOVERNMENTAL	\$30,863,164	\$30,120,655	\$31,928,295	\$33,791,368	\$34,785,503	\$38,255,522	\$40,162,037	\$50,899,401	\$75,476,389	\$48,930,859	\$52,831,631
CHARGES FOR SERVICES	\$18,655,266	\$21,372,281	\$23,045,957	\$23,862,806	\$24,412,780	\$24,257,996	\$26,016,319	\$26,069,683	\$30,714,349	\$29,117,847	\$31,482,898
FINES & FORFEITURES	\$476,561	\$1,164,801	\$1,384,872	\$1,431,519	\$1,251,298	\$1,038,282	\$1,183,846	\$1,022,234	\$1,131,606	\$1,304,713	\$1,280,538
MISCELLANEOUS	\$3,307,732	\$4,307,247	\$7,076,827	\$3,616,291	\$4,282,219	\$4,634,083	\$6,888,396	\$10,011,406	\$8,906,911	\$12,910,731	\$16,890,564
TOTAL REVENUES	\$112,128,921	\$126,526,759	\$137,385,154	\$140,759,472	\$147,297,914	\$159,902,785	\$183,850,770	\$202,690,173	\$254,575,750	\$241,754,731	\$269,477,913
EXPENDITURES											
GENERAL GOVERNMENT SERVICES	\$26,836,490	\$28,079,338	\$29,330,828	\$30,551,262	\$29,095,006	\$29,395,459	\$30,973,435	\$33,440,415	\$34,787,267	\$37,191,297	\$39,400,780
PUBLIC SAFETY	\$44,072,056	\$46,091,455	\$47,208,844	\$48,955,445	\$53,315,581	\$56,403,035	\$60,761,166	\$64,961,692	\$85,729,737	\$74,093,035	\$80,333,930
PHYSICAL ENVIRONMENT	\$1,052,328	\$1,121,652	\$1,065,957	\$1,211,921	\$1,640,119	\$1,750,746	\$1,866,941	\$1,671,771	\$1,971,514	\$2,028,485	\$2,200,356
TRANSPORTATION	\$11,660,285	\$11,423,718	\$11,610,886	\$13,847,394	\$13,487,051	\$13,524,697	\$13,873,338	\$18,048,733	\$15,303,147	\$14,513,880	\$16,266,976
ECONOMIC ENVIRONMENT	\$4,941,758	\$6,336,515	\$6,408,961	\$8,466,893	\$9,408,113	\$9,800,565	\$6,985,903	\$8,805,421	\$18,107,279	\$19,327,648	\$24,112,096
HUMAN SERVICES	\$4,185,618	\$4,051,161	\$4,213,371	\$4,639,176	\$4,684,444	\$4,495,950	\$4,669,920	\$5,093,565	\$5,284,672	\$5,390,714	\$5,255,138
CULTURE AND RECREATION	\$11,418,463	\$6,603,579	\$6,311,704	\$6,914,218	\$7,649,712	\$8,575,412	\$14,257,158	\$15,614,532	\$12,182,884	\$8,957,521	\$21,896,847
COURT RELATED	\$7,158,838	\$7,400,259	\$8,111,902	\$7,808,128	\$8,057,760	\$8,296,348	\$8,474,981	\$8,262,750	\$9,316,740	\$9,316,740	\$9,592,094
CAPITAL OUTLAY	\$5,427,895	\$11,282,675	\$23,602,553	\$13,705,605	\$20,824,074	\$31,018,577	\$17,733,232	\$25,356,469	\$36,405,770	\$50,286,265	\$64,347,602
PRINCIPAL RETIREMENT	\$713,000	\$1,329,000	\$3,094,789	\$3,938,378	\$790,899	\$3,207,112	\$3,222,444	\$2,914,818	\$2,806,455	\$2,597,751	\$7,196,317
INTEREST	\$1,626,624	\$1,648,372	\$2,032,150	\$4,131,798	\$1,654,726	\$3,051,861	\$3,600,263	\$2,521,716	\$3,312,572	\$3,319,419	\$3,443,054
OTHER CHARGES	\$41,210	\$13,101	\$212,836	\$150,124	\$3,622	\$1,305	\$185,877	\$500	\$98,804	\$1,913	\$2,100
TOTAL EXPENDITURES	\$119,134,565	\$125,380,825	\$143,204,781	\$144,320,342	\$151,151,107	\$169,521,067	\$166,604,658	\$186,692,382	\$225,360,107	\$227,024,668	\$274,047,290
EXCESS OF REVENUES OVER(UNDER) EXPENDITURES	(\$7,005,644)	\$1,145,934	(\$5,819,627)	(\$3,560,870)	(\$3,853,193)	(\$9,618,282)	\$17,246,112	\$15,997,791	\$29,215,643	\$14,730,063	(\$4,569,377)
OTHER FINANCING SOURCES (USES)											
SPECIAL ITEM	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TRANSFERS IN	\$6,333,962	\$16,598,302	\$9,263,264	\$8,841,151	\$7,920,212	\$8,726,549	\$10,727,023	\$13,105,904	\$24,260,282	\$15,198,297	\$28,748,133
TRANSFERS OUT	(\$5,938,836)	(\$7,820,602)	(\$8,499,093)	(\$7,829,475)	(\$7,210,946)	(\$6,771,442)	(\$9,077,752)	(\$10,518,990)	(\$22,711,184)	(\$14,425,054)	(\$27,661,540)
BUDGET TRANSFERS AMONG											
CONSTITUTIONAL OFFICERS	\$0	\$825,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROCEEDS FROM CAPITAL LEASES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EXCESS FEES DUE TO OTHER GOVERNMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ISSUANCE OF DEBT	\$5,000,000	\$1,650,000	\$27,472,889	\$13,584,438	\$0	\$0	\$17,160,000	\$0	\$2,565,595	\$20,367,400	\$0
ORGINAL ISSUE PREMIUM	\$0	\$0	\$0	\$1,200,121	\$0	\$0	\$8,024,842	\$0	\$0	\$0	\$0
SBITA PROCEEDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,387,172
TOTAL OTHER FINANCING SOURCES(USES)	\$5,395,126	\$11,252,700	\$28,237,060	\$15,796,235	\$709,266	\$1,955,107	\$26,834,113	\$2,586,914	\$4,114,693	\$21,140,643	\$4,473,765
NET CHANGE IN FUND BALANCES	(\$1,610,518)	\$12,398,634	\$22,417,433	\$12,235,365	(\$3,143,927)	(\$7,663,175)	\$44,080,225	\$18,584,705	\$33,330,336	\$35,870,706	(\$95,612)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	4.00%	2.44%	3.87%	6.04%	1.65%	3.83%	4.39%	3.00%	2.84%	2.68%	4.04%

OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023

Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years



**OKALOOSA COUNTY, FLORIDA
STATISITICAL SECTION
SEPTEMBER 30, 2023**

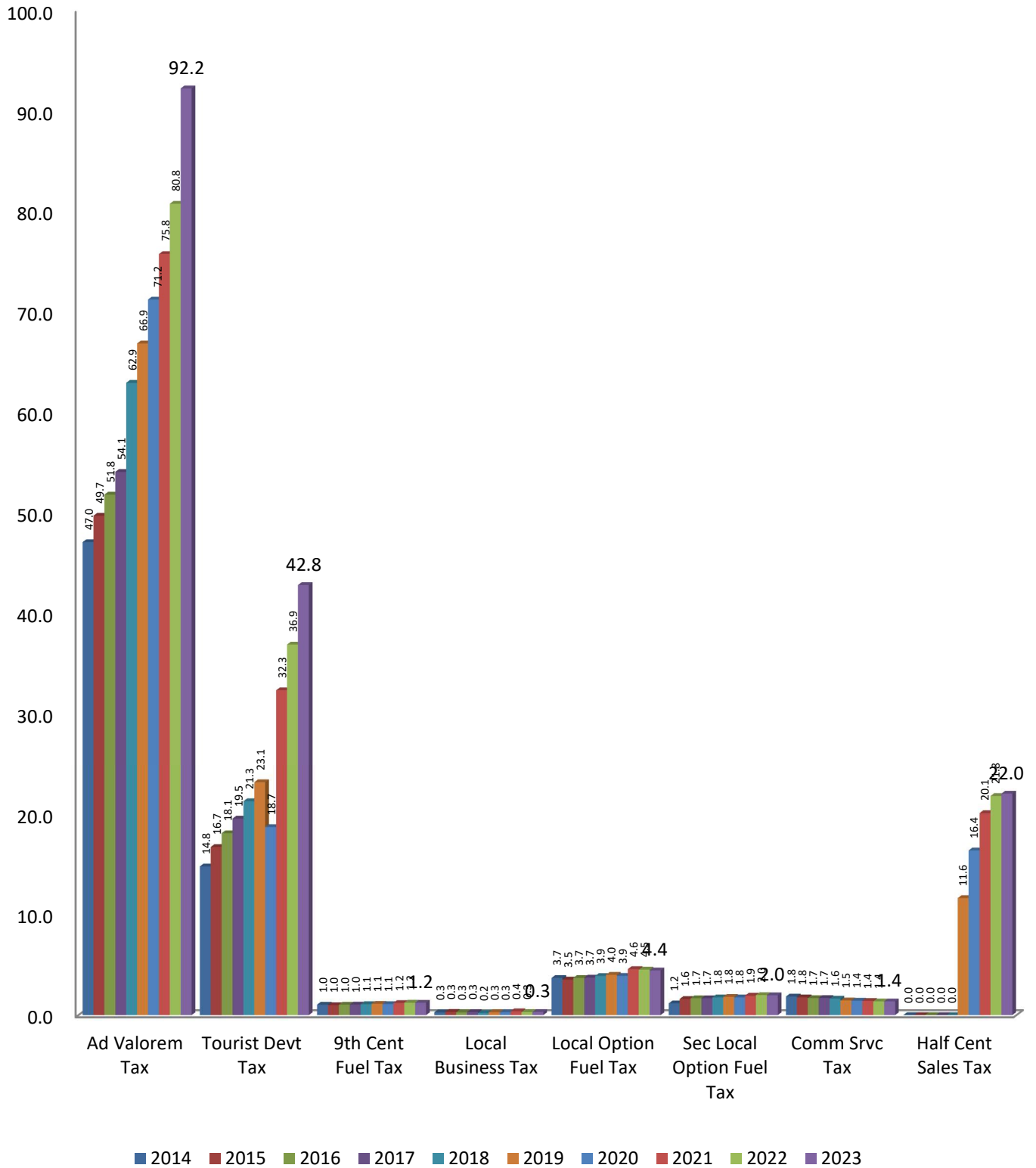
UNAUDITED

SCHEDULE 5

GOVERNMENTAL TAX REVENUES BY SOURCE - LAST TEN FISCAL YEARS

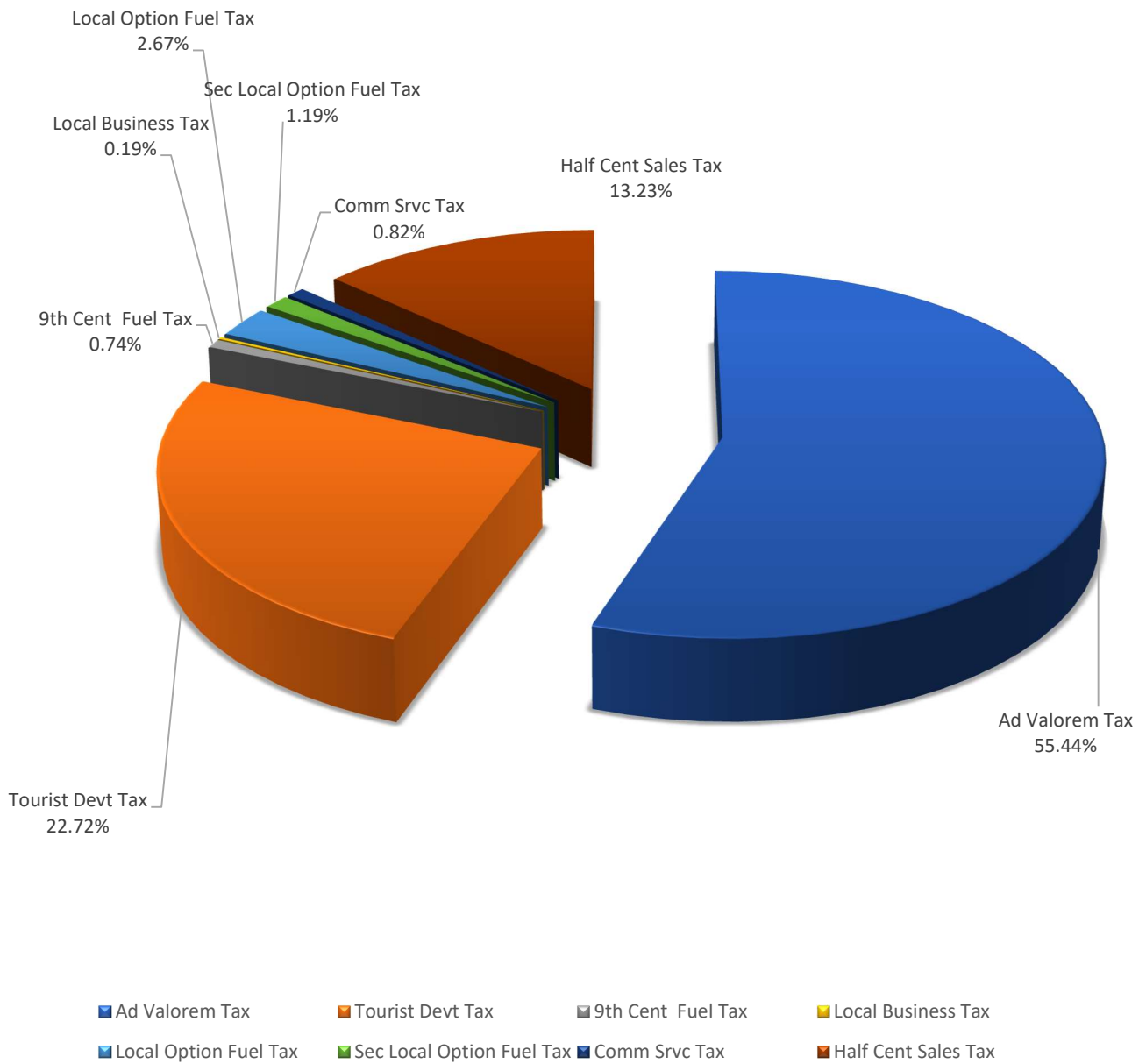
FISCAL YEAR	AD VALOREM TAX	TOURIST DEVELOPMENT TAX	9TH CENT VOTED FUEL TAX	LOCAL BUSINESS TAX	LOCAL OPTION FUEL TAX	SECOND LOCAL OPTION FUEL TAX	COMMUNICATION SERVICE TAX	HALF CENT SALES TAX	TOTAL TAXES
2014	\$47,044,564	\$14,780,313	\$1,038,703	\$276,084	\$3,694,824	\$1,167,117	\$1,848,458	\$0	\$69,850,063
2015	\$49,668,734	\$16,713,548	\$992,766	\$324,402	\$3,533,694	\$1,604,709	\$1,766,987	\$0	\$74,604,840
2016	\$51,839,796	\$18,078,186	\$1,039,247	\$283,877	\$3,699,205	\$1,680,999	\$1,692,888	\$0	\$78,314,199
2017	\$54,096,832	\$19,534,276	\$1,049,857	\$304,577	\$3,737,446	\$1,682,579	\$1,700,212	\$0	\$82,105,778
2018	\$62,942,101	\$21,252,688	\$1,093,007	\$215,021	\$3,891,258	\$1,762,082	\$1,646,991	\$0	\$92,803,148
2019	\$66,852,871	\$23,136,045	\$1,126,931	\$285,849	\$4,008,738	\$1,814,424	\$1,457,663	\$11,633,311	\$110,315,833
2020	\$71,210,378	\$18,696,605	\$1,099,419	\$289,320	\$3,902,287	\$1,766,471	\$1,440,814	\$16,372,724	\$114,778,018
2021	\$75,802,408	\$32,335,123	\$1,204,797	\$385,145	\$4,574,070	\$1,939,370	\$1,413,169	\$20,076,386	\$137,730,469
2022	\$80,782,659	\$36,875,377	\$1,238,295	\$306,309	\$4,525,347	\$1,995,275	\$1,366,516	\$21,769,843	\$148,859,620
2023	\$92,207,694	\$42,784,532	\$1,232,607	\$308,415	\$4,443,488	\$1,973,908	\$1,368,706	\$22,004,325	\$166,323,674

**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023**



OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023

Governmental Tax Revenues by Source
Fiscal Year 2023



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

SCHEDULE 6

TAXABLE ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF PROPERTY - LAST TEN FISCAL YEARS

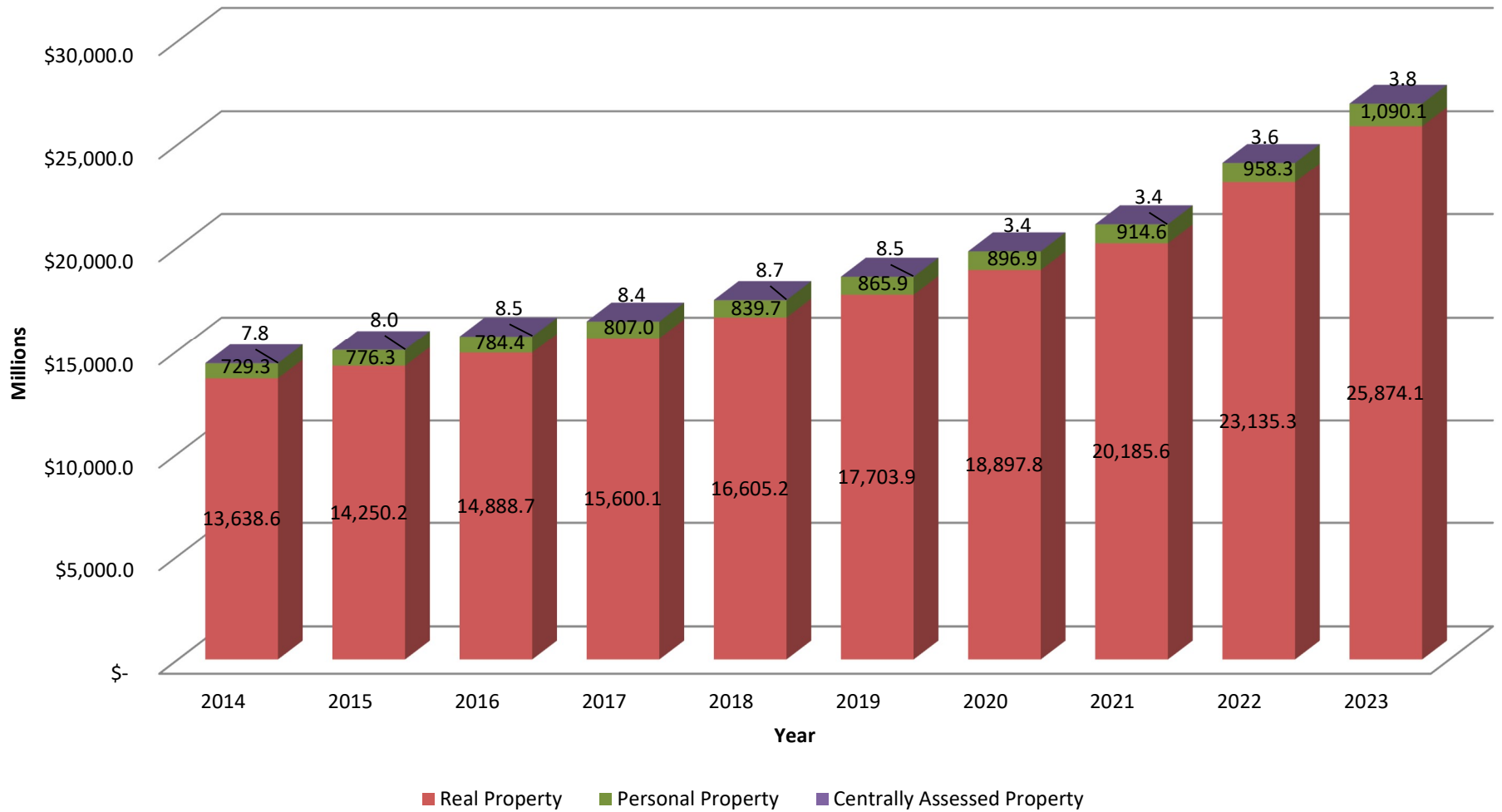
FISCAL YEAR	ASSESSED VALUE			TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE	ESTIMATED ACTUAL VALUE (1)	ASSESSED TO ESTIMATED ACTUAL
	REAL PROPERTY	PERSONAL PROPERTY	CENTRALLY ASSESSED PROPERTY				
2014	13,638,594,459	729,296,565	7,839,711	14,375,730,735	11.0088	16,912,624,394	85.00%
2015	14,250,207,252	776,305,018	7,960,210	15,034,472,480	10.6368	17,687,614,682	85.00%
2016	14,888,659,305	784,426,652	8,494,897	15,681,580,854	10.7178	18,448,918,652	85.00%
2017	15,600,116,012	807,013,281	8,353,692	16,415,482,985	10.4908	19,312,332,924	85.00%
2018	16,605,239,655	839,650,782	8,662,999	17,453,553,436	10.5246	20,533,592,278	85.00%
2019	17,703,889,423	865,862,150	8,524,526	18,578,276,099	10.3685	21,856,795,411	85.00%
2020	18,897,824,142	896,897,664	3,442,857	19,798,164,663	10.1959	23,291,958,427	85.00%
2021	20,185,607,358	914,560,720	3,445,853	21,103,613,931	10.1022	24,827,781,095	85.00%
2022	23,135,342,423	958,343,838	3,576,946	24,097,263,207	9.7349	28,349,721,420	85.00%
2023	25,874,149,618	1,090,134,265	3,756,062	26,958,049,945	9.6302	31,715,352,876	85.00%

