

OKALOOSA COUNTY CLERK OF CIRCUIT COURT



DEPARTMENT OF INSPECTOR GENERAL



INVESTIGATIVE REPORT: DORCAS FIRE DISTRICT

REPORT NO. INV-24-001

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Executive Summary

On June 13, 2024, Governor DeSantis signed House Bill 897 (HB897) into law. The signing of the bill changed the Dorcas Fire District from an independent special district in Okaloosa County, to a dependent special district, and the Okaloosa Board of County Commissioners, became the governing board for the Dorcas Fire District (DFD).

After HB897 was signed, the Director of Public Safety, Patrick Maddox, asked this office to conduct an audit of the financial status of the DFD from Fiscal Year 2021 to present, in anticipation of the transition, and the former Clerk of Court and Comptroller for Okaloosa County, J.D. Peacock II, asked our office to conduct an inventory of the Fire District's assets.

Financial audits of the DFD as required by Florida Statutes, had not been consistently conducted for previous years; however, the FY2021 audit had been completed by Carr, Riggs, and Ingram (CRI), and FY2022 was pending with their agency. Due to FY2022 pending with CRI, we conducted an audit inclusive of October 1, 2022 through June 13, 2024; the date the DFD transitioned from independent to dependent.

During the audit process, indicators of possible fraud, waste, and/or abuse of government resources were discovered, and an investigation was opened by this office.

Background

The Dorcas Fire District was established in 1984 by the Florida Legislature as an independent special fire district. The DFD was to be governed by a five-member board of commissioners that were to be elected by the citizens the district served. Not having a full board in recent years, the DFD was unable to approve spending and only paid operational expenses. Required audits were not being filed timely with the State, and the audits that were filed indicated the financials habitually lacked adequate supporting documentation.

In December 2023 HB897, was filed requesting the DFD be established as a dependent fire district. On June 13, 2024, Governor DeSantis signed HB897. On June 18, 2024 the Okaloosa County Board of Commissioners suspended all operations of the DFD and a Mutual Aid Agreement was activated to continue providing services to the citizens of the Dorcas area. Fire Station #41 (FS #41) and Fire Station #42 (FS #42) were both secured and new locks placed on the doors. An inventory of FD #41 and FS #42 was conducted on June 19, 2024 by this office.

Scope & Methodology

The scope of our investigation included interviews, review of financial documentation, fuel purchase documents, previous audits, and an inventory of FS #41 and #42.

The investigation was performed in compliance with the *Quality Standards for Investigations* found within the *Principles and Standards for Offices of Inspector General* as published by the Association of Inspectors General. The standard or degree of proof required to establish a conclusion of fact is at least “by a preponderance of evidence,” which indicates evidence that establishes the fact sought to be true is more probable than not.

Investigations by the Department of Inspector General will reach one of the following four conclusions of fact per allegation: substantiated, unsubstantiated, unfounded, or not legally sufficient. **Substantiated** means there is sufficient information to justify a reasonable conclusion that the allegation is true. **Unsubstantiated** means there is insufficient information to either prove or disprove the allegation. **Unfounded** means there is sufficient information to indicate the allegation is false. **Not-Legally Sufficient** means that the allegation does not violate current governing directives.

Allegations

Allegation 1: Fraud –Purchase of fuel for personal use with the County issued Fuel Card, and personal use of several items owned by the DFD which were housed at the former Fire Chief’s home.

Allegation 2: Waste – Purchase of equipment, clothing, and other items that were stored opened/unopened and never used.

Allegation 3: Abuse – Excessive number of purchases of unnecessary equipment and items. Personal use of Dorcas Fire District property.

Governing directives:

Code of Ethics for Public Officers and Employees is found in Chapter 112 (Part III) of the Florida Statutes. Foremost among the goals of the Code is to promote the public interest and maintain the respect of the people for their government. The Code is also intended to ensure that public officials conduct themselves independently and impartially, not using their offices for private gain other than compensation provided by law. While seeking to protect the integrity of government, the Code also seeks to avoid the creation of unnecessary barriers to public service

Florida Statute 11.45 definition of fraud, waste, and abuse

***Fraud** - obtaining something of value through willful misrepresentation, including, but not limited to, intentional misstatements or intentional omissions of amounts or disclosures in financial statements to deceive users of financial statements, theft of an entity’s assets, bribery, or the use of one’s position for personal enrichment through the deliberate misuse or misapplication of an organization’s resources.*

***Waste** - the act of using or expending resources unreasonably, carelessly, extravagantly, or for no useful purpose.*

***Abuse** - behavior that is deficient or improper when compared with behavior that a prudent person would consider a reasonable and necessary operational practice given the facts and circumstances. The term includes the misuse of authority or position for personal gain.*

Investigative Narrative

Our office conducted an inventory of FS #41 and FS #42 on June 19, 2024, and began an audit of the financial statements from October 1, 2022 through June 13, 2024. During the inventory, an overwhelming number of items were located still in boxes unopened or in open boxes unused. Shipping dates on address labels varied from 2020 to 2022. The inventory produced folders filled with receipts of questionable purchases and a set of board minutes with a hand-written note stating, “John’s spending is out of control”. The inference was “John” referred to the former Fire Chief, John Polinsky.

