

ANNUAL COMPREHENSIVE FINANCIAL REPORT



**OKALOOSA COUNTY, FLORIDA
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2022**

**OKALOOSA COUNTY, FLORIDA
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JD PEACOCK II

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



March 29, 2023

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, 2022. 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, 2022, 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, 2022, 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 estimated population is over 210,000 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 \$3.59 billion annually with total employment of over 56,280 in tourism-related businesses which generates nearly \$425 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 7.9 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.



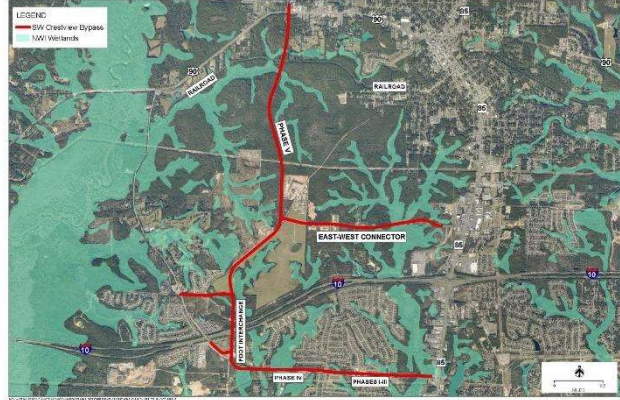
Seven industrial parks have been developed with a total of over 1,100 acres available. An industrial park near Crestview has an 8,000-foot reinforced runway, capable of handling the largest aircraft, and it has complete utilities and services. A municipal industrial park at Fort Walton Beach offers complete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

The One Okaloosa Economic Development Council places the total labor force at 103,945 and the unemployment rate at 2.2 percent as of September 2022. This compares favorably to Florida's rate of 2.3 percent and the national rate of 3.5 percent. 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 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

The County has made considerable progress in several areas on behalf of the citizens. The County has now broken ground on every phase of the Southwest Crestview Bypass, from phases I-IV along PJ Adams Parkway on the south side of I-10 to Phase V and the East-West Connector (named Fallen Heroes Way by the Crestview City Council) on the north side of I-10. Department of Transportation (FDOT) has also begun construction of the new interchange with Interstate 10 between Phases IV and V. All totaled, this work is a \$200 million set of projects that are the single-largest undertaking in Okaloosa County government history. This bypass will provide alternate routes for the high volume of traffic headed into the Crestview area from points south, including Eglin Air Force Base. The County has fully funded the project through a combination of half-cent discretionary infrastructure surtax, BP Oil spill restitution and FDOT funds, scheduled to be completed in 2025. Another major initiative is the systematic stabilization of dirt roads, with a combination of lime rock and asphalt cap, which will reduce maintenance and improve surface water quality in several areas of north County.



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. Upgrading of the Secondary EOC is also in progress. Emergency Medical Services continues to review and improve their function to enhance this much needed service. These enhancements include update and more-advanced life-saving equipment and response vehicles, including modifications to practices following the latest, most-effective medical protocols. New public outreach instructional classes have been implanted and a community telemedicine plan is in the initial planning stages. 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. In addition to the Southwest Crestview Bypass, the County recently completed an ambitious stormwater retrofit project along 6th Street in the Port Dixie section of Shalimar from 9th Avenue to its outfall south of 3rd Avenue.

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, upgrades include a new Baggage Handling System and main terminal lobby expansion, additional ticket counters, circulation space and restrooms. A new five-gate Concourse C opened in June 2022 with three additional TSA checkpoints and concessions. A ground control tower and security inspection facility were also completed to increase safety and security on the aircraft apron. Design efforts for an expanded baggage claim area, which will add two additional carousels and 15,000 square feet of lobby space, are complete. 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, 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 also are 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 include 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 aides in management of vector disease control initiatives.

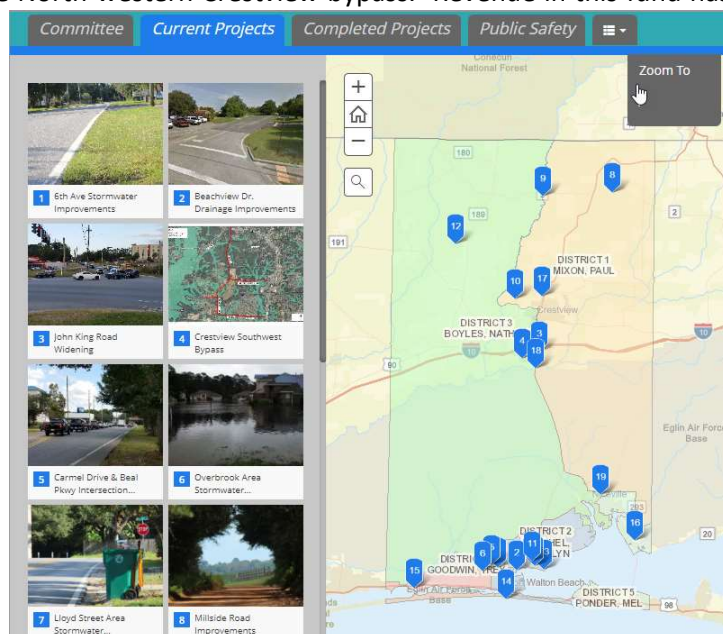
Culture/Recreation Initiatives

The 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 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 beach access and amenities at Crystal Beach and Tarpon Beach.

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 26 active projects, including the North-western Crestview bypass. 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, 2021.