(1) BASED ON PROPERTY APPRAISER'S ESTIMATE OF ASSESSED PROPERTY VALUATION BEING 85% OF MARKET VALUE

SOURCE: OKALOOSA COUNTY PROPERTY APPRAISER

OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023

Taxable Assessed Value
Last Ten Fiscal Years



**OKALOOSA COUNTY, FLORIDA
STATISITICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

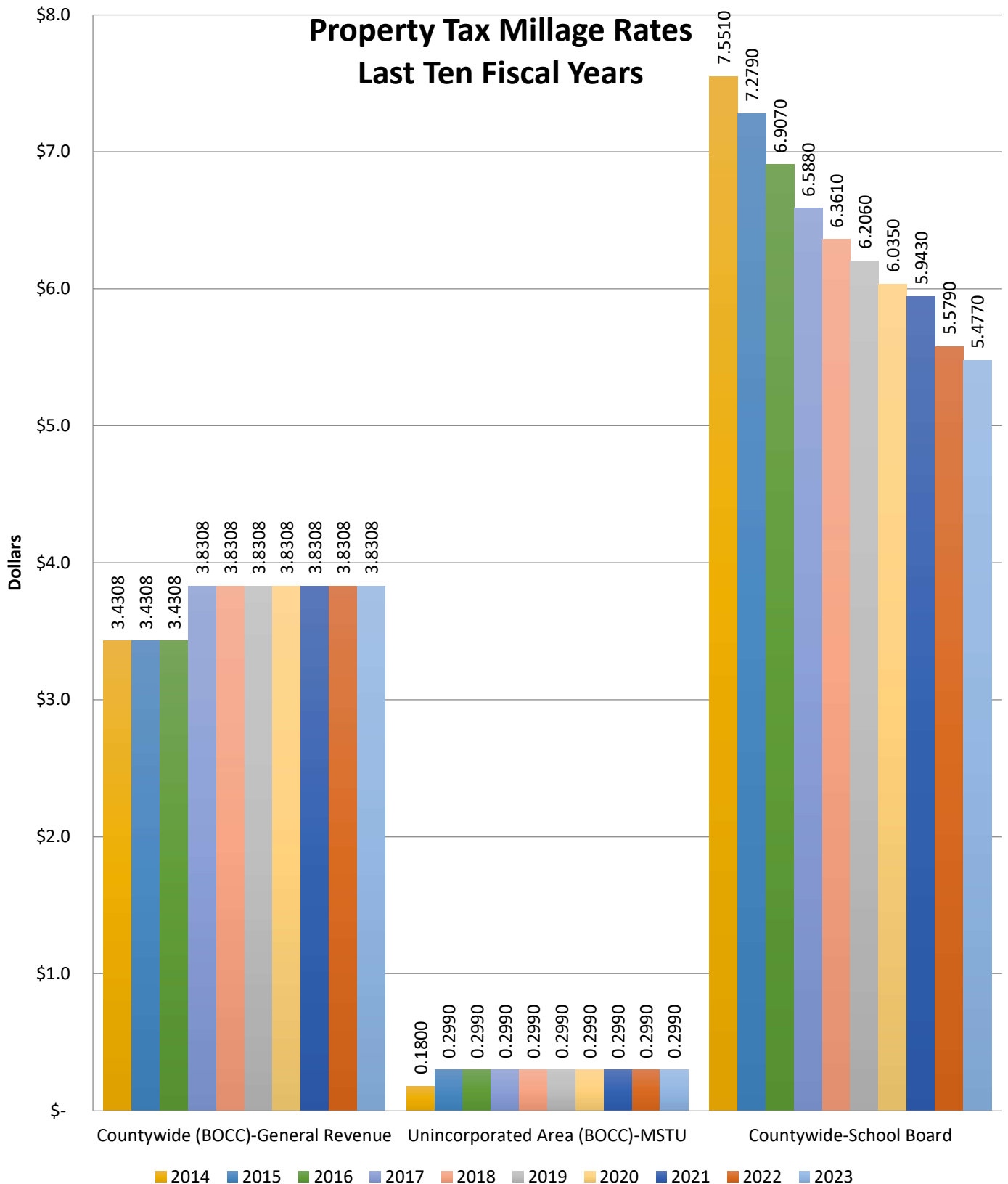
SCHEDULE 7

PROPERTY TAX MILLAGE RATES FOR DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
COUNTYWIDE (BOCC)										
GENERAL REVENUE	3.4308	3.4308	3.4308	3.8308	3.8308	3.8308	3.8308	3.8308	3.8308	3.8308
UNINCORPORATED AREA (BOCC)										
MUNICIPAL SERVICE TAXING UNIT (MSTU)	0.1800	0.2990	0.2990	0.2990	0.2990	0.2990	0.2990	0.2990	0.2990	0.2990
COUNTYWIDE (OTHER)										
SCHOOL BOARD	7.5510	7.2790	6.9070	6.5880	6.3610	6.2060	6.0350	5.9430	5.5790	5.4770
TOTAL MILLAGES	11.1618	11.0088	10.6368	10.7178	10.4908	10.3358	10.1648	10.0728	9.7088	9.6068
MUNICIPALITIES										
CINCO BAYOU	2.3500	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
CRESTVIEW	5.8466	6.9466	6.9466	6.9466	6.9466	6.9466	6.9466	6.9466	6.8466	6.8466
DESTIN	1.5000	1.5000	1.6150	1.6150	1.6150	1.6150	1.6150	1.6150	1.6150	1.6150
FORT WALTON BEACH	5.7697	5.7697	5.7697	5.7697	5.7697	5.6395	5.3293	5.3293	4.9999	4.6116
LAUREL HILL	3.5000	3.5000	3.5000	3.5000	3.5000	3.5000	3.5000	3.5000	3.5000	3.5000
MARY ESTHER	2.6435	3.5000	3.8880	4.2347	4.2347	5.0261	5.0261	5.0261	5.0261	5.0261
NICEVILLE	3.7000	3.7000	3.7000	3.7000	3.7000	3.7000	3.7000	3.7000	3.7000	4.0000
SHALIMAR	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	1.8000	1.8000	1.8000	2.0000
VALPARAISO	4.5240	5.0240	5.0240	5.0240	5.0240	5.0240	5.0240	5.0240	5.0240	5.0240
SPECIAL DISTRICTS										
NW FLORIDA WATER MANAGEMENT	0.0400	0.0378	0.0366	0.0353	0.0338	0.0327	0.0311	0.0294	0.0261	0.0234
LAKE PIPPIN MSBU	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT
DESTIN FIRE	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
EAST NICEVILLE FIRE	2.3700	2.7000	3.0176	3.0176	3.0176	3.0176	3.0176	3.0176	3.4000	3.4000
FLOROSA FIRE	1.0000	1.0000	1.0000	1.0000	1.0000	1.5000	1.7500	2.2500	2.2500	2.6000
NORTH BAY FIRE	2.3500	2.3500	2.3500	2.3500	2.3500	2.3500	2.3500	2.2700	2.2700	2.2700
OCEAN CITY-WRIGHT FIRE	2.2500	2.4000	2.5800	2.5800	2.7500	2.7500	2.7500	2.7500	2.7500	2.7500
OKALOOSA ISLAND FIRE	3.5550	3.4500	3.3699	3.6000	3.4308	3.2033	3.0498	3.7000	3.7000	3.7000
SYLVANIA HEIGHTS	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
ALMARANTE FIRE	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT
BAKER FIRE	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT
BLACKMAN FIRE	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT
DORCAS FIRE	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT
HOLT FIRE	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT
NORTH OKALOOSA FIRE	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT

SOURCE: OKALOOSA COUNTY PROPERTY APPRAISER

OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023



**OKALOOSA COUNTY, FLORIDA
STATISITICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

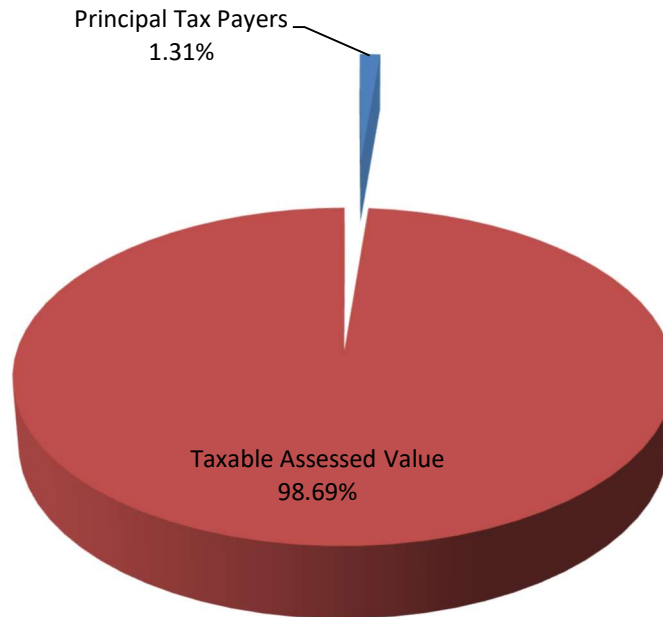
SCHEDULE 8

PRINCIPAL PROPERTY TAX PAYERS - LAST FISCAL YEAR COMPARED TO THE FISCAL YEAR NINE YEARS EARLIER

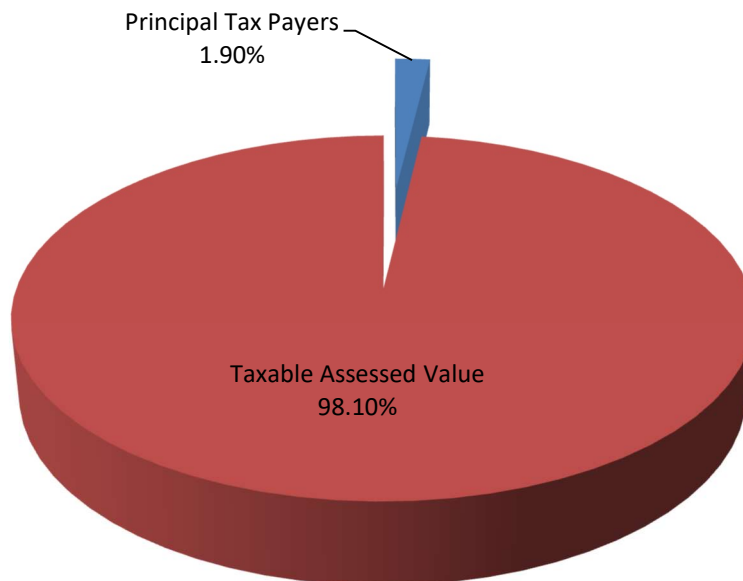
TAXPAYER	2023			2014		
	TAXABLE ASSESSED VALUE		PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE		PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE
FLORIDA POWER & LIGHT CO/GULF POWER	\$148,718,094	1	0.55%	\$80,194,577		0.56%
FLORIDA GAS TRANSMISSION CO	\$48,884,674	2	0.18%	\$72,810,418		0.51%
CHOCTAWHATCHEE ELECTRIC CO	\$43,515,796	3	0.16%	\$31,954,480		0.22%
EMBARQ CORP		6		\$26,118,438		0.18%
LURIN REAL ESTATE HOLDINGS VI	\$24,814,790	4	0.09%			
FORT WALTON BEACH MEDICAL CENTER	\$20,758,294	5	0.08%	\$13,548,871		0.09%
FT WALTON DEFENSE HOUSING LTD				\$18,006,416		0.13%
UNITI FIBER HOLDINGS INC	\$16,609,563	7	0.06%			
CENTURYLINK COMMUNICATIONS LLC	\$14,494,350		0.05%			
D R HORTON INC	\$13,597,586		0.05%			
JRW INVESTMENTS LLC	\$11,400,590	8	0.04%			
L-3 COMMUNICATIONS CRESTVIEW				\$9,909,444		0.07%
PRIME STORAGE CRESTVIEW LLC	\$9,237,765	10	0.03%			
L-3 COMMUNICATIONS INTEGRATED				\$7,363,873		0.05%
POWERSOUTH ENERGY COOPERATIVE				\$6,721,515		0.05%
SOUTHERN LIGHT LLC				\$6,673,046		0.05%
 TOTAL PRINCIPAL TAXPAYER VALUE	 \$352,031,502		 1.31%	 \$273,301,078		 1.90%
TOTAL OTHER TAXPAYER VALUE	\$26,606,018,443		98.69%	\$14,107,393,531		98.10%
TOTAL TAXABLE ASSESSED VALUE	\$26,958,049,945		100.0%	\$14,380,694,609		100.0%

SOURCE: OKALOOSA COUNTY PROPERTY APPRAISER

Principal Property Tax Payers Current Year 2023



Principal Property Tax Payers Year 2014



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

SCHEDULE 9

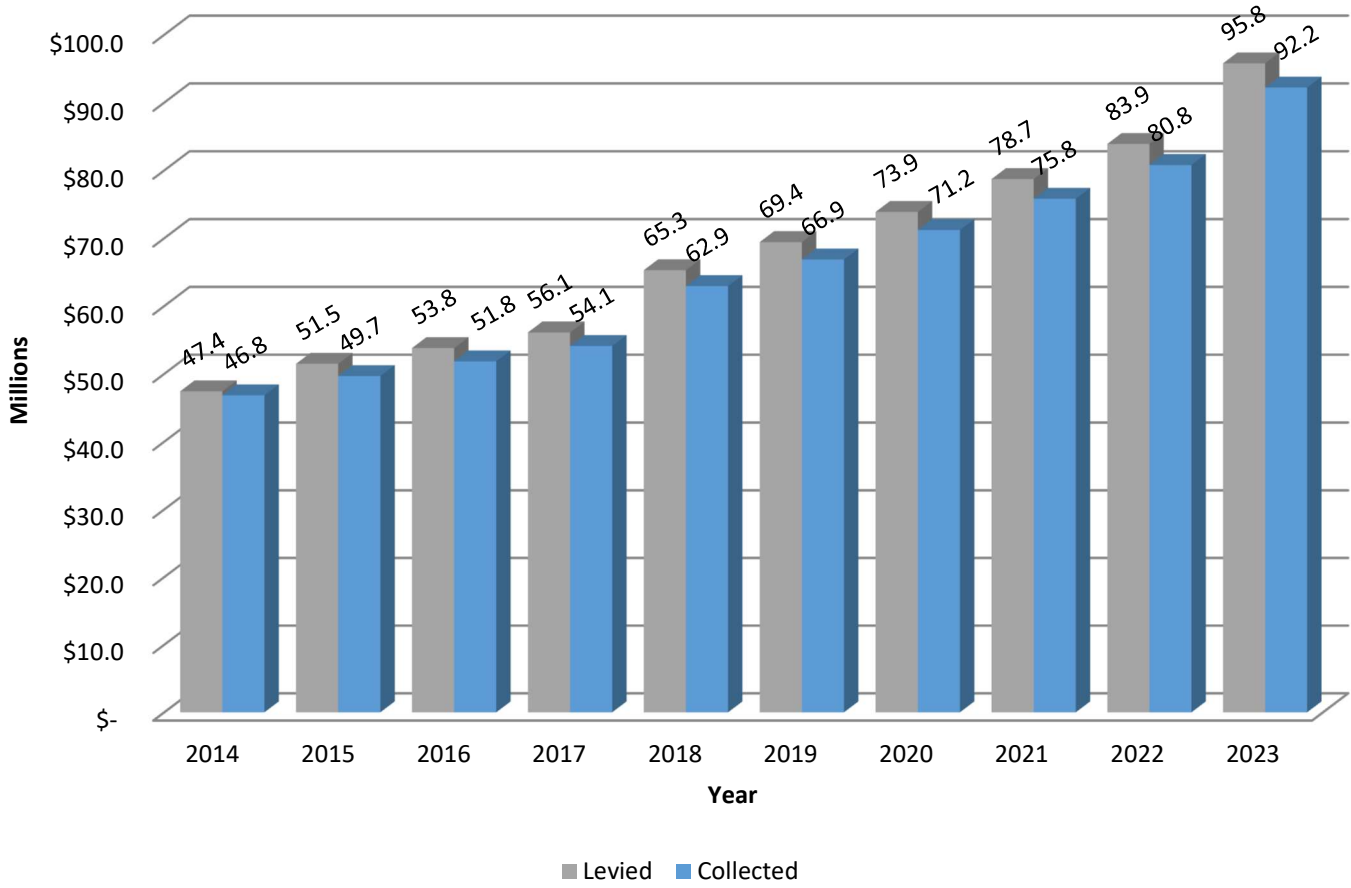
PROPERTY TAX LEVIES AND COLLECTIONS - LAST TEN FISCAL YEARS

FISCAL YEAR	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
		AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2014	\$47,418,367	\$46,623,220	98.3%	\$210,673	\$46,833,893	98.8%
2015	\$51,479,158	\$49,506,421	96.2%	\$162,314	\$49,668,735	96.5%
2016	\$53,794,633	\$51,776,803	96.2%	\$62,994	\$51,839,797	96.4%
2017	\$56,098,297	\$54,031,657	96.3%	\$65,175	\$54,096,832	96.4%
2018	\$65,279,339	\$62,899,736	96.4%	\$42,365	\$62,942,100	96.4%
2019	\$69,420,530	\$66,809,436	96.2%	\$43,434	\$66,852,871	96.3%
2020	\$73,871,680	\$71,100,748	102.2%	\$109,630	\$71,210,378	102.4%
2021	\$78,715,123	\$75,724,523	96.2%	\$77,886	\$75,802,408	96.3%
2022	\$83,896,832	\$79,656,326	94.9%	\$1,126,333	\$80,782,659	96.3%
2023	\$95,776,689	\$90,683,325	94.7%	\$1,524,369	\$92,207,694	96.3%