The Okaloosa County Sheriff’s Office (OCSO) was contacted regarding items (high value purchases) that were not present at the completion of the final inventory of the two fire stations. The missing inventory items and the questionable use of fuel cards prompted the OCSO to open an investigation; Case #24-9227 (still active at the time of this report). There were three individuals who worked for the DFD, the former Chief John Polinsky (JP), a part-time fireman Gene “Pete” Adams, and a volunteer fireman, Kit Callahan.

On December 10, 2024 OCSO Investigator Mike Kruger and the Inspector General conducted a joint interview with JP.

Fuel logs for the DFD were obtained showing large amounts of unleaded and diesel fuel purchases along with small amounts of fuel, between 2 and 5 gallons on the same day or within a short period of time. JP stated he had one fuel card and Pete (part-time employee) had one card. He pointed to one of the card numbers on the fuel logs and said that it was the one he carried and the other one he had given to Pete. He was then shown dates, charges, and amounts of fuel obtained, specifically for fuel purchased in Ocala, Orlando, and Midway. He said the October 2023 trip to Ocala was to Ritche Brother’s Auction Yard. He said there were a lot of items behind FS #41 and he wanted to figure out logistically how he was going to get all of that down to the auction yard. After he made the trip he realized it was not going to be possible. This was around the time he found out the Honorable Pat Maney was pushing HB897 to change DFD to a dependent district. The trip to south Florida around Thanksgiving he said, was to look at Federal Emergency Management Agency (FEMA) fencing that someone was allegedly giving away, but when he got there he found out it was not free. His intent was to obtain the fencing so he could secure the firehouse property should HB897 be signed.

Neither of the trips showed any charges to the DFD for per diem or lodging. When asked why there was no record of expenses he said he paid for his expenses out of his own pocket. The bookkeeper/board member, Deborah Wimer-Zills, for DFD stated she had no knowledge of the trips.

JP stated he used the fuel card for his own truck, after the Hummer (Chief's work vehicle) engine blew, he would drive his own truck for work purposes as well for personal use. He used the fuel card to gas up his personal vehicle when he was on DFD business or calls. He did not keep records of the calls and/or the mileage between personal use and business use. He said it all balanced out because of the wear and tear on his truck.

JP was asked about a *lathe* and a *welder* purchased by the Dorcas Fire District during the years 2020-2021. He stated he did have possession of both, and would bring them to the Fire House, but would need 24-48 hours. He first stated he "took" them as payment for using his own tools that were now broken, and for services rendered that he could have gotten paid for but was not. He then stated he was given authorization by the Board, specifically "Ed Alford" to take them home as repayment. He stated there was nothing written down or documented regarding the approval.

Research of the board minutes determined Ed Alford was a previous Commissioner with the DFD but was no longer a part of the Board after 2015. During a subsequent interview with JP on February 12, 2025, the welder and lathe were discussed again. He was asked about Alford granting him permission for these two items purchased in 2020 and 2021 when he was no longer a board member. JP stated that Alford had only given him permission to take the welder, but not the welder in question, an older welder, and that Alford had not given him permission to take the Lathe.

When asked about the large number of items purchased during 2020, 2021, and 2022, he stated they had several projects going on and they were trying to remodel the volunteer fire department to make it attractive to volunteers, specifically with the workout equipment. He cited problems keeping enough board members to constitute a quorum, which in turn did not allow for approval of spending to maintain equipment and trucks.

During the last week of December 2024 this office was contacted by Pat Maddox, the Public Safety Director overseeing the DFD transition. He advised the drone that had been located and documented as part of the initial inventory from FS #41, was no longer in the fire station. The information regarding the drone (serial number, model number) was provided to the OCSO, and a theft report initiated by Director Maddox.

In abundance of caution our office met with Director Maddox at FS #41 on January 8, 2025 along with Investigator Lester Wolthers from the OCSO who was working on the drone theft, to see if any other items were missing that had been documented during the June 19, 2024 inventory. It was discovered there were a number of items missing. The list of missing items along with any

other information our office obtained during the initial inventory was given to Investigator Wolthers.