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**

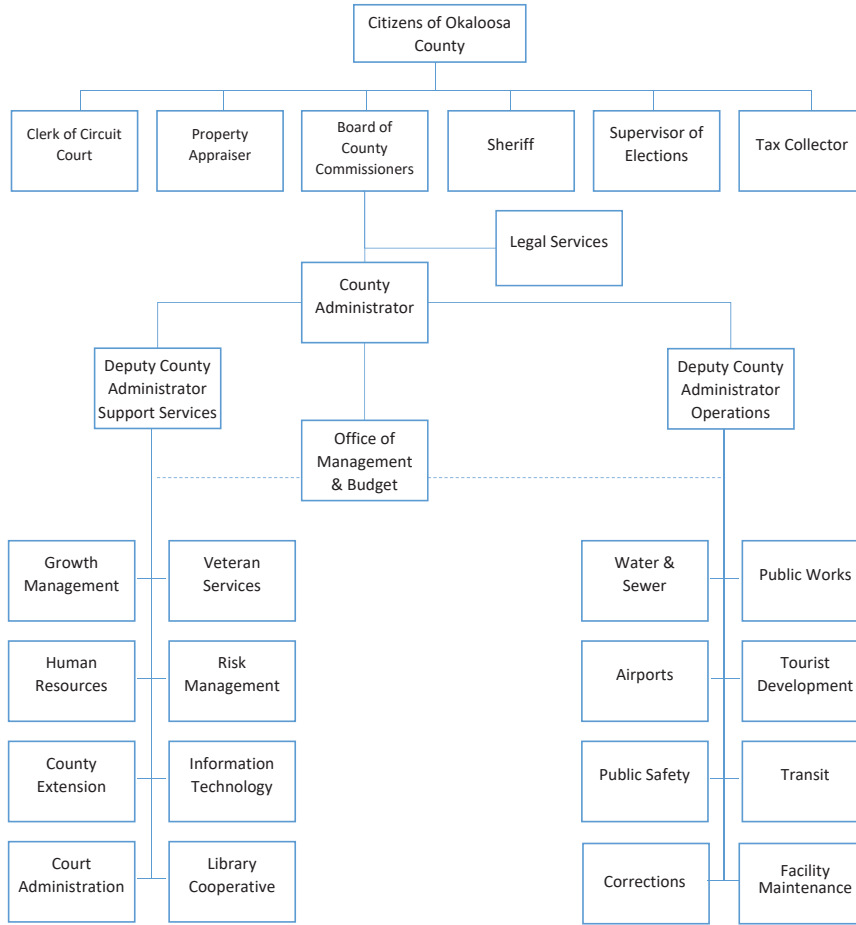
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morill

Executive Director/CEO

Organizational Chart



**COUNTY OFFICIALS
AS OF SEPTEMBER 30, 2022**

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, 2022, 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, 2022, 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 2022, the County adopted new accounting guidance, GASB Statement No. 87, *Leases*. 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 29, 2023, 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.

Warren Averett, LLC

Fort Walton Beach, Florida
March 29, 2023

Okaloosa County, Florida Management 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, 2022. 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 \$743,062. Governmental and business-type assets exceeded its liabilities by \$335,739 and \$407,323, respectively.
- The County's total net position increased by \$76,143, or 11.4%, in comparison to the prior year.
- The County had \$2,855 of unrestricted net position surplus at the close of this year compared to \$4,252 last year.
- Total revenues decreased by \$11,137, or 3.0 percent, from \$375,339 to \$364,202.
- Total expenses increased by \$10,758, or 3.9 percent, from \$277,302 to \$288,060.
- The County's governmental activities reported a total net position of \$335,739, which is an increase of \$53,060, or 18.8%, in comparison to the prior year. A deficit in the unrestricted net asset position of \$(42,593) exists in the governmental activities.
- The County's business-type activities reported a total net position of \$407,323, which is an increase of \$23,083, or 6.0%, in comparison to prior year. Approximately 13.1% of the total, or \$53,246, 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 \$62,618 for governmental funds and \$19,073 for business-type activities for an ending net pension liability of \$128,221, an approximate increase of 75.6% from the prior fiscal year end. These liabilities are actuarially determined and provided by the State of Florida Retirement System (FRS). The change in the actuarial liability primarily relates to the weak market performance of investments during the current year. 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 the 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 the 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, Airport, Solid Waste, and Emergency Medical Services Enterprise 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, 2022, the County's total net position or total assets less liabilities, was \$743,062. A significant portion of the County's net position, 79.1 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 "net investment 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 net investment in capital assets balance of \$583,078 increased by \$68,247 or 13.3 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 \$150,878 (20.3 percent of total net position) increased by \$3,042 or 2.1 percent, in comparison to prior year, due to increased funds related to capital projects which offset declines experienced in public safety and economic environment.

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 \$9,106 which is an increase of \$4,854 from the prior year. This increase is primarily attributable to the use of restricted resources for transportation projects in the governmental activities. The governmental activities overall net position increased by \$53,060. Although millage rates remained the same, property tax revenue increased due to rising taxable assessed values. Operating grants and revenue decreased primarily from revenue received in the previous year for the CARES Act. Net Position in the County's Business-type activities increased by \$23,083 due reductions in operating and capital costs across all business-type funds. Unrestricted Net Position of \$53,246 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 2022 and 2021.

Okaloosa County, Florida
Summary of Net Position
September 30, 2022 and 2021

	Governmental		Business-type		Total	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$300,702	\$233,331	\$188,590	\$124,095	\$489,292	\$357,426
Capital Assets	307,207	272,474	396,992	367,563	704,199	640,037
Total Assets	<u>\$607,909</u>	<u>\$505,805</u>	<u>\$585,581</u>	<u>\$491,658</u>	<u>\$1,193,490</u>	<u>\$997,463</u>
Total Deferred Outflows	<u>\$26,509</u>	<u>\$20,432</u>	<u>\$10,038</u>	<u>\$8,542</u>	<u>\$36,547</u>	<u>\$28,974</u>
Current and Other Liabilities	69,537	53,681	26,925	19,602	96,462	73,283
Noncurrent Liabilities	205,827	128,095	94,729	75,008	300,556	203,103
Total Liabilities	<u>\$275,364</u>	<u>\$181,776</u>	<u>\$121,654</u>	<u>\$94,610</u>	<u>\$397,018</u>	<u>\$276,386</u>
Total Deferred Inflows	<u>\$23,315</u>	<u>\$61,782</u>	<u>\$66,642</u>	<u>\$21,350</u>	<u>\$89,957</u>	<u>\$83,132</u>
Net Position:						
Net Investment in Capital Assets	\$246,725	\$205,802	\$336,353	\$309,029	\$583,078	\$514,831
Restricted for						
Debt Service	-	324	4,837	4,797	4,837	5,121
Capital Projects	69,601	36,951	-	-	69,601	36,951
Public Safety	662	232	-	-	662	232
Transportation	11,100	26,362	12,887	15,664	23,987	42,026
Eco Environment	5,809	18,023	-	-	5,809	18,023
Culture Recreation	43,496	42,416	-	-	43,496	42,416
Court-Related	2,486	3,067	-	-	2,486	3,067
Unrestricted	(44,140)	(50,498)	53,246	54,750	9,106	4,252
Total Net Position	<u>\$335,739</u>	<u>\$282,679</u>	<u>\$407,323</u>	<u>\$384,240</u>	<u>\$743,062</u>	<u>\$666,919</u>