SOURCE: OKALOOSA COUNTY TAX COLLECTOR RECAPITULATION OF THE TAX ROLL

OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023

Property Tax Levies and Collections
Last Ten Fiscal Years



**OKALOOSA COUNTY, FLORIDA
STATISITICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

SCHEDULE 10

RATIOS OF OUTSTANDING DEBT BY TYPE - LAST TEN FISCAL YEARS

FISCAL YEAR	GOVERNMENTAL ACTIVITIES						BUSINESS-TYPE ACTIVITIES						TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA	
	SPECIAL OBLIGATION BONDS(1)	REVENUE BONDS (2)	LEASE AGREEMENTS (3)	COMMERCIAL PAPER, NOTES, AND LOANS (4)	FINANCED PURCHASES (9)	SUBSCRIPTION AGREEMENTS (10)	WATER BONDS, NOTES, AND LOANS (5)	AIRPORT BONDS, NOTES, AND LOANS (6)	SOLID WASTE BONDS (7)	CONFERENCE CENTER BONDS (8)	LEASES AGREEMENTS (3)	FINANCED PURCHASES (9)				SUBSCRIPTION AGREEMENTS (10)
2014	\$0	\$28,290,659	\$0	\$6,059,000	\$0	\$0	\$88,566,870	\$20,249,582	\$0	\$0	\$0	\$0	\$0	\$143,166,111	1.92%	\$732
2015	\$0	\$52,719,870	\$0	\$6,022,211	\$0	\$0	\$81,984,312	\$19,235,035	\$0	\$0	\$0	\$0	\$0	\$159,961,428	1.77%	\$771
2016	\$0	\$63,899,514	\$416,292	\$4,490,979	\$0	\$0	\$79,094,314	\$19,515,143	\$0	\$0	\$0	\$0	\$0	\$167,416,242	1.86%	\$697
2017	\$0	\$63,368,537	\$208,146	\$4,340,756	\$0	\$0	\$75,459,990	\$18,698,323	\$0	\$0	\$0	\$0	\$0	\$162,075,753	1.64%	\$728
2018	\$0	\$61,187,380	\$0	\$1,957,000	\$0	\$0	\$71,789,364	\$17,839,765	\$0	\$0	\$0	\$0	\$0	\$152,773,509	1.49%	\$796
2019	\$0	\$84,293,639	\$0	\$2,222,403	\$0	\$0	\$67,991,638	\$13,439,518	\$0	\$0	\$0	\$0	\$0	\$167,947,198	1.35%	\$822
2020	\$0	\$81,221,478	\$0	\$1,148,506	\$0	\$0	\$64,068,792	\$5,915,000	\$0	\$0	\$0	\$0	\$0	\$152,353,776	1.19%	\$769
2021	\$0	\$78,098,486	\$20,755	\$2,480,000	\$67,908	\$0	\$59,978,869	\$5,335,000	\$0	\$0	\$6,564,768	\$0	\$0	\$152,545,786	1.20%	\$715
2022	\$0	\$74,950,367	\$16,858	\$22,045,000	\$269,294	\$4,051,905	\$55,711,531	\$0	\$0	\$0	\$6,218,847	\$0	\$226,077	\$163,489,879	1.26%	\$758
2023	\$0	\$71,779,923	\$12,839	\$19,303,000	\$71,692	\$5,834,381	\$51,271,431	\$0	\$0	\$0	\$5,853,131	\$0	\$114,582	\$154,240,979	1.14%	\$703

(1) Includes Refunding, Revenue & Improvement Bonds, 1985 and Capital Improvement Bonds, 1991

(2) Includes Sales Tax Revenue Bonds, Series 2009 (Net issuance discount), Capital Improvement Revenue Bond, Series 2011, Sales Tax Revenue Bonds, Series 2014, Sales Tax Revenue Bonds, Series 2016, and Revenue Bonds, Series 2019

(3) Includes Capital Leases and Operating Leases with Escalator Clauses until 2022. Beginning in 2023, capital leases were changed to Financed Purchases per GASB 87

(4) Includes Florida Local Government Finance Commission Pooled Paper Loan and Private Bank Note, 2015 and Capital Improvement Revenue Note, Series 2020

(5) Includes State Pollution Control Bonds, and Revenue Bonds, Series 2015 (Net issuance premium)

(6) Includes Revenue Bonds 2007 (Net issuance discount) and 2014, State Infrastructure Bank Loans, and 2015 Commercial Paper Loan- debt defeased in FY21

(7) Includes Capital Improvement Bonds, 1991

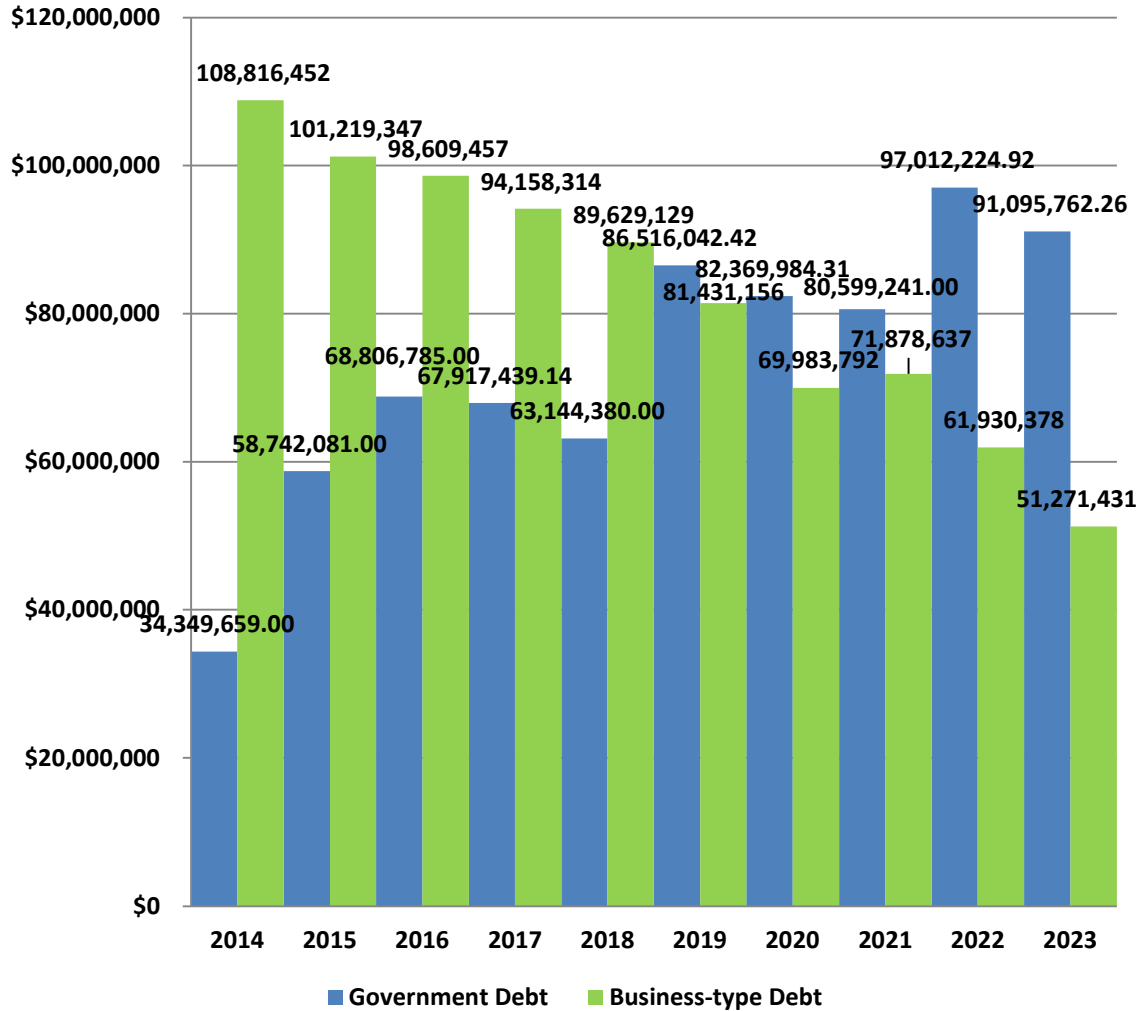
(8) Includes Fourth Cent Tourist Development Tax Revenue Bonds, 2000

(9) Includes Capital Leases as of 2022, per GASB 87

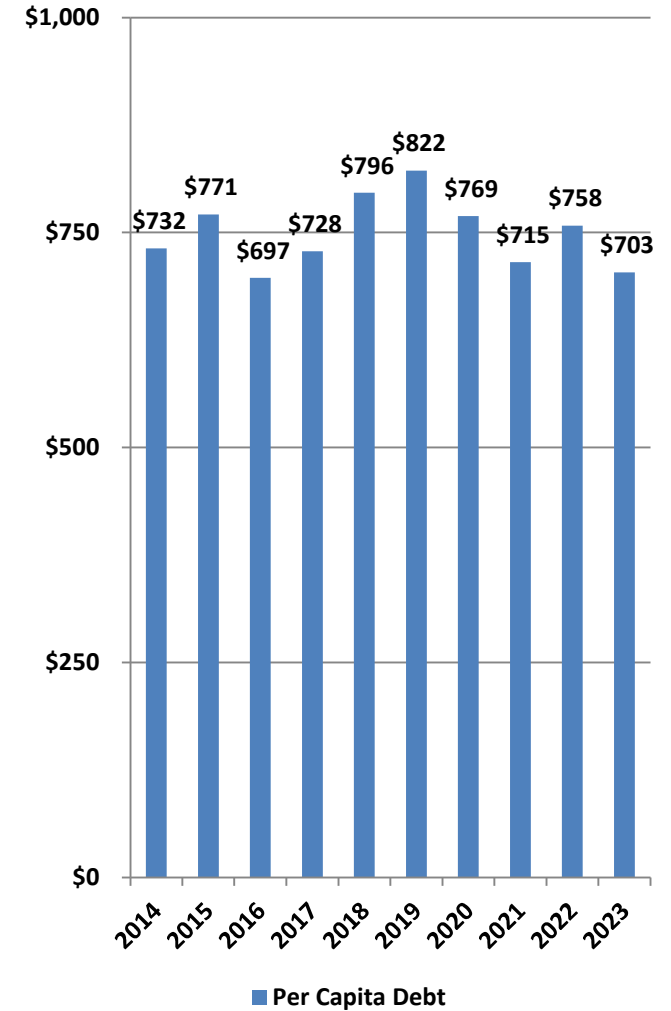
(10) Includes subscription based technology agreements applicable to GASB 96

OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023

**Debt by Type
Last Ten Fiscal Years**



**Per Capita Debt
Last Ten Fiscal Years**



**OKALOOSA COUNTY, FLORIDA
STATISITICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

SCHEDULE 11

PLEDGED-REVENUE BOND COVERAGE

FISCAL	Gross Operating	Direct Operating	Net Revenue	WATER REVENUE BONDS AND NOTES (PRINCIPAL + INTEREST)							
YEAR	Revenue	Expense	Avail -Debt Serv	1985	1992	2004	2006	2012	2015	TOTAL	COVERAGE
2006	\$23,719,695	\$15,272,060	\$8,447,635	\$68,680	\$331,924	\$3,422,370	\$0	\$0	\$0	\$3,822,974	2.21
2007	\$26,745,817	\$15,974,674	\$10,771,143	\$68,677	\$194,186	\$2,967,970	\$1,171,405	\$0	\$0	\$4,402,238	2.45
2008	\$24,694,611	\$16,827,092	\$7,867,519	\$67,831	\$0	\$2,964,695	\$1,900,194	\$0	\$0	\$4,932,720	1.59
2009	\$23,481,347	\$16,371,638	\$7,109,709	\$67,743	\$0	\$2,976,286	\$509,283	\$0	\$0	\$3,553,312	2.00
2010	\$24,831,872	\$15,267,581	\$9,564,291	\$67,648	\$0	\$801,210	\$5,171,437	\$0	\$0	\$6,040,295	1.58
2011	\$25,895,709	\$16,650,924	\$9,244,785	\$67,542	\$0	\$982,850	\$4,989,988	\$0	\$0	\$6,040,380	1.53
2012	\$26,581,965	\$15,571,980	\$11,009,985	\$67,426	\$0	\$3,728,770	\$0	\$533,531	\$0	\$4,329,727	2.54
2013	\$26,685,108	\$15,295,914	\$11,389,194	\$68,003	\$0	\$3,754,732	\$2,837,287	\$489,839	\$0	\$7,149,861	1.59
2014	\$29,122,953	\$14,809,770	\$14,313,183	\$66,451	\$0	\$3,790,065	\$0	\$536,674	\$0	\$4,393,190	3.26
2015	\$33,938,933	\$15,992,250	\$17,946,683	\$33,520	\$0	\$5,037,556	\$3,077,105	\$300,731	\$1,902,096	\$10,351,008	1.73
2016	\$33,971,112	\$15,844,441	\$18,126,671	\$0	\$0	\$0	\$0	\$0	\$4,899,300	\$4,899,300	3.70
2017	\$34,491,900	\$16,807,625	\$17,684,275	\$0	\$0	\$0	\$0	\$0	\$5,807,763	\$5,807,763	3.04
2018	\$34,473,966	\$19,128,076	\$15,345,890	\$0	\$0	\$0	\$0	\$0	\$5,799,050	\$5,799,050	2.65
2019	\$38,369,807	\$18,314,645	\$20,055,162	\$0	\$0	\$0	\$0	\$0	\$5,794,585	\$5,794,585	3.46
2020	\$37,845,933	\$19,083,690	\$18,762,243	\$0	\$0	\$0	\$0	\$0	\$5,820,800	\$5,820,800	3.22
2021	\$38,829,006	\$19,745,082	\$19,083,924	\$0	\$0	\$0	\$0	\$0	\$5,744,000	\$5,744,000	3.32
2022	\$40,770,515	\$19,470,790	\$21,299,725	\$0	\$0	\$0	\$0	\$0	\$5,829,250	\$5,829,250	3.65
2023	\$40,575,020	\$23,732,376	\$16,842,644	\$0	\$0	\$0	\$0	\$0	\$5,821,500	\$5,821,500	2.89

**OKALOOSA COUNTY, FLORIDA
STATISITICAL SECTION
SEPTEMBER 30, 2023**

SCHEDULE 11

PLEDGED-REVENUE BOND COVERAGE

FISCAL YEAR	Gross Operating Revenue	Passenger Facility Charges	Direct Operating Expense	Net Revenue Avail -Debt Serv	AIRPORT REVENUE BONDS (PRINCIPAL + INTEREST)				
					2003	2007	2014	TOTAL	COVERAGE
2009	\$8,557,210	\$1,378,312	\$5,674,469	\$4,261,053	\$789,413	\$208,221	\$0	\$997,634	4.27
2010	\$9,118,672	\$1,466,902	\$6,036,864	\$4,548,710	\$799,213	\$891,775	\$0	\$1,690,988	2.69
2011	\$9,602,757	\$1,732,199	\$7,893,609	\$3,441,347	\$797,950	\$887,675	\$0	\$1,685,625	2.04
2012	\$9,502,093	\$1,451,015	\$8,056,047	\$2,897,061	\$795,575	\$892,975	\$0	\$1,688,550	1.72
2013	\$9,334,305	\$1,384,486	\$7,117,500	\$3,601,291	\$797,393	\$887,075	\$0	\$1,684,468	2.14
2014	\$9,052,923	\$1,488,823	\$7,864,096	\$2,677,650	\$353,691	\$6,250,575	\$559,028	\$7,163,294	0.37
2015	\$8,448,925	\$1,321,169	\$7,776,146	\$1,993,948	\$0	\$300,087	\$269,150	\$569,237	3.50
2016	\$10,073,560	\$1,756,663	\$8,554,275	\$3,275,948	\$0	\$1,160,662	\$894,380	\$2,055,042	1.59
2017	\$12,013,833	\$2,243,640	\$7,991,528	\$6,265,945	\$0	\$866,938	\$747,825	\$1,614,763	3.88
2018	\$14,165,274	\$2,776,566	\$9,235,558	\$7,706,282	\$0	\$864,906	\$751,130	\$1,616,036	4.77
2019	\$16,263,239	\$3,392,550	\$10,251,267	\$9,404,522	\$0	\$878,969	\$748,963	\$1,627,931	5.78
2020	\$13,004,521	\$2,199,401	\$9,441,390	\$5,762,532	\$0	\$7,409,863	\$746,323	\$8,156,185	0.71
2021	\$16,675,750	\$3,822,857	\$9,671,311	\$10,827,296	\$0	\$100	\$748,053	\$748,153	14.47
2022	\$20,086,630	\$3,833,214	\$14,445,986	\$9,473,858	\$0	\$0	\$0	\$0	-
2023	\$16,377,384	\$2,883,264	\$17,021,182	\$2,239,466	\$0	\$0	\$0	\$0	-

**OKALOOSA COUNTY, FLORIDA
STATISITICAL SECTION
SEPTEMBER 30, 2023**

SCHEDULE 11

PLEDGED-REVENUE BOND COVERAGE

FISCAL YEAR	Gross Operating Revenue	Direct Operating Expense	Net Revenue Avail -Debt Serv	CONFERENCE CENTER REVENUE BONDS (PRINCIPAL + INTEREST)		
				Bond	TOTAL	COVERAGE
2009	\$5,249,570	\$3,419,702	\$1,829,868	\$671,573	\$671,573	2.72
2010	\$4,617,857	\$3,094,242	\$1,523,615	\$942,038	\$942,038	1.62
2011	\$6,062,145	\$2,597,664	\$3,464,481	\$8,929,631	\$8,929,631	0.39
2012	\$6,110,432	\$3,509,121	\$2,601,311	\$1,903,563	\$1,903,563	1.37
2013	\$6,258,565	\$2,437,430	\$3,821,135	\$1,535,370	\$1,535,370	2.49

Note: Conference Center debt was paid in full in fiscal year 2014.

**OKALOOSA COUNTY, FLORIDA
STATISITICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

SCHEDULE 12

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AND COMPUTATION

	DEBT OUTSTANDING	PERCENT APPLICABLE TO THIS GOVERNMENTAL UNIT
<u>DIRECT:</u>		
OKALOOSA COUNTY - REVENUE BONDS	\$71,779,923	100%
OKALOOSA COUNTY - PRIVATE BANK NOTES	\$19,303,000	100%
OKALOOSA COUNTY - LEASE AGREEMENTS	\$12,839	100%
OKALOOSA COUNTY - FINANCED PURCHASES	\$71,692	100%
OKALOOSA COUNTY - SUBSCRIPTION AGREEMENTS	\$5,834,381	100%

OVERLAPPING:

**OKALOOSA GOVERNMENTS ARE ENCOURAGED, BUT NOT REQUIRED TO PRESENT INFORMATION ABOUT DIRECT OR OVERLAPPING DEBT.
OVERLAPPING DEBT IS NOT PRESENTED.**

**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

SCHEDULE 13

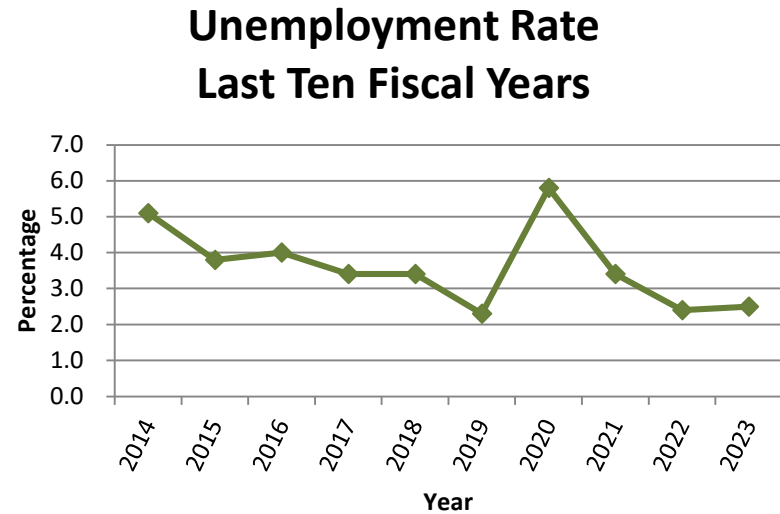
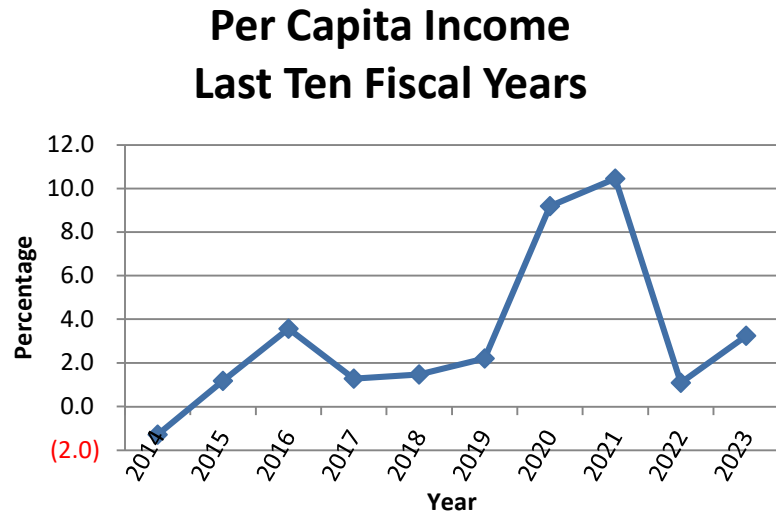
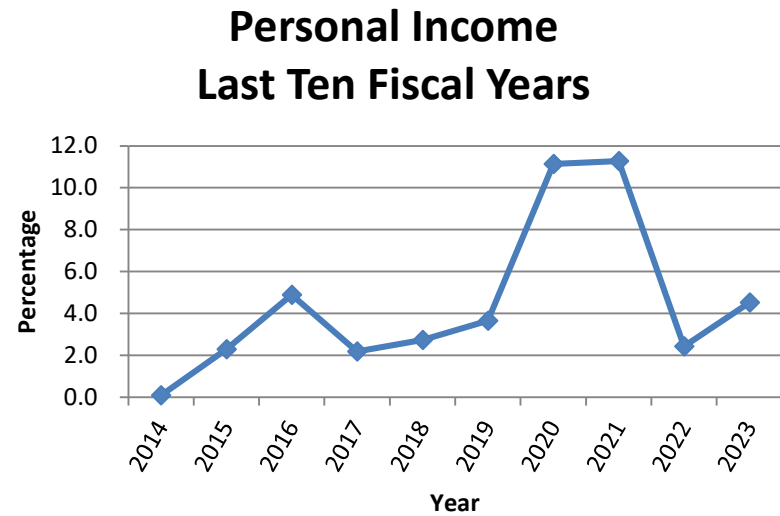
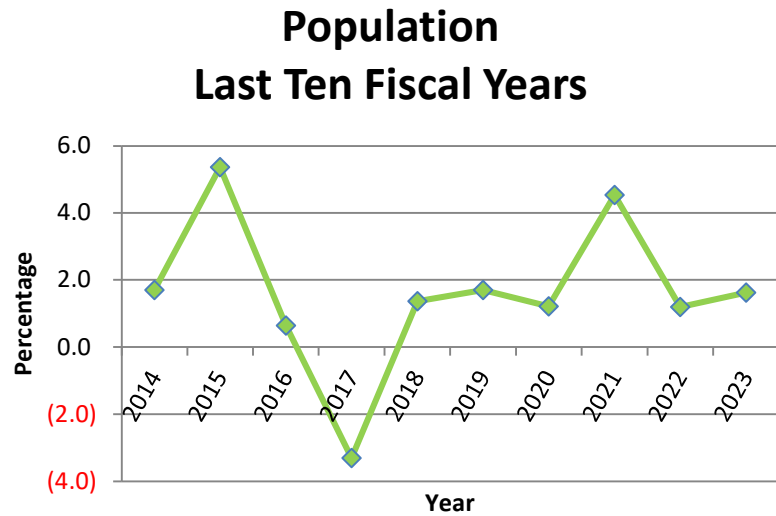
DEMOGRAPHIC AND ECONOMIC STATISTICS - LAST TEN YEARS

YEAR	POPULATION	PERCENT +/-	PERSONAL INCOME IN THOUSANDS	PERCENT +/-	PER CAPITA PERSONAL INCOME	PERCENT +/-	UNEMPLOYMENT RATE
2014	190,666	1.7%	\$8,783,041	0.1%	\$44,695	-1.3%	5.10%
2015	200,895	5.4%	\$8,983,919	2.3%	\$45,222	1.2%	3.80%
2016	202,183	0.6%	\$9,422,078	4.9%	\$46,836	3.6%	4.00%
2017	195,488	-3.3%	\$9,627,521	2.2%	\$47,433	1.3%	3.40%
2018	198,152	1.4%	\$9,889,567	2.7%	\$48,128	1.5%	3.40%
2019	201,514	1.7%	\$10,249,556	3.6%	\$49,191	2.2%	2.30%
2020	203,951	1.2%	\$11,390,057	11.1%	\$53,709	9.2%	5.80%
2021	213,204	4.5%	\$12,673,881	11.3%	\$59,322	10.5%	3.40%
2022	215,751	1.2%	\$12,981,628	2.4%	\$59,966	1.1%	2.40%
2023	219,260	1.6%	\$13,567,573 (1)	4.5%	\$61,907 (1)	3.2%	2.50%

(1) Estimated income figures based upon average percent in prior years.