OCSO Investigator Kruger contacted JP regarding some other items we believed he still had in his possession. These were items where receipts indicated a purchase was made but the item was not located in either FS #41 or FS #42. JP agreed to bring any other items he had in his possession that belonged to the DFD to FS #41.

On February 12, 2025, eight (8) months after JP was removed as Fire Chief of the DFD, Investigator Kruger, Director Maddox, and members of IG's office met with JP at FS #41. He arrived with a full truck load of items to include a brand new DeWalt table saw and stand. The saw was still in the box wrapped in shrink wrap. The mobile cart for the welder and the lathe were among the items brought to FS #41. There were more shirts, pants, patches, a Forward Looking InfraRed Scanner (FLIR), ratchet straps new and used, 2 radios Hytera UHG PD 982, Stihl battery AP 300, American Flags, Autel Scanner with case (automotive), Milwaukee Sawzall super kit M18, with charger, 2 Milwaukee drills, Trailer Ball, Jump Pack NOCO GB500, Milwaukee Fuel Circular Saw, and a host of miscellaneous other items in bags. JP stated he found the items in his truck and home; some were covered with other things and he forgot they were there.

Kit Callahan was interviewed on March 26, 2025. He confirmed he did not have a fuel card and it had been a long period of time since he had gassed up a fire truck. He also confirmed that JP made large numbers of purchases with Fire District money.

When asked about all of the items in boxes at the Fire Station, he responded by saying JP was a dreamer. He stated JP's intention was to clean out the area under the loft where the gym equipment is located in FS #41 and then rent the space out to two fire school students. Callahan stated the fire department needed money so JP thought renting the space out to students would bring in some funds and the students could also participate in fire runs. This never came to fruition, but JP was making purchases to potentially outfit trucks which they had not yet acquired and purchased other equipment in the hopes of bringing in more volunteers.

Callahan stated he was not aware of JP making any trips to south Florida to purchase FEMA fencing or parts for the fire trucks. He did state that JP was their truck mechanic, as that was his trade skill. He also stated JP made trips to south Florida regarding hearings he was obligated to attend about paperwork he did not file as part of an independent fire district.

Note: *On August 2, 2023, the State of Florida Commission on Ethics sent a formal letter to the Governor addressing complaint no. 22-205 regarding JP. The letter states in part "...we have found pursuant to a stipulation that Mr. Polinsky violated the Code of Ethics in the manner described by our order, we recommend that you remove him from his public employment, a penalty to which he has agreed to be subjected..." The final order stated the Commission found the Dorcas Fire Chief, John Polinsky, violated Section 112.3145 (9)(c), F.S.S., by willfully failing to file a 2018 CE Form 1, "Statement of Financial Interests."*

When asked why JP would have fire department equipment at his home, Callahan stated he did not know, unless JP was working on fire department equipment there.

Several attempts were made by this office to contact Gene “Pete” Adams via his cellular telephone, but to no avail. A letter was then sent to his home on March 31, 2025 requesting he contact our office to set up an interview regarding the Dorcas Fire Department. Adams did not respond to the letter; however, Investigator Kruger did make telephone contact with Adams on April 10, 2025.

Investigator Kruger stated Adams acknowledged having a fuel card but denied taking any trips to south Florida using the fuel card. He stated that JP made trips to south Florida for truck parts. Adams was also asked about different types and amounts of fuel that were purchased with the fuel cards. Adams advised Investigator Kruger that instead of taking the trucks to the gas station they would fill up 5-gallon cans with fuel and bring them back to the station to top of the trucks and other equipment; Adams stated he was unaware of any misuse of the fuel cards. Investigator Kruger recorded the interview and stated he would provide this office with a copy of his interview report.

Findings of Fact and Recommendations

Allegation 1: Fraud – Personal use of fuel purchased with the County Fuel Card, and personal use of DFD property. **Unsubstantiated (fraudulent use of fuel cards)/Substantiated (fraudulent use of equipment)**

Fraud - obtaining something of value through willful misrepresentation, including, but not limited to, intentional misstatements or intentional omissions of amounts or disclosures in financial statements to deceive users of financial statements, theft of an entity’s assets, bribery, or the use of one’s position for personal enrichment through the deliberate misuse or misapplication of an organization’s resources.

Finding: JP and Pete Adams, a part-time employee, both had a fuel card that they carried. JP stated he used the fuel card to gas up his personal truck after his work vehicle broke down. He did not keep mileage or keep track of when he used the card and for what purpose, other than to say when he was on DFD business he used it to fuel up his vehicle. There were numerous fuel charges in Niceville, Ft. Walton Beach, and Milton in 2023 and 2022. Also in 2023, there were fuel charges in St. Johns, St. Augustine, Midway, Ocala, Navarre, and Lee, Florida. There was no supporting documentation as to JP’s stated reasons for these trips, and the bookkeeper/board member had no knowledge of why he would travel to those locations.