Okaloosa County, Florida
Summary of Revenues and Expenses
For the Year Ending September 30, 2022 and 2021

	Governmental		Business-type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for Services	\$50,788	\$50,446	\$89,630	\$81,642	\$140,418	\$132,088
Operating Grants and Contributions	11,026	32,536	1,471	4,913	12,497	37,449
Capital Grants and Contributions	15,119	14,883	10,020	17,901	25,139	32,784
General Revenues:						
Taxes	148,859	137,729	1	1	148,860	137,730
State Shared Revenue	36,999	32,076	-	-	36,999	32,076
Grant and Contributions not Restricted Specific Programs	-	-	-	-	-	-
Other	(1,455)	2,745	1,746	467	291	3,212
Total Revenues	261,336	270,415	102,866	104,924	364,202	375,339
Expenses:						
Program Activities:						
General Government	44,214	39,954	-	-	44,214	39,954
Public Safety	90,904	93,550	-	-	90,904	93,550
Physical Environment	2,451	2,303	-	-	2,451	2,303
Transportation	20,083	20,148	-	-	20,083	20,148
Economic Environment	20,824	19,043	-	-	20,824	19,043
Human Services	6,089	5,894	-	-	6,089	5,894
Culture and Recreation	12,144	15,109	-	-	12,144	15,109
Court-Related	9,970	9,442	-	-	9,970	9,442
Interest and Fiscal Charges	2,370	2,368	-	-	2,370	2,368
Business-type Activities:						
Water and Sewer	-	-	31,578	31,106	31,578	31,106
Airport	-	-	19,983	15,291	19,983	15,291
Solid Waste	-	-	13,087	11,818	13,087	11,818
Emergency Medical	-	-	11,704	9,260	11,704	9,260
Other	-	-	2,659	2,015	2,659	2,015
Total Expenses	209,049	207,811	79,010	69,490	288,060	277,301
Inc in Net Position Before Trf	52,287	62,604	23,856	35,434	76,143	98,038
Transfers	773	1,999	(773)	(1,999)	-	-
Inc/(Dec) in Net Position	53,060	64,603	23,083	33,435	76,143	98,038
Net Position October 1	282,679	218,076	384,240	350,805	666,919	568,881
Net Position September 30	\$335,739	\$282,679	\$407,323	\$384,240	\$743,062	\$666,919

Revenues decreased by \$9,079 or 3.4 percent in governmental activities, primarily due to a decrease in operating grants and contributions and in unrealized losses on long-term investments. The decrease in operating grants and contributions is directly related to the funding received in 2021 from the federal government through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The unrealized losses on investments can be attributed to the economic environment that existed as of September 30, 2022. Revenues in business-type activity decreased by \$2,058 or 2.0 percent from the prior year. The cause for the decrease is the same as the decreases that impacted the governmental activities revenue.

Expenses increased by \$1,238 or 0.6 percent in governmental activities, primarily due to increased general government expenses as the economy continues to its recovery from the impact of the COVID-19 pandemic, coupled with a decrease in public safety expenses tied to the CARES Act. Expenses increase by \$9,520 or 13.7 percent in business-type expenses 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 11.4 percent, from \$666,919 in 2021 to \$743,062 in 2022.

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, 2022, the County governmental funds reported combined fund balances of \$216,444, an increase of \$35,871 over the prior year balances, mainly related to an excess of revenue over expenses related to tax revenue and transfers in from other financing sources.

The General Fund is the chief operating fund of the County. As of September 30, 2022, total fund balance in the general fund was \$37,231 of which \$36,150 was unassigned. The general fund revenues for the fiscal year exceeded expenses by 5,347. The increase in the current fiscal year fund balance was primarily due to increased property tax revenues.