SOURCE: FLORIDA RESEARCH AND ECONOMIC DATABASE

OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

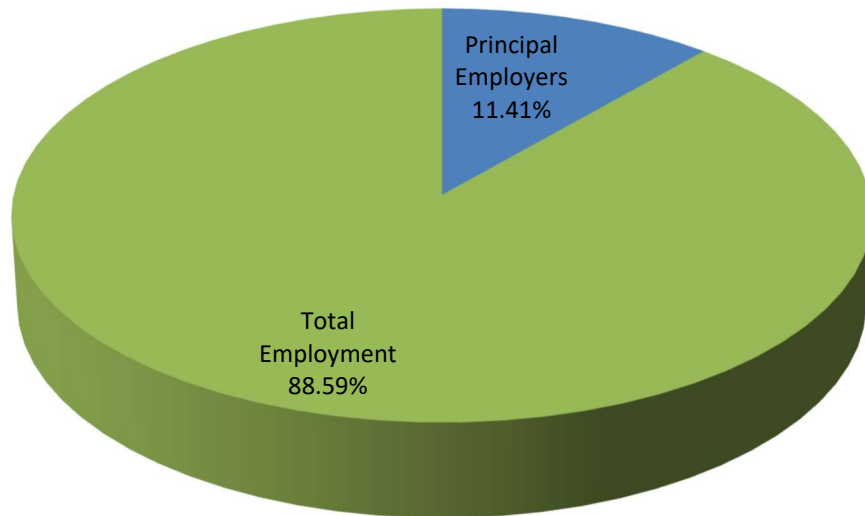
SCHEDULE 14

PRINCIPAL EMPLOYERS - CURRENT YEAR AND NINE YEARS AGO

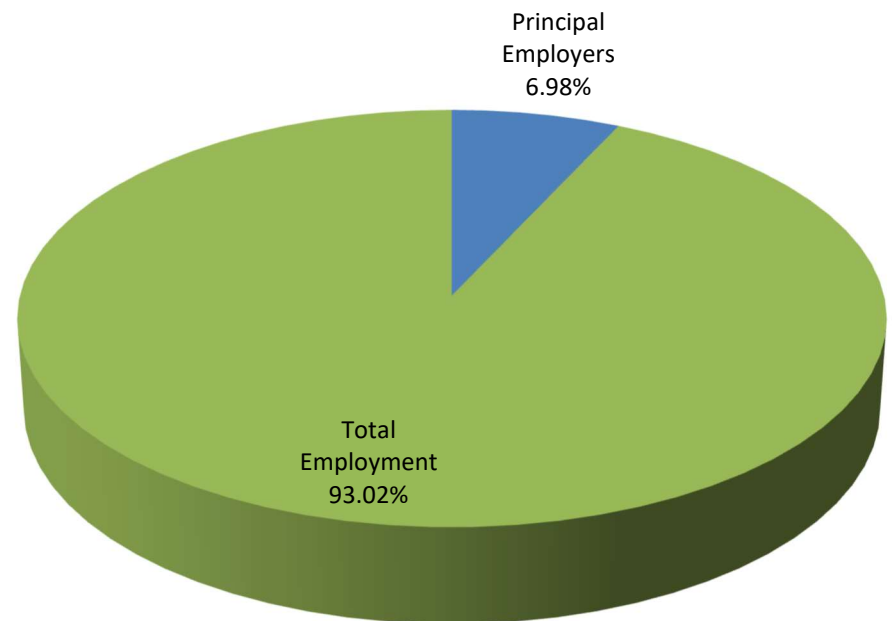
EMPLOYER	2023		2014	
	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
OKALOOSA COUNTY SCHOOL DISTRICT	3,495	3.38%		
WAL-MART SUPER CENTER (COMBINED)	1,710	1.65%		
HCA FLORIDA FORT WALTON-DESTIN HOSPITAL / FORT WALTON BEACH MEDICAL CENTER	1,221	1.18%	1,000	1.02%
PUBLIX (COMBINED)	1,050	1.02%		
OKALOOSA COUNTY	903	0.87%		
NORTHWEST FLORIDA STATE COLLEGE	765	0.74%		
NORTH OKALOOSA MEDICAL CENTER	737	0.71%	700	0.72%
RELIANCE TEST & TECHNOLOGY	730	0.71%		
LOCKHEED MARTIN CORPORATION	698	0.67%	800	0.82%
WHITE WILSON MEDICAL CENTER	492	0.48%	400	0.41%
JACOBS TEAS			1,000	1.02%
L-3 CRESTVIEW AEROSPACE			800	0.82%
INDYNE, INC			800	0.82%
NATIONAL ELECTRONICS WARRANTY			500	0.51%
BOEING			450	0.46%
BAE SYSTEMS TECHNICAL SERVICES			380	0.39%
TOTAL	11,801	11.41%	6,830	6.98%
TOTAL COUNTY EMPLOYMENT	103,411		97,841	

SOURCE: ONE OKALOOSA EDC

**Principal Employers
Current Year
2023**



**Principal Employers
Nine Years Ago
2014**



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

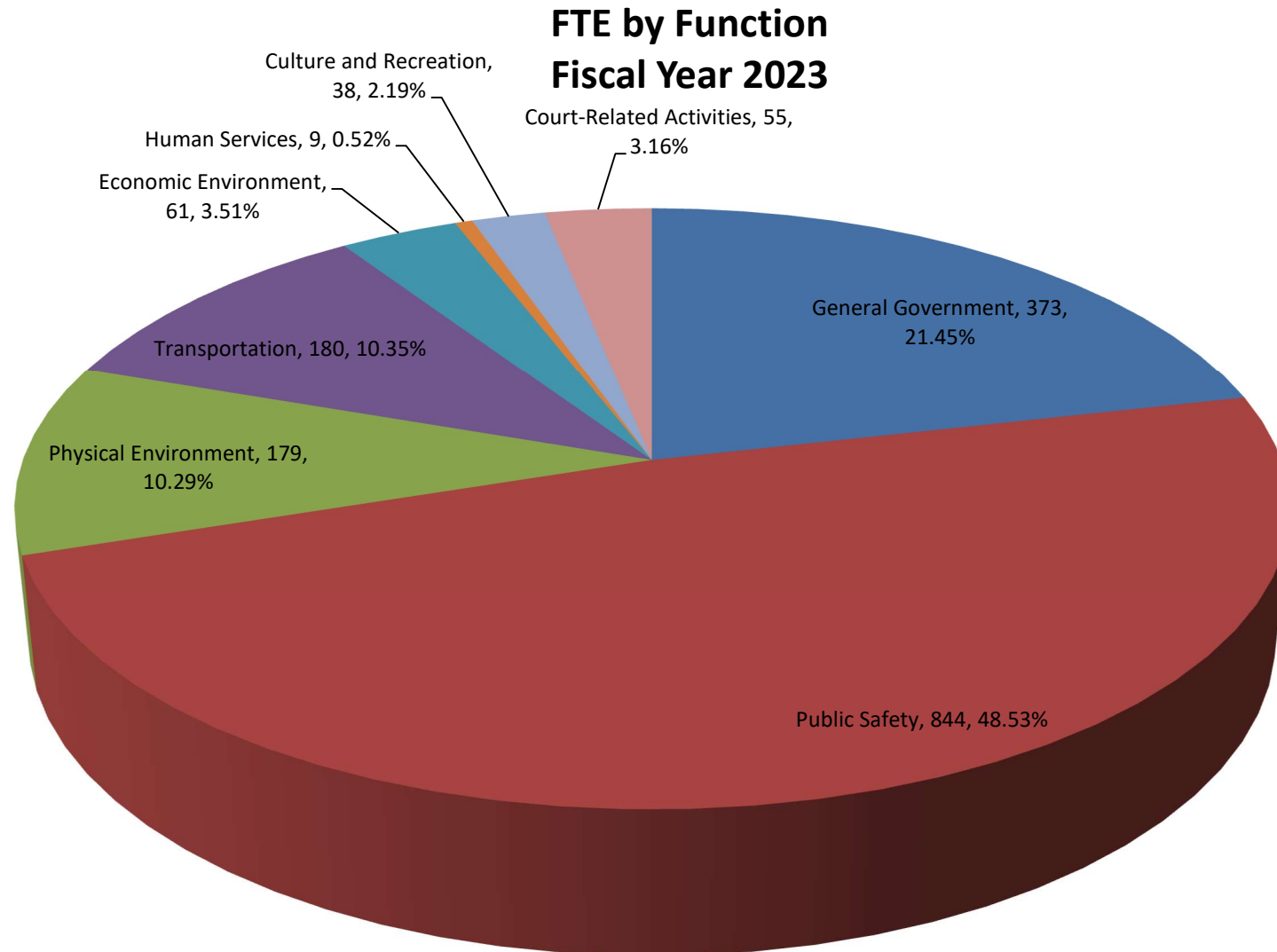
SCHEDULE 15

FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION - LAST TEN YEARS

FUNCTION	FULL-TIME EQUIVALENT EMPLOYEES AS OF OCTOBER 1									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GENERAL GOVERNMENT	314	315	325	308	355	355	325	321	347	373
PUBLIC SAFETY	649	669	701	706	745	773	809	808	806	844
PHYSICAL ENVIRONMENT	146	151	164	155	145	147	156	167	173	179
TRANSPORTATION	166	167	162	138	157	163	159	166	178	180
ECONOMIC ENVIRONMENT	14	14	15	15	22	26	31	30	32	61
HUMAN SERVICES	8	8	8	8	8	7	9	9	9	9
CULTURE AND RECREATION	47	53	54	44	59	60	66	60	62	38
COURT-RELATED ACTIVITIES	85	89	78	76	74	70	64	76	72	55
TOTAL	1,429	1,465	1,507	1,450	1,565	1,601	1,619	1,637	1,679	1,739

SOURCE: BUDGET OFFICE

OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

SCHEDULE 16

OPERATING INDICATORS BY FUNCTION/PROGRAM - LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
TRANSIT										
TOTAL ROUTE MILES	215	215	220	220	220	220	220	227	229	228
PASSENGERS	161,878	139,389	137,644	123,473	119,761	119,658	64,385	53,071	61,913	57,003
LIBRARY										
CIRCULATION	736,264	739,882	762,052	764,595	768,370	787,847	601,970	662,561	657,922	668,578
REGISTERED BORROWERS	70,739	71,322	72,555	73,401	73,883	72,711	63,491	29,430	35,269	36,780
PUBLIC WORKS										
ASPHALT OVERLAY (SQUARE YARDS)	61,219	57,523	78,044	90,624	218,500	218,496	153,915	231,673	213,389	49,806
BRIDGES REPAIRED/REPLACED	0	1	15	1	10	5	4	1	1	3
WATER										
NEW CONNECTIONS	119	169	189	179	182	190	338	280	212	336
WATER MAINS REPAIRED	124	32	36	28	24	34	56	77	32	54
ANNUAL WATER UNITS BILLED	451,427	456,066	423,601	469,014	476,239	480,260	484,811	489,272	487,213	495,206
SEWER										
ANNUAL SEWER UNITS BILLED	414,188	418,921	424,767	432,917	438,480	443,196	447,838	450,564	454,850	456,643
AIRPORTS										
ENPLANEMENTS	373,143	385,109	436,410	566,212	680,151	820,940	523,624	908,631	1,020,252	1,103,307
DEPLANEMENTS	372,268	385,936	437,957	567,997	681,597	826,290	525,456	909,042	1,010,233	1,109,942
GROWTH MANAGEMENT										
DEVELOPMENT PERMITS ISSUED	837	965	998	1,105	1,053	1,158	1,196	1,409	1,378	1,226
HOME OCCUPATIONS	440	456	521	515	476	447	349	269	83	410
REFUSE COLLECTION										
TRANSFER STATION TONNAGE	118,022	117,689	132,475	142,104	150,105	147,917	155,517	179,983	175,834	177,912
RECYCLING TONNAGE	7,278	8,700	8,922	9,391	12,567	13,681	14,353	15,252	14,232	14,247
PUBLIC SAFETY										
EMERGENCY CALLS (EMS)	25,105	25,973	27,139	29,127	31,101	32,301	30,659	33,857	33,566	34,434
SYSTEM CALLS (9-1-1)	103,320	101,451	188,631	130,395	209,675	393,408	100,812	138,099	114,612	133,808

**OKALOOSA COUNTY, FLORIDA
STATISITICAL SECTION
SEPTEMBER 30, 2023**

UNAUDITED

SCHEDULE 17

CAPITAL INDICATORS BY FUNCTION/PROGRAM - LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
PARKS AND RECREATION										
COUNTY PARKS	19	19	19	19	18	18	18	18	18	18
UNINCORPORATED PARKS	35	35	36	37	38	39	39	40	40	40
TRANSIT										
BUSES/PASSENGER VAN	11	11	11	13	14	14	17	17	17	17
LIBRARY										
COLLECTION	309,368	320,095	316,684	327,913	331,790	330,790	325,474	307,744	306,372	326,331
PUBLIC WORKS										
PAVED ROADS MAINTAINED (MILES)	674	670	678	682	682	705	713	805	809	846
DIRT ROADS MAINTAINED (MILES)	198	199	196	196	185	171	171	200	96	61
COLD MIX ROADS MAINTAINED (MILES)	70	74	71	67	60	53	45	32	28	19
TRAFFIC SIGNALS	13	13	10	10	11	11	12	12	12	12
WATER										
WATER MAINS (MILES)	741	466	513	486	493	501	518	518	520	516
FIRE HYDRANTS	5,777	3,980	4,138	3,332	3,232	2,930	2,463	2,496	2,504	2,532
ANNUAL AVERAGE DAILY WITHDRAWAL CAPACITY (THOUSANDS OF GALLONS)	17,200	17,200	10,620	10,620	10,620	10,620	10,620	10,620	10,620	10,620
SEWER										
SANITARY SEWERS (MILES)	593	448	521	499	479	473	483	445	448	440
ANNUAL AVERAGE DAILY FLOW CAPACITY (THOUSANDS OF GALLONS)	13,206	11,980	11,980	11,980	16,980	16,980	16,980	16,980	16,980	16,980

IV. COMPLIANCE SECTION

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS**

To the Honorable Chairman and Members of the
Board of County Commissioners and Other Elected Officials
Okaloosa County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements (hereinafter referred to as "financial statements") of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Okaloosa County, Florida (the County) as of and for the year ended September 30, 2023, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 25, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances, for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal controls and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Warren Averett, LLC". The signature is written in a cursive, flowing style.