JP stated the reason he would go to Niceville was to drop off documents to Carr, Riggs, and Ingram for the DFD audit, or to stop at Northwest Florida State College for DFD business. CRI was contacted and they stated they recalled JP bringing documents to them on one occasion, but that was to their Crestview office.

The chart below shows the year and location where the fuel cards were used to purchase gasoline. All fuel cards were in Polinsky’s name with only one PIN number for all three cards. The out of County locations noted in 2023 included Lee, Ocala, Midway, St. Augustine, St. Johns, Milton and Navarre. In 2024 the out of County locations noted included Mims, Orlando, and Milton.

Fuel Year	DeFuniak	Crestview	Niceville	Ft. Walton	Out of County
2021	97	100	1	0	0
2022	110	84	13	1	0
2023	143	73	10	4	12
2024 (Jan-Jun)	52	21	0	0	3

Dates traveled to out of County locations. **Fuel Card Z111** **Fuel Card Z116** **Fuel Card Z113**

Lee	Ocala	Orlando	Midway	St. Aug	St. Johns	Milton	Navarre	Mims
				5/19/2023	5/17/2023	6/25/2023		
			8/9/2023			6/26/2023		
	10/08/2023		8/10/2023				10/9/2023	
11/25/2023	11/27/2023		11/27/2023			11/28/2023		
		3/25/2024				3/4/2024		3/27/2024

The reasons provided by JP as to the trips he made to south Florida did not include all the locations where fuel was purchased nor did they fall within the route of travel to those locations; there was no supporting documentation for these trips.

Based on the lack of records/tracking of fuel, separation of fuel card PIN numbers, and difference of accounts from JP, Kit Calahan, and Pete Adams, the chart above, and the lack of supporting documentation/statements supporting JP’s claims, it is more likely than not that there was a misuse of fuel cards. The fraudulent use of the fuel cards could not be definitively determined.

This office was able to determine that there was a trailer, machinery, multiple tools, equipment, and other items located at JP’s home for an undisclosed period of time that belonged to the DFD. JP did not volunteer he had the items in his possession until he was specifically asked if he had them, and to bring everything from his home that belonged to the DFD to the Fire Station.

Recommendation: JP and Adams are no longer employed by the DFD and the fuel cards have been terminated. The matter was referred to law enforcement. No further recommendations.

Allegation 2: Waste – Excessive purchase of equipment, tools, clothing, and other items that were stored unopened and never used. **Substantiated**

Waste - the act of using or expending resources unreasonably, carelessly, extravagantly, or for no useful purpose.

Finding: During the inventory conducted on FS #41 in June 2024, voluminous boxes (opened and unopened) of various items ranging from tools, clothing (dozens of shirts and patches), equipment, electronics, and miscellaneous items were located inside of the Fire Station. The shipping dates on the box labels were mostly from 2021 and 2022. Some of the items such as 5 defibrillators, (4 unused in boxes) had not been maintained/calibrated. Gym equipment valued at approximately \$20,000, had been purchased by JP with DFD money and was not being used other than by one individual who did not work for the DFD. Multiple fire trucks and firefighting equipment were not operational and needed repair.

Recommendation: Salvageable items be transferred to the fire districts acting as mutual aid for the district or remain with the district should it be re-established. Items not salvageable, be disposed of according to County policy.

Allegation 3: Abuse – Excessive quantities of purchases including unnecessary equipment and other items. Maintaining DFD property at his home. **Substantiated**

Abuse - behavior that is deficient or improper when compared with behavior that a prudent person would consider a reasonable and necessary operational practice given the facts and circumstances. The term includes the misuse of authority or position for personal gain.

Finding: JP made hundreds of purchases using the DFD credit card with little to no oversight. On multiple occasions the card was used numerous times in a day and almost daily from 2020-2022. The sheer number of purchases for items that were left sitting in boxes at the fire station and never opened or used constitutes an abuse of his position as Fire Chief. In one of the board meeting notes, one of the board members stated that JP's spending was out of control. There was a lack of oversight or accountability for his use of the credit card. The multiple pieces of equipment JP had stored at his home and not at the fire department also constituted an abuse of authority. JP stated during one of his interviews that the benefits of being a volunteer fireman is that you could go to the station and use the fire department tools; however, he had taken many tools, and equipment to his home, and only produced those items when specifically questioned about what had happened to them.

Recommendation: The bank account has been closed and the Clerk of Court and Comptroller's office has taken over the finances. DFD assets have been secured awaiting direction from the BCC.

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