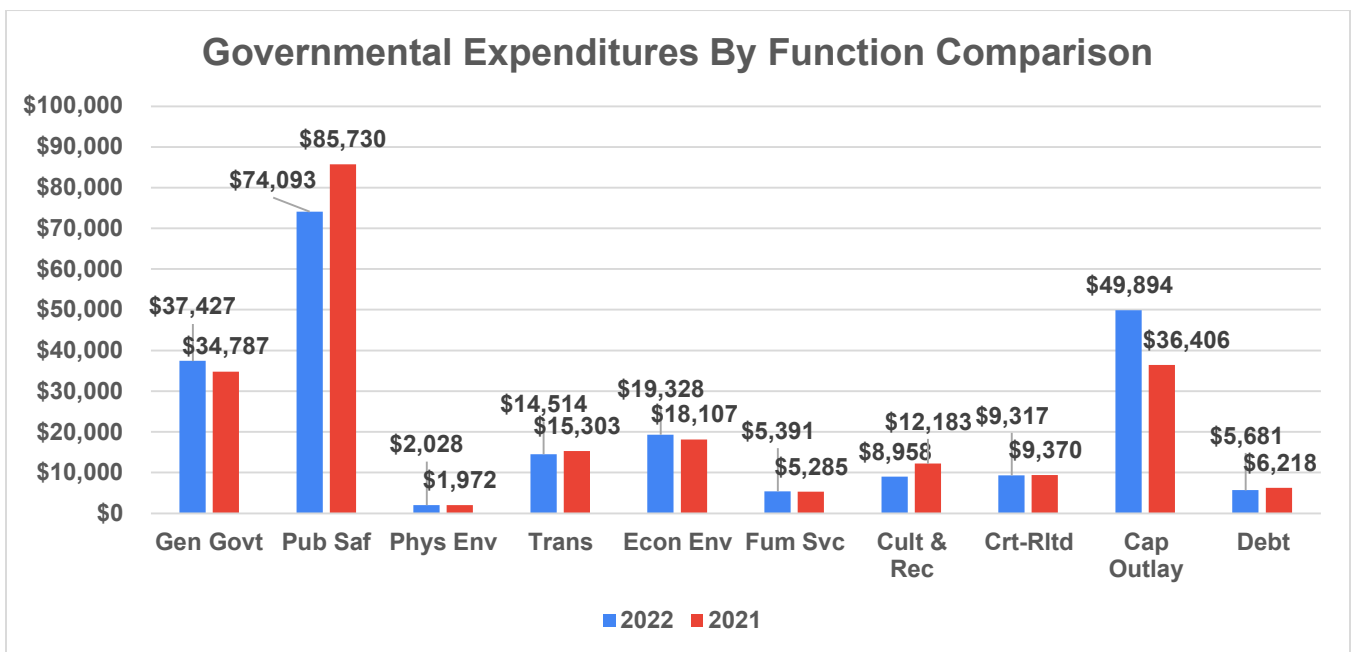
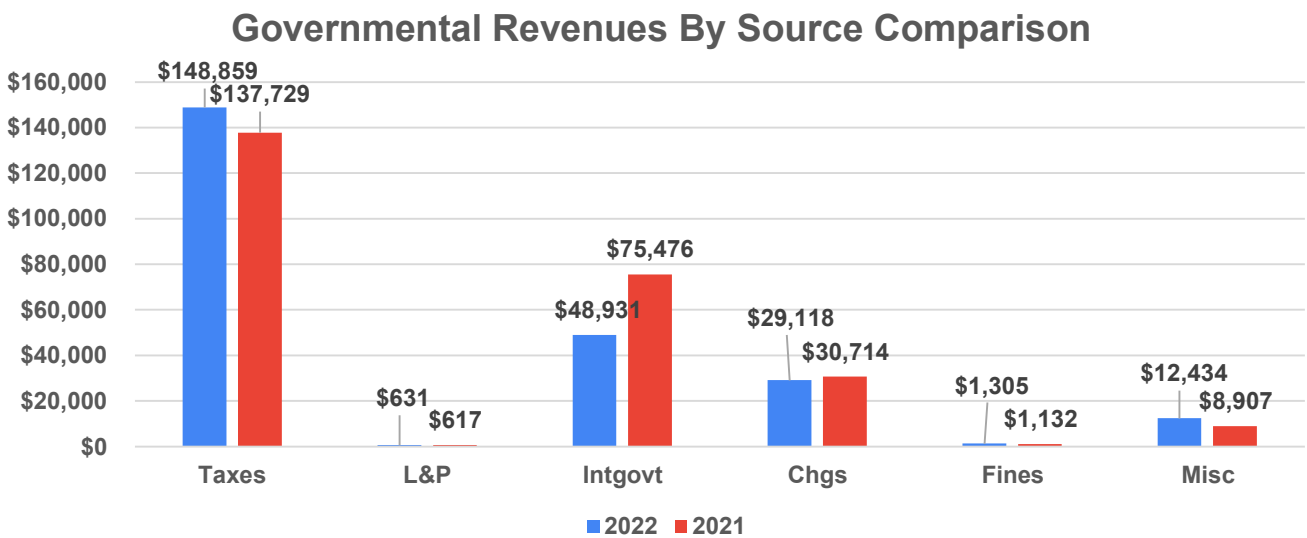
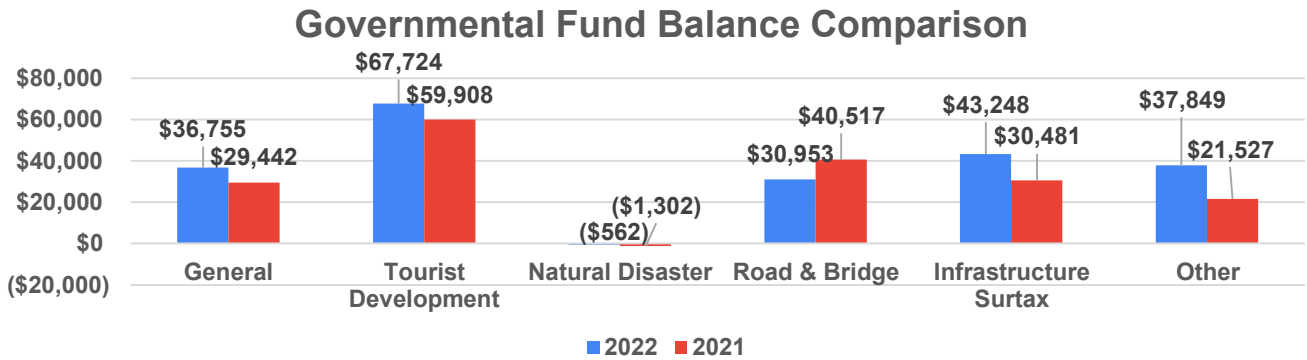
The Tourist Development Special Revenue Fund is used to account for the revenues and expenditures collected on short-term rentals in Okaloosa County. The Tourist Development Special Revenue Fund balance increased over the prior year by \$7,789. The increase in fund balance is primarily due to tax revenues exceeding expenditures and the expansion of the taxing district. The Tourist Development Special Revenue Fund experienced modest revenue increases while maintaining expenses in line from prior fiscal year.

The Natural Disaster Fund is typically used to account for disaster funding and expenditures not considered normal recurring operating activity of the County. In 2022, 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. The fund balance increased over the prior year by \$741 due primarily to the recognition of FEMA funds related to natural disasters.

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 \$9,564 due primarily to the construction costs associated with the southwest Crestview bypass.

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 \$12,767 due primarily to the limited availability of construction materials and labor following the COVID-19 pandemic.

The following is a chart of all Governmental Fund Balances for the fiscal years 2022 and 2021.



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.

Enterprise Funds at September 30, 2022, total net position amounted to \$407,323 as compared to \$384,240 at September 30, 2021. 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 \$23,082. Major components of this increase are as follows:

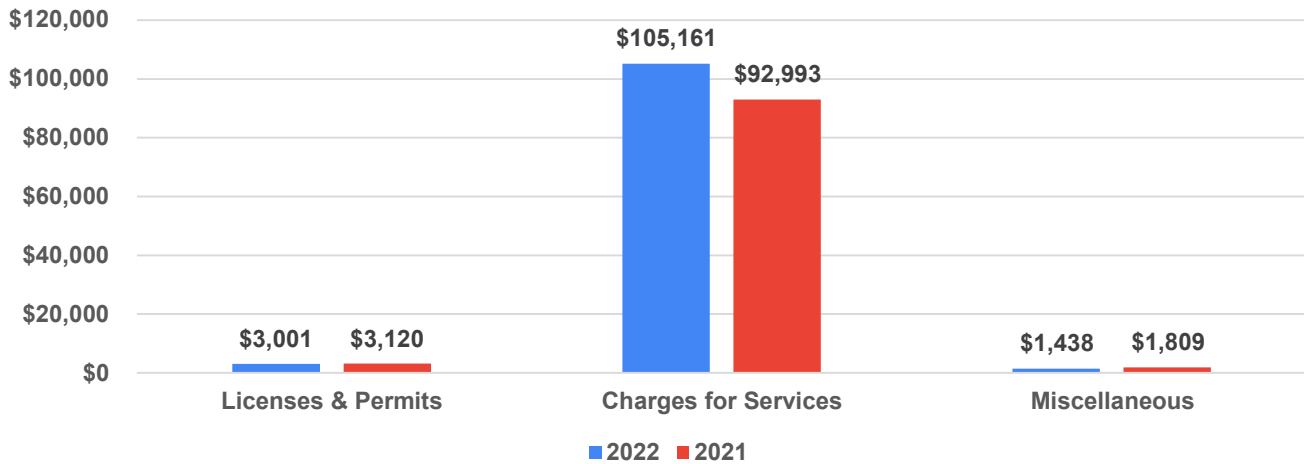
- The Water and Sewer Fund increased its net position by \$10,168, or 5.3% to \$202,969. Net operating income was \$12,085 during the year which increased 16.4% more than last year primarily due to increases in charges for services. The overall increase in net position for the current year relates primarily to investment in capacity expansion related to construction activity.
- The Airport Fund increased its net position by \$9,952, or 5.4% to \$190,856. The Airport experienced an increase in operating revenues due to the pandemic recovery. The operating revenues increased \$3,682 or 22.1% more the prior year. Capital contributions declined 42.0% from the prior year. These factors along with prior consecutive years of financial strength contributed to the overall change in net position.
- The Solid Waste Fund increased its net position by \$1,444, or 129.2% to \$6,391. The Solid Waste had a decrease in operating expenditures of \$1,269, or 10.7% due to decrease in net pension liability of \$827 from the prior year.
- The Emergency Medical Services Fund increased its net position by \$647, or 135.8% to \$2,454. The most significant factor in this increase was an increase in operating revenues related to charges for services.

The net operating income of the enterprise funds for fiscal years 2022 and 2021, is as follows:

Enterprise Net Operating Income (Loss)

	<u>2022</u>	<u>2021</u>
Water and Sewer	\$12,085	\$10,351
Airport	336	1,903
Solid Waste	1,334	2,724
Inspections	844	1,709
Emergency Medical Services	(1,332)	(1,381)
Tax Collector Building Maintenance	44	47
	<u>\$13,311</u>	<u>\$15,353</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 2022 as well as the final budget is presented.

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

- The County added budgeted revenue in the General Fund of approximately \$20,488 of which \$18,681 related to intergovernmental revenue because of anticipated state and federal grants related to public safety, housing assistance, and mass transit funds.
- The County added budgeted revenue in the Natural Disasters Fund of approximately \$40,784 related to intergovernmental revenue because of anticipated federal grants related to the CARES act and the American Rescue Plan Act (ARPA) of 2021.
- The County added budget expenditures in the General Fund of approximately \$428,492, most significantly in the areas of transportation, public safety, and capital outlay because of anticipated grant activity related to both the CARES Act and ARPA.

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

- A variance in the General Fund of \$5,317 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 in the Natural Disasters Fund of \$38,021 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 in the General Fund of \$34,684 of actual expenditures under anticipated budget amounts due to the timing of grant related expenditures and various capital projects that were not complete as of the end of the fiscal year.
- A variance in the Natural Disasters Fund of \$39,691 of actual expenditures under anticipated budget amounts due to the timing of grant-related expenditures and various capital projects that were not complete as of the end of the fiscal year.
- A variance of \$4,966 in the General Fund, other financing uses, related to transfers out and transfers among constitutional officers being less than anticipated in addition to new debt issuances.

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, 2022, amounts to \$704,199 (net of accumulated depreciation). This investment in capital assets includes land, buildings, roads, bridges and other improvements, machinery and equipment and park facilities. The increase in Okaloosa County's governmental activities, investment in capital assets, for the current fiscal year amounted to \$34,711 or 12.7 percent increase, which was mainly due to the construction in progress related to transportation and road improvements. The business-type activities capital assets increased to \$22,864, mainly due to the 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, 2022 and 2021

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$18,890	\$17,299	\$14,765	\$14,765	\$33,655	\$32,064
Buildings	154,530	142,620	103,807	89,642	258,337	232,262
Improvements other than buildings	58,024	51,097	277	277	58,301	51,374
Intangibles	3,560	3,528	932	932	4,492	4,460
Mach/Equipment/Right to Use	67,773	68,509	35,197	26,865	102,970	95,374
Const in Progress	59,708	39,491	39,745	24,729	99,453	64,220
Infrastructure	177,311	174,374	441,287	435,156	618,598	609,530
Art	29	29	70	70	99	99
Total Capital Assets	<u>539,825</u>	<u>496,947</u>	<u>636,080</u>	<u>592,436</u>	<u>1,175,905</u>	<u>1,089,383</u>
Accum Deprec	<u>(232,618)</u>	<u>(224,472)</u>	<u>(239,088)</u>	<u>(224,872)</u>	<u>(471,706)</u>	<u>(449,344)</u>
Total	<u><u>\$307,207</u></u>	<u><u>\$272,475</u></u>	<u><u>\$396,992</u></u>	<u><u>\$367,564</u></u>	<u><u>\$704,199</u></u>	<u><u>\$640,039</u></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 \$153,433. Of this amount, \$97,266 comprises governmental activities while the remaining \$56,167 is secured by revenue bonds and revolving loans in business-type activities.

**Okaloosa County, Florida
Outstanding Debt
September 30, 2022 and 2021**

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Capital Lease	\$271	\$68	\$-	\$-	\$271	\$68
Revenue Bonds	74,950	78,098	53,492	57,303	128,442	135,401
Revolv & Comm Loan	22,320	2,480	2,219	2,675	24,539	5,155
Total	\$97,541	\$80,646	\$55,711	\$59,978	\$153,252	\$140,624

Additional information on Okaloosa County's long-term debt can be found in notes to the financial statements (Note 11).