Fort Walton Beach, Florida
March 25, 2024

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF
COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

Honorable Chairman and the Members of the
Board of County Commissioners and Other Elected Officials
Okaloosa County, Florida

We have examined Okaloosa County, Florida's (hereinafter referred to as the "County") compliance with the following requirements for the year ended September 30, 2023:

- (1) Florida Statute 218.415 in regards to investments
- (2) Florida Statutes 28.35 and 28.36 in regards to certain court-related functions
- (3) Florida Statutes 61.181 in regards to operation of a depository for alimony and child support
- (4) Florida Statute 288.8018 in regards to the Deepwater Horizon Oil spill receipts and expenditures
- (5) Florida Statute 365.172 and 365.173 in regards to the E911 revenues and expenditures

Management is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the County's compliance with specified requirements.

In our opinion, Okaloosa County, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.



Fort Walton Beach, Florida
March 25, 2024

**OKALOOSA COUNTY, FLORIDA
SCHEDULE OF RECEIPTS AND EXPENDITURES OF
FUNDS RELATED TO THE DEEPWATER HORIZONS OIL SPILL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Source	Received in Fiscal Year 2023	Expended in Fiscal Year 2023
U.S. Department of Treasury		
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States (RDCGR 180120-01-01)	\$ 1,080,393	\$ 531,392
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States (RDCGR 180151-01-00)	87,181	87,181
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States (RDCGR 180149-01-00)	166,002	193,788
Total U.S. Department of Treasury	1,333,576	812,361
Gulf Coast Ecosystem Restoration Council		
Passed Through Gulf Consortium, Inc.		
RESTORE Council Oil Spill Impact Program (200090033)	183,374	168,569
Total Gulf Consortium, Inc.	183,374	168,569
Triumph Gulf Coast, Inc.		
Okaloosa County - Crestview Bypass / Project #46	6,058,390	12,436,509
Okaloosa County - Water & Sewer Mains Extension		58,725
Total Triumph Gulf Coast, Inc.	6,058,390	12,495,234
TOTAL	\$ 7,575,340	\$ 13,476,164

Notes:

The U.S. Department of Treasury funds relate to the Deepwater Horizon Oil Spill and are considered Federal awards, which are reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance under Assistance Listing Number 21.015. This was not tested as a major program in fiscal year 2023.

The Gulf Coast Ecosystem Restoration Council funds relate to the Deepwater Horizons Oil Spill and are considered Federal awards, which are reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance under Assistance Listing Number 87.052. This was not tested as a major program in fiscal year 2023.

This schedule is prepared on the cash basis of accounting.

MANAGEMENT LETTER

To the Honorable Chairman and Members of the
Board of County Commissioners and Other Elected Officials
Okaloosa County, Florida

Report on the Financial Statements

We have audited the financial statements of Okaloosa County, Florida (hereinafter referred to as "County") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated March 25, 2024.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Florida Auditor General*.

Other Reports and Schedules

We have issued:

- Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*;
- Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance and Compliance with Requirements Applicable to the Passenger Facility Charge Program;
- Schedule of Findings and Questioned Costs;
- Independent Accountants' Report on Examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*;

Disclosures in those reports which are dated March 25, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations in the preceding annual report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Okaloosa County, Florida is a political subdivision of the State of Florida organized under Title VIII, Section 1(e) of the Florida constitution. The primary government includes the Board of County Commissioners, the Clerk of the Circuit Court and Comptroller, the Sheriff, the Tax Collector, the Property Appraiser, and the Supervisor of Elections. As of September 30, 2023, Okaloosa County had no component units, as defined by GASB 61, with a significant operational or financial relationship with the County.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not Okaloosa County, Florida has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that Okaloosa County, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for Okaloosa County, Florida. It is management's responsibility to monitor Okaloosa County, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We greatly appreciate the assistance and cooperation extended us during our audit.



Fort Walton Beach, Florida
March 25, 2024

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL AND COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE PASSENGER FACILITY CHARGE PROGRAM

To the Honorable Chairman and Members of the
Board of County Commissioners and Other Elected Officials
Okaloosa County, Florida

Report on Compliance for Each Major Federal Program, State Project and Passenger Facility Charge Program

We have audited the compliance of Okaloosa County, Florida (hereinafter referred to as "County"), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement*; the requirements described in the Florida Department of Financial Services' *State Projects Compliance Supplement* and the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, that could have a direct and material effect on each of the County's major federal programs, state projects and passenger facility charge program for the year ended September 30, 2023. The County's major federal programs and state projects are identified in the summary of auditor results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs, state projects and passenger facility charge program for the fiscal year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program, State Project and Passenger Facility Charge Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); Chapter 10.550, *Rules of the Auditor General*, and the Federal Aviation Administration. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal programs, state projects and passenger facility charge program.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, Uniform Guidance, Chapter 10.550, *Rules of the Auditor General*, and the Federal Aviation Administration will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program, state project or the passenger facility charge program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program, state project or the passenger facility charge program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement for a federal program, state project or the passenger facility charge program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance, Chapter 10.550 *Rules of the Auditor General*, and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Warren Averett, LLC". The signature is written in a cursive, flowing style.

Fort Walton Beach, Florida
March 25, 2024

**OKALOOSA COUNTY, FLORIDA
AIRPORTS ENTERPRISE FUND
SCHEDULE OF EXPENDITURES OF PASSENGER FACILITY CHARGES
FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Date Approved	Amount Approved For Use	Cumulative Total - September 30, 2022	Quarter Ended December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023	Year Ended September 30, 2023	Cumulative Total - September 30, 2023
Revenues									
Passenger facility charge revenues received			\$ 40,289,763	\$ 372,778	\$ 883,731	\$ 943,622	\$ 683,133	\$ 2,883,264	\$ 43,173,027
Interest earned			2,500,186	35,095	30,224	41,407	58,816	165,542	2,665,728
Total passenger facility charge revenue received			<u>\$ 42,789,949</u>	<u>\$ 407,873</u>	<u>\$ 913,955</u>	<u>\$ 985,029</u>	<u>\$ 741,949</u>	<u>\$ 3,048,806</u>	<u>\$ 45,838,755</u>
Expenditures									
Application 00-01-C-01-VPS	October 2000	\$ 16,080,970	\$ 11,758,805	\$ 558,361	\$ 80	\$ 52,197	\$ -	\$ 610,638	\$ 12,369,443
Application 03-02-C-00-VPS	July 2003	1,349,009	991,038	47,828	7	4,471	-	52,306	1,043,344
Application 07-03-C-01-VPS	October 2007	758,782	758,782	-	-	-	-	-	758,782
Application 08-04-C-00-VPS	June 2008	110,083	110,083	-	-	-	-	-	110,083
Application 10-05-C-01-VPS	August 2010	1,396,924	1,396,924	-	-	-	-	-	1,396,924
Application 15-06-C-00-VPS	July 2015	5,398,994	5,398,994	-	-	-	-	-	5,398,994
Application 19-07-C-00-VPS	August 2019	19,116,456	15,530,323	-	-	220,910	52,079	272,989	15,803,312
Application 22-08-C-00-VPS	August 2022	7,567,262	103,165	-	-	79,908	67,080	146,988	250,153
Total passenger facility charge revenue expended		<u>\$ 51,778,480</u>	<u>\$ 36,048,114</u>	<u>\$ 606,189</u>	<u>\$ 87</u>	<u>\$ 357,486</u>	<u>\$ 119,159</u>	<u>\$ 1,082,921</u>	<u>\$ 37,131,035</u>

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES
OF PASSENGER FACILITY CHARGES**

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Passenger Facility Charges Collected and Expended includes all the PFCs and the interest earnings thereon collected by the County from January 1, 2001 (original date of approval) through September 30, 2023. The County currently collects \$3.00 per enplaned passenger. The current approval for charges as approved by the Federal Aviation Administration is estimated to end on September 1, 2025.

NOTE 2 – BASIS OF ACCOUNTING

The Schedule of Expenditures of Passenger Facility Charges was prepared on the accrual basis of accounting. Passenger Facility Charges are recorded as revenue when earned and expenditures for debt service and approved capital projects are recorded as expenditures are made. Expenditures are made under an approved FAA application for use.

NOTE 3 – PROGRAM COSTS

The amounts shown as current year revenues and expenses represent only the Passenger Facility Charges portions of the project costs. Entire project costs may be more than shown.

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2023

Federal / State Agency Pass-through Entity Federal Program/State Project	Assistance Listing Number	Contract or Grant Number	Expenditures	Passed Through to Subrecipients
<u>FEDERAL AWARDS</u>				
<u>U.S. Department of Agriculture</u>				
Passed Through Florida Department of Financial Services Forest Service Schools and Roads Cluster				
Schools and Roads - Grants to States	10.665	N/A	\$ 457	\$ -
Total U.S. Department of Agriculture			<u>457</u>	<u>-</u>
<u>U.S. Department of Housing and Urban Development</u>				
Passed Through Florida Department of Economic Opportunity				
Community Development Block Grants	14.228	10DB-4X-01-56-01-F18	452,926	-
Community Development Block Grants	14.228	10DB-4X-01-56-01-F18	<u>37,692</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development			<u>490,618</u>	<u>-</u>
<u>U.S. Department of the Interior</u>				
Direct Program				
Payments in Lieu of Taxes	15.226	N/A	12,263	-
Passed Through Florida Fish and Wildlife Conservation Commission Fish and Wildlife Cluster				
Sport Fish Restoration Program	15.605	FWC 22005	<u>32,000</u>	<u>-</u>
Total U.S. Department of the Interior			<u>44,263</u>	<u>-</u>
<u>U.S. Department of Justice</u>				
Direct Programs				
Justice Systems Response to Families	16.021	2016-FJ-AX-0016	158,249	157,989
State Criminal Alien Assistance Program	16.606	15PBJA-21-RR-04849-SCAA	41,663	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0768	3,019	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-01370-JAGX	2,055	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-02388-JAGX	6,649	-
Passed Through Florida Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	8C245	15,227	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	8C180	15,227	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	8C243	<u>12,200</u>	<u>12,200</u>
Total U.S. Department of Justice			<u>254,289</u>	<u>170,189</u>
<u>U.S. Department of Transportation</u>				
Direct Programs				
<u>Federal Aviation Administration</u>				
COVID-19 - Airport Improvement Program	20.106	3-12-0020-021-2021	10,930	-
COVID-19 - Airport Improvement Program	20.106	3-12-0081-033-2021	4,065,246	-
COVID-19 - Airport Improvement Program	20.106	3-12-0014-028-2022	32,000	-
COVID-19 - Airport Improvement Program	20.106	3-12-0020-022-2022	42,011	-
COVID-19 - Airport Improvement Program	20.106	3-12-0081-036-2022	7,797,643	-
COVID-19 - Airport Improvement Program	20.106	3-12-0081-041-2023	<u>725,326</u>	<u>-</u>
			12,673,156	-