Okaloosa County, Florida, Debt Ratings at September 30, 2022

Type of Debt Issue:	S & P	Fitch/Moody's
2011 Capital Improvement Revenue Bonds	Not rated	Not rated
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 98,426 to 102,501 as of December 2022, an increase of 4.1 percent. The increasing labor force coupled with the recovery of COVID-19 pandemic led to the County's unemployment rate to 2.0 percent in 2022 compared to 2.2 percent for 2021. The County's unemployment rate remains favorable compared to the state and national rates of 2.3 and 3.5 percent, respectively for 2022.
- The assessed value of real property located in the County increased from \$20.186 billion to \$23.135 billion in 2022, while the total assessed value of the County increased from \$21.104 billion to \$24.097 billion in 2022. This represented an increase of \$1.306 billion or 6.6 percent in property valuation.
- Okaloosa County has a diversified property tax base. The ten largest property taxpayers in the County represent only 1.35 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 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, 2022**

	Primary Government		
	Government Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 17,388,109	\$ 7,667,543	\$ 25,055,652
Investments	191,723,809	84,947,224	276,671,033
Receivables, net of allowance for uncollectibles	19,189,910	11,882,249	31,072,159
Lease receivable	21,168,309	55,424,307	76,592,616
Internal balances	404	(404)	-
Due from (to) fiduciary funds	234,450	-	234,450
Due from other governments	11,822,515	4,418,002	16,240,517
Inventories	799,290	2,458,778	3,258,068
Prepaid items	1,301,186	2,001,979	3,303,165
Restricted assets:			
Cash and cash equivalents			
Customer deposits	-	1,441,494	1,441,494
Other deposits	-	1,587,344	1,587,344
Investments	37,074,092	16,761,053	53,835,145
Capital assets			
Non-depreciable/amortizable	79,773,742	54,579,873	134,353,615
Depreciable/amortizable, net	227,433,619	342,411,859	569,845,478
TOTAL CAPITAL ASSETS	307,207,361	396,991,732	704,199,093
TOTAL ASSETS	\$ 607,909,435	\$ 585,581,301	\$ 1,193,490,736
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges related to pensions	\$ 25,043,222	\$ 8,821,299	\$ 33,864,521
Deferred charges on refunding	-	1,139,647	1,139,647
Deferred charges related to OPEB	1,465,750	77,524	1,543,274
TOTAL DEFERRED OUTFLOWS OF RESOURCES	26,508,972	10,038,470	36,547,442
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 634,418,407	\$ 595,619,771	\$ 1,230,038,178

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF NET POSITION – CONTINUED
SEPTEMBER 30, 2022

	Government Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable and other accrued liabilities	\$ 12,932,197	\$ 16,669,914	\$ 29,602,111
Due to other governments	1,313,393	55,154	1,368,547
Unearned revenue	42,824,010	2,222,946	45,046,956
Due to depositors	103,979	-	103,979
Liabilities payable from restricted assets			
Customer deposits	-	1,458,264	1,458,264
Interest payable	1,547,190	597,149	2,144,339
Current portion of long-term obligations			
Compensated absences	3,483,879	1,015,793	4,499,672
Financed purchases	191,499	-	191,499
Closure costs payable	-	391,714	391,714
Claims and judgments	2,021,696	-	2,021,696
Lease contracts	4,462	529,256	533,718
Notes payable	2,742,000	469,539	3,211,539
Revenue bonds payable	2,373,000	3,515,000	5,888,000
TOTAL CURRENT LIABILITIES	69,537,305	26,924,729	96,462,034
Noncurrent portion of long-term obligations			
Compensated absences	4,308,079	812,252	5,120,331
Closure costs payable	-	1,664,619	1,664,619
Claims and judgments	4,046,000	-	4,046,000
Financed purchases	77,795	-	77,795
Lease agreements	12,396	5,689,591	5,701,987
Notes payable	19,578,000	1,749,140	21,327,140
Bonds payable, net	72,577,367	49,977,852	122,555,219
Other post employment benefits	10,543,983	1,298,646	11,842,629
Net pension liability	94,683,307	33,537,291	128,220,598
TOTAL NONCURRENT LIABILITIES	205,826,927	94,729,391	300,556,318
TOTAL LIABILITIES	\$ 275,364,232	\$ 121,654,120	\$ 397,018,352
DEFERRED INFLOWS OF RESOURCES			
Deferred charges related to Pensions	\$ 5,310,829	\$ 2,076,879	\$ 7,387,708
Deferred charges related to OPEB	2,077,883	411,091	2,488,974
Deferred charges related to leases	15,926,376	53,965,699	69,892,075
Unavailable revenue	-	10,188,662	10,188,662
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 23,315,088	\$ 66,642,331	\$ 89,957,419

See notes to the financial statements.

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**OKALOOSA COUNTY, FLORIDA
STATEMENT OF NET POSITION – CONTINUED
SEPTEMBER 30, 2022**

	<u>Government Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
NET POSITION			
Invested in in capital assets	\$ 246,724,934	\$ 336,352,845	\$ 583,077,779
Restricted for:			
Debt service	-	4,836,997	4,836,997
Capital outlay	69,600,862	-	69,600,862
Public safety	661,752	-	661,752
Transportation	11,099,977	12,887,089	23,987,066
Economic environment	5,808,992	-	5,808,992
Culture and recreation	43,496,482	-	43,496,482
Court-related	2,485,784	-	2,485,784
Unrestricted (deficit)	(44,139,696)	53,246,389	9,106,693
TOTAL NET POSITION (DEFICIT)	<u>\$ 335,739,087</u>	<u>\$ 407,323,320</u>	<u>\$ 743,062,407</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 634,418,407</u>	<u>\$ 595,619,771</u>	<u>\$ 1,230,038,178</u>

See notes to the financial statements.

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**OKALOOSA COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	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	\$ 44,214,204	\$ 25,513,124	\$ 1,062,639	\$ -	\$ (17,638,441)	\$ -	\$ (17,638,441)
Public safety	90,904,245	15,115,403	3,610,404	1,133,944	(71,044,494)	-	(71,044,494)
Physical environment	2,450,831	10,252	35,600	70,960	(2,334,019)	-	(2,334,019)
Transportation	20,082,901	1,529,772	4,039,718	13,675,377	(838,034)	-	(838,034)
Economic environment	20,823,826	-	876,736	-	(19,947,090)	-	(19,947,090)
Human services	6,089,434	-	26,188	-	(6,063,246)	-	(6,063,246)
Culture and recreation	12,143,848	1,201,471	71,793	239,009	(10,631,575)	-	(10,631,575)
Court-related	9,970,203	7,418,033	1,302,540	-	(1,249,630)	-	(1,249,630)
Interest and fiscal charges	2,369,936	-	-	-	(2,369,936)	-	(2,369,936)
TOTAL GOVERNMENTAL ACTIVITIES	209,049,428	50,788,055	11,025,618	15,119,290	(132,116,465)	-	(132,116,465)
Business-type activities							
Water & sewer	31,578,104	40,977,949	343,268	68,240	-	9,811,353	9,811,353
Airport	19,982,783	20,318,557	871,260	9,951,314	-	11,158,348	11,158,348
Solid waste	13,086,563	14,420,231	217,104	-	-	1,550,772	1,550,772
Emergency medical services	11,703,554	10,365,368	39,329	-	-	(1,298,857)	(1,298,857)
Inspection and code enforcement	2,659,211	3,503,373	-	-	-	844,162	844,162
Tax collector building maintenance	-	44,061	-	-	-	44,061	44,061
TOTAL BUSINESS-TYPE ACTIVITIES	79,010,215	89,629,539	1,470,961	10,019,554	-	22,109,839	22,109,839
TOTAL PRIMARY GOVERNMENT	\$ 288,059,643	\$ 140,417,594	\$ 12,496,579	\$ 25,138,844	(132,116,465)	22,109,839	(110,006,626)
General revenues							
Taxes:							
Ad valorem tax					80,782,138	523	80,782,661
Tourist development tax					36,875,379	-	36,875,379
Local option fuel tax					6,520,621	-	6,520,621
Communication services tax					1,366,516	-	1,366,516
Ninth-cent voted fuel tax					1,238,295	-	1,238,295
Local business tax					306,309	-	306,309
Infrastructure surtax					21,769,843	-	21,769,843
State revenue sharing:							
Miscellaneous tax revenue					9,375,926	-	9,375,926
Local government sales tax					23,312,686	-	23,312,686
Gas tax					4,310,178	-	4,310,178
Investment earnings (loss)					(4,668,649)	(599,645)	(5,268,294)
Gain on disposal of capital assets					469,808	558,172	1,027,980
Miscellaneous					2,743,927	1,787,305	4,531,232
Transfers - internal activities					773,243	(773,243)	-
TOTAL GENERAL REVENUES AND TRANSFERS					185,176,220	973,112	186,149,332
CHANGE IN NET POSITION					53,059,755	23,082,951	76,142,706
NET POSITION - BEGINNING					282,679,332	384,240,369	666,919,701
NET POSITION - ENDING					\$ 335,739,087	\$ 407,323,320	\$ 743,062,407

See notes to the financial statements.

**OKALOOSA COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	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	\$ 7,933,069	\$ 39,416	\$ 238,137	\$ 60,864	\$ 341,030	\$ 6,816,494	\$ 15,429,010
Investments	30,731,210	65,305,822	37,817,997	12,718,496	39,795,443	37,702,730	224,071,698
Accounts receivable	196,251	72,789	-	18,815,689	-	97,851	19,182,580
Lease receivable	16,402,809	-	-	-	-	-	16,402,809
Due from other funds	105,858	1,000,000	-	500,000	2,000,000	1,452,150	5,058,008
Due from other elected officials	3,312,856	3,957,880	-	-	-	205,982	7,476,718
Due from other governments	6,739,947	133,117	494,363	1,067,675	1,742,860	1,528,268	11,706,230
Inventory	81,613	344	3,364	161,154	26,869	280,383	553,727
Prepays	765,661	40,296	-	-	-	30,523	836,480
TOTAL ASSETS	\$ 66,269,274	\$ 70,549,664	\$ 38,553,861	\$ 33,323,878	\$ 43,906,202	\$ 48,114,381	\$ 300,717,260

See notes to the financial statements.

**OKALOOSA COUNTY, FLORIDA
BALANCE SHEET – CONTINUED
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	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	\$ 1,185,431	\$ 1,305,791	\$ -	\$ 228,262	\$ 144,369	\$ 438,170	\$ 3,302,023
Contracts payable	1,040,147	834,763	446,039	2,142,845	507,513	875,152	5,846,459
Other accrued liabilities	2,395,959	109,090	-	-	6,502	633,965	3,145,516
Due to other funds	263,823	-	-	-	-	4,273,850	4,537,673
Due to other elected officials	6,748,278	198,396	-	-	-	328,738	7,275,412
Due to other governments	637,834	210,051	-	-	-	465,508	1,313,393
Due to depositors	28,839	932	-	-	-	72,842	102,613
Unearned revenue	811,312	166,705	38,669,420	-	-	3,176,573	42,824,010
TOTAL LIABILITIES	13,111,623	2,825,728	39,115,459	2,371,107	658,384	10,264,798	68,347,099
DEFERRED INFLOWS OF RESOURCES							
Lease receivable	15,926,376	-	-	-	-	-	15,926,376
FUND BALANCE							
Nonspendable	847,274	40,640	3,364	161,154	26,869	310,906	1,390,207
Restricted	-	67,683,296	-	30,791,617	43,220,949	29,097,041	170,792,903
Committed	234,173	-	-	-	-	761,875	996,048
Assigned	4,108,600	-	-	-	-	7,755,282	11,863,882
Unassigned	32,041,228	-	(564,962)	-	-	(75,521)	31,400,745
TOTAL FUND BALANCES	37,231,275	67,723,936	(561,598)	30,952,771	43,247,818	37,849,583	216,443,785
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES							
	\$ 66,269,274	\$ 70,549,664	\$ 38,553,861	\$ 33,323,878	\$ 43,906,202	\$ 48,114,381	\$ 300,717,260

See notes to the financial statements.