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2023

Federal / State Agency Pass-through Entity Federal Program/State Project	Assistance Listing Number	Contract or Grant Number	Expenditures	Passed Through to Subrecipients
Federal Transit Cluster				
Direct Programs				
<u>Federal Transit Administration</u>				
Federal Transit Formula Grants	20.507	FL-90-X795-00	\$ 5,973	\$ -
Federal Transit Formula Grants	20.507	FL-90-X815-00	93,739	-
Federal Transit Formula Grants	20.507	FL-90-X867-00	30,574	-
Federal Transit Formula Grants	20.507	FL-2017-064-00	22,008	-
Federal Transit Formula Grants	20.507	FL-2018-093-00	2,667	-
Federal Transit Formula Grants	20.507	FL-2019-017-00	979	-
Federal Transit Formula Grants	20.507	FL-2019-021-00	13,605	-
Federal Transit Formula Grants	20.507	FL-2020-058-00	224,581	-
COVID-19 - Federal Transit Formula Grants	20.507	FL-2020-073-00	1,149,061	-
COVID-19 - Federal Transit Formula Grants	20.507	FL-2022-010-00	10,375	-
Federal Transit Formula Grants	20.507	FL-2022-019-00	693,927	-
Total Federal Transit Cluster			2,247,489	-
Passed Through Florida Department of Transportation				
Highway Planning and Construction	20.205	G1892 , 421997-8-A8-01	1,876,353	-
COVID-19 - Formula Grants for Rural Areas	20.509	G1M18; 44749918401	48,381	-
Formula Grants for Rural Areas	20.509	G2C88; 450518-2-85-01	299,677	-
			348,058	-
Total U.S. Department of Transportation			17,145,056	-
<u>U.S. Department of Treasury</u>				
Direct Programs				
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	RDCGR180120-01-01	110,949	110,949
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	RDCGR180149-01-00	194,275	194,275
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	RDCGR180151-01-00	87,181	87,181
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	RDCGR180167-01-00	34,004	-
			426,409	392,405
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	SLT-0786	3,780,731	466,204
Local Assistance and Tribal Consistency Fund	21.032	LATCF-1555	52,196	-
Passed Through Florida Department of Commerce				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	G0093	234,611	-
Total U.S. Department of Treasury			4,493,947	858,609
<u>Consumer Product Safety Commission</u>				
Passed Through Gulf Consortium, Inc				
Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program	87.052	200090033	164,648	-
Total Consumer Product Safety Commission			164,648	-
<u>Election Assistance Commission</u>				
Passed Through Florida Department of State				
HAVA Election Security Grants	90.404	2022-23.e.es.100.046	81,216	-
Total Election Assistance Commission			81,216	-

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2023

Federal / State Agency Pass-through Entity Federal Program/State Project	Assistance Listing Number	Contract or Grant Number	Expenditures	Passed Through to Subrecipients
<u>U.S. Department of Health & Human Services</u>				
Direct Programs				
COVID-19 - Coronavirus Provider Relief Fund	93.498	ARPA Phase 4 Rural	\$ 44,618	\$ -
COVID-19 - Coronavirus Provider Relief Fund	93.498	ARPA Phase 4	536,257	-
Passed Through Florida Department of Revenue				
Child Support Enforcement	93.563	N/A	3,200	-
Child Support Enforcement	93.563	COC46	220,239	-
Total U.S. Department of Health and Human Services			804,314	-
<u>U.S. Department of Homeland Security</u>				
Direct Programs				
Port Security Grant Program	97.056	EMW-2021-PU-00113	29,816	-
Passed Through Florida Division of Emergency Management				
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	Missions	27,390	-
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	Missions	5,019	-
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	Missions	40,603	-
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	Missions	13,682	-
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	Missions	140,979	-
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	Missions	14,149	-
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	Claim C-00000131	148,819	-
			390,641	-
Hazard Mitigation Grant	97.039	18HM-H4-01-56-01-388; 4177-06-A	174,901	-
Emergency Management Performance Grants	97.042	G0395	87,085	-
Homeland Security Grant Program	97.067	R0430	101,460	-
Homeland Security Grant Program	97.067	R0559	10,288	-
Homeland Security Grant Program	97.067	R0544	56,000	-
Homeland Security Grant Program	97.067	R0465	17,100	-
			184,848	-
Total U.S. Department of Homeland Security			867,291	-
TOTAL FEDERAL AWARDS			\$ 24,346,099	\$ 1,028,798
<u>STATE FINANCIAL ASSISTANCE</u>				
<u>Executive Office of the Governor</u>				
Direct Projects				
<u>Florida Division of Emergency Management</u>				
Emergency Management Projects	31.067	T0210	417	-
Emergency Management Preparedness and Assistance	31.063	A0398	20,633	-
Emergency Management Preparedness and Assistance	31.063	A0261	82,468	-
			103,101	-
Total Executive Office of the Governor			103,518	-
<u>Florida Department of Environmental Protection</u>				
Direct Projects				
Cooperative Collection Center Grant	37.007	HW305	179,753	-
Cooperative Collection Center Grant	37.007	HW405	44,202	-
			223,955	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP46043	104,379	-
Total Florida Department of Environmental Protection			328,334	-

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2023

Federal / State Agency Pass-through Entity Federal Program/State Project	Assistance Listing Number	Contract or Grant Number	Expenditures	Passed Through to Subrecipients
<u>Florida Housing Finance Corporation</u>				
Direct Projects				
State Housing Initiative Partnership (SHIP)	40.901	2019/2020	\$ 303,073	\$ -
State Housing Initiative Partnership (SHIP)	40.901	2020/2021	44,604	-
State Housing Initiative Partnership (SHIP)	40.901	2021/2022	120	-
State Housing Initiative Partnership (SHIP)	40.901	2022/2023	20	-
State Housing Initiative Partnership (SHIP)	40.901	2023/2024	20	-
Total Florida Housing Finance Corporation			<u>347,837</u>	<u>-</u>
<u>Florida Department of Agriculture and Consumer Services</u>				
Direct Projects				
Mosquito Control	42.003	027454	466	-
Mosquito Control	42.003	028467	38,026	-
Mosquito Control	42.003	029370	38,892	-
Total Florida Department of Agriculture and Consumer Services			<u>77,384</u>	<u>-</u>
<u>Florida Department of State</u>				
Direct Projects				
State Aid to Libraries	45.030	18-ST-45	237	-
State Aid to Libraries	45.030	19-ST-45	33,786	-
State Aid to Libraries	45.030	20-ST-45	39,385	-
Total Florida Department of State			<u>73,408</u>	<u>-</u>
<u>Florida Department of Education</u>				
Direct Projects				
Coach Aaron Feis Guardian Program	48.140	97J-90210-2D001	60,329	-
Total Florida Department of State			<u>60,329</u>	<u>-</u>
<u>Florida Department of Transportation</u>				
Direct Projects				
Commission for the Transportation Disadvantaged Trip and Equipment Grant Program	55.001	G2A32	462,710	-
Commission for the Transportation Disadvantaged Trip and Equipment Grant Program	55.001	G2K72	150,443	-
			<u>613,153</u>	<u>-</u>
Aviation Grant Programs	55.004	G1K02; 42561549401	451,752	-
Aviation Grant Programs	55.004	G1X18; 423907-4-94-01	10,342	-
Aviation Grant Programs	55.004	G1Z31; 42561479401	5,462	-
Aviation Grant Programs	55.004	G2496; 42561469401	72,736	-
Aviation Grant Programs	55.004	G2H89; 42230229401	16,045	-
Aviation Grant Programs	55.004	G2H90; 425615-8-94-01	9,856	-
Aviation Grant Programs	55.004	G2895; 42561459401	114,778	-
			<u>680,971</u>	<u>-</u>
Public Transit Block Grant Program	55.010	G2398; 422253-1-84-04	305,430	-
Public Transit Block Grant Program	55.010	G2G86; 422253-1-84-03 & 422253-1-84-05	10,909	-
			<u>316,339</u>	<u>-</u>
Transit Corridor Development Grant	55.013	G2F59; 422256-1-84-05	231,750	-
Transportation Regional Incentive Program (TRIP)	55.026	G1Z29	15,469	-
Transportation Regional Incentive Program (TRIP)	55.026	G1H69; 438189-1-24-01	129,100	-
			<u>144,569</u>	<u>-</u>
Local Transportation Projects	55.039	G2E84	219,708	-
Total Florida Department of Transportation			<u>2,206,490</u>	<u>-</u>
<u>Florida Department of Children and Families</u>				
Direct Projects				
Substance Abuse and Mental Health - Community Services	60.153	A0280	353,344	-
SAMH ME State Funded Federal Excluded Services	60.190	AH105	212,388	-
Total Florida Department of Children and Families			<u>565,732</u>	<u>-</u>

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2023

Federal / State Agency Pass-through Entity Federal Program/State Project	Assistance Listing Number	Contract or Grant Number	Expenditures	Passed Through to Subrecipients
<u>Florida Department of Health</u>				
Direct Projects				
County Grant Awards	64.005	C1046	\$ 17,397	\$ -
Total Florida Department of Health			<u>17,397</u>	<u>-</u>
<u>Florida Department of Management Services</u>				
Direct Projects				
E911 State Grant Program	72.002	S-22-23-01-43	59,133	-
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S21-22-05-02	346,403	-
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S18-21-05-50	91,213	-
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S18-21-05-51	<u>102,336</u>	<u>-</u>
			539,952	
Local Government Cybersecurity Grant Program	72.009	CMS-22/23-387	<u>22,387</u>	<u>-</u>
Total Florida Department of Management Services			<u>621,472</u>	<u>-</u>
<u>Fish and Wildlife Conservation Agency</u>				
Direct Projects				
Derelict Vessel Removal Program	77.005	FWC 22069	11,450	-
Derelict Vessel Removal Program	77.005	FWC 22141	6,800	-
Derelict Vessel Removal Program	77.005	C19676	31,500	-
Derelict Vessel Removal Program	77.005	FWC 22263	<u>51,700</u>	<u>-</u>
			101,450	-
Artificial Reef Grants Program	77.007	FWC 21367	100,816	-
Artificial Reef Grants Program	77.007	FWC 22005	<u>28,000</u>	<u>-</u>
			128,816	-
Total Fish and Wildlife Conservation Agency			<u>230,266</u>	<u>-</u>
TOTAL STATE FINANCIAL ASSISTANCE			<u>\$ 4,632,167</u>	<u>\$ -</u>
TOTAL FEDERAL AND STATE FINANCIAL ASSISTANCE			<u>\$ 28,978,266</u>	<u>\$ 1,028,798</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) presents the activity of all federal funded programs and state funded projects of Okaloosa County, Florida for the year ended September 30, 2023. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the schedule. Funds received and expended as state financial assistance reported on the schedule include only those state funds provided from state resources to carry out state projects. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of Okaloosa County, Florida, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of Okaloosa County, Florida.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented using the modified accrual basis of accounting for all governmental fund grants and the accrual basis of accounting for all proprietary fund grants. The basis of accounting is described in Note 1 C to the County's financial statements. Such expenditures are recognized following the cost principles contained in Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain type of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3. INDIRECT COST RATE

Okaloosa County, Florida has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4. EXPENDITURES INCURRED IN THE PRIOR FISCAL YEAR

A total of \$833,115 were incurred in a prior fiscal year. \$724,962 of these funds were expended under contract 3-12-0081-041-2023 of the assistance listing number 20.106. The remaining \$108,153 was expended under contract G0093 of the assistance listing number 21.027.

**OKALOOSA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

1. SUMMARY OF AUDITOR RESULTS

Financial Statements

Type of auditors' report issued: Unmodified Opinion

Internal control over financial reporting:

- Material weakness identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weakness? _____ Yes X None reported

Non-compliance material to financial statements noted? _____ Yes X No

Federal Awards and State Projects

Internal control over major programs/projects:

- Material weakness identified? _____ Yes X No
- Significant deficiency identified that is/ not considered to be material weakness? _____ Yes X None reported

Type of auditor's report issues on compliance for major programs/projects: Unmodified Opinion

- Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*? _____ Yes X No

Identification of Major Programs/Projects:

Federal:

Assistance Listing Number	Name of Federal Program or Cluster
20.205	Highway Planning and Construction
21.027	Coronavirus State and Local Fiscal Recovery Funds

**OKALOOSA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

1. SUMMARY OF AUDITOR RESULTS (CONTINUED)

Federal Awards and State Projects (continued)

Identification of Major Programs/Projects (continued):

State:

<u>CSFA #</u>	<u>Name of State Project</u>
55.001	Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program
55.004	Aviation Grant Programs
55.010	Public Transit Block Grant
55.039	Local Transportation Projects
72.003	Prepaid Next Generation 911 (NG911) State Grant Program

Dollar threshold used to distinguish between Type A
and B programs for Federal Awards:

\$750,000

Dollar threshold used to distinguish between Type A
and B projects for State Projects:

\$750,000

Auditee qualified as low-risk auditee?

 X Yes No

2. FINANCIAL STATEMENT FINDINGS

There were no findings which were required to be reported in accordance with government auditing standards generally accepted in the United States of America.

3. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAMS

There were no findings which were required to be reported in accordance with the Uniform Guidance.

**OKALOOSA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

4. FINDINGS AND QUESTIONED COSTS - MAJOR STATE FINANCIAL ASSISTANCE

There were no findings which were required to be reported in accordance with Chapter 10.550,
Rules of the Auditor General.