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**OKALOOSA COUNTY, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022**

Fund balances - total governmental funds		\$ 216,443,785
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>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.</p>		
<p>Those assets consist of:</p>		
Governmental nondepreciable/ amortizable asset	79,456,881	
Governmental depreciable/ amortizable assets	457,209,343	
Less accumulated depreciation/ amortization	<u>(230,096,517)</u>	306,569,707
<p>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:</p>		
		(4,303,199)
<p>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</p>		
Deferred outflows of resources - pensions	24,406,959	
Deferred inflows of resources - pensions	(5,058,781)	
Deferred outflows of resources - OPEB	(187,218)	
Deferred inflow of resources - OPEB	<u>(1,631,509)</u>	17,529,451
<p>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.</p>		
<p>Balances at September 30, 2022, are:</p>		
Accrued interest on bonds	(1,547,190)	
Revenue bonds payable	(74,950,367)	
Notes payable	(22,320,000)	
Financed purchases	(269,294)	
Lease agreements	(16,858)	
Compensated absences	(5,965,983)	
Other post-employment benefits	(3,070,203)	
Net pension liability, proportionate share	<u>(92,360,762)</u>	
Total long-term liabilities		(200,500,657)
Net position of governmental activities		<u>\$ 335,739,087</u>

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, 2022

	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	\$ 77,204,298	\$ 36,875,379	\$ -	\$ 2,262,673	\$ 21,769,843	\$ 10,746,908	\$ 148,859,101
Licenses and permits	25,500	-	-	-	-	605,980	631,480
Intergovernmental	37,368,185	159,607	2,766,334	2,994,749	-	5,641,984	48,930,859
Charges for services	21,291,578	862,330	-	-	-	6,963,939	29,117,847
Fines	100,722	-	-	-	-	1,203,991	1,304,713
Investment income (loss)	(1,006,662)	(1,860,312)	(3,171)	(697,201)	(438,066)	(636,649)	(4,642,061)
Miscellaneous	3,652,707	3,581	-	12,681,316	236,444	978,744	17,552,792
Total revenues	138,636,328	36,040,585	2,763,163	17,241,537	21,568,221	25,504,897	241,754,731
EXPENDITURES							
Current							
General government	35,943,698	-	-	-	-	1,247,599	37,191,297
Public safety	72,706,102	-	6,044	-	-	1,380,889	74,093,035
Physical environment	864,860	-	-	-	-	1,163,625	2,028,485
Transportation	3,579,055	-	-	1,821,542	158,049	8,955,234	14,513,880
Economic environment	3,040,147	16,004,790	7,379	-	-	275,332	19,327,648
Human services	4,789,053	-	-	-	-	601,661	5,390,714
Culture and recreation	3,072,666	4,612,027	-	-	-	1,272,828	8,957,521
Court-related	3,287,746	-	-	-	-	6,028,994	9,316,740
Capital outlay	5,983,020	4,295,242	2,009,091	25,201,899	7,368,429	5,428,584	50,286,265
Debt service							
Principal	22,351	-	-	174,400	-	2,401,000	2,597,751
Interest	598	-	-	-	-	3,318,821	3,319,419
Other debt service costs	-	-	-	-	-	1,913	1,913
Total expenditures	133,289,296	24,912,059	2,022,514	27,197,841	7,526,478	32,076,480	227,024,668

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, 2022

	<u>General Fund</u>	<u>Tourist Development Special Revenue Fund</u>	<u>Natural Disasters Fund</u>	<u>Road and Bridge Construction Capital Projects Fund</u>	<u>Infrastructure Surtax Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ 5,347,032	\$ 11,128,526	\$ 740,649	\$ (9,956,304)	\$ 14,041,743	\$ (6,571,583)	\$ 14,730,063
OTHER FINANCING SOURCES (USES)							
Transfers in	7,850,562	-	-	-	-	7,347,735	15,198,297
Transfers out	(6,462,258)	(3,312,494)	-	-	(1,274,878)	(3,375,424)	(14,425,054)
Transfers among constitutional officers	778,841	-	2	-	-	(778,843)	-
Issuance of debt	275,000	-	-	392,400	-	19,700,000	20,367,400
Total other financing sources (uses)	<u>2,442,145</u>	<u>(3,312,494)</u>	<u>2</u>	<u>392,400</u>	<u>(1,274,878)</u>	<u>22,893,468</u>	<u>21,140,643</u>
NET CHANGE IN FUND BALANCE	7,789,177	7,816,032	740,651	(9,563,904)	12,766,865	16,321,885	35,870,706
FUND BALANCES - BEGINNING	<u>25,333,498</u>	<u>59,907,904</u>	<u>(1,302,249)</u>	<u>40,516,675</u>	<u>30,480,953</u>	<u>21,527,698</u>	<u>176,464,479</u>
FUND BALANCES - ENDING	<u>\$ 33,122,675</u>	<u>\$ 67,723,936</u>	<u>\$ (561,598)</u>	<u>\$ 30,952,771</u>	<u>\$ 43,247,818</u>	<u>\$ 37,849,583</u>	<u>\$ 212,335,185</u>

See notes to the financial statements.

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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, 2022

Net change in fund balances - total governmental funds		\$ 35,870,706
<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	50,286,265	
Less current year depreciation/ amortization	<u>(15,581,539)</u>	34,704,726
<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>		
		38,597
<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>		
		(250)
<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	(20,367,400)	
Debt principal payments	2,595,911	
Amortization of premiums/ discounts	<u>882,119</u>	(16,889,370)
<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	(234,038)	
Other post employment benefits	(1,090,232)	
Changes in accrued interest on long term debt	<u>71,118</u>	(1,253,152)
<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		(1,830,024)
<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>2,418,522</u>
Change in net position of governmental activities		<u><u>\$ 53,059,755</u></u>

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
SEPTEMBER 30, 2022

	Business-Type Activities					Total	Governmental Activities Internal Service Funds
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Solid Waste Fund	EMS Enterprise Fund	Other Enterprise Funds		
ASSETS							
Current assets							
Cash and cash equivalents	\$ 229,598	\$ 2,455,432	\$ 2,344,545	\$ 1,248,089	\$ 1,389,879	\$ 7,667,543	\$ 1,959,099
Investments	43,291,725	18,351,860	9,597,340	8,997,733	4,708,566	84,947,224	4,726,203
Receivables, net of allowance for uncollectible	3,845,645	3,859,038	865,824	3,288,422	23,320	11,882,249	7,330
Due from other funds	-	-	-	-	-	-	1,263,823
Due from other elected officials	-	-	-	60	-	60	1,510
Due from other governments	1,427,838	2,954,639	35,525	-	-	4,418,002	116,285
Amounts held by others for benefits	-	-	-	-	-	-	4,765,500
Inventory	2,122,695	115,151	-	220,932	-	2,458,778	245,563
Prepays	616,558	1,380,301	-	2,768	2,352	2,001,979	464,706
Restricted assets							
Cash and cash equivalents							
Customer deposits	1,412,986	-	28,508	-	-	1,441,494	-
Other deposits	1,587,344	-	-	-	-	1,587,344	-
Investments	3,870,572	12,890,481	-	-	-	16,761,053	-
Total restricted assets	6,870,902	12,890,481	28,508	-	-	19,789,891	-
Total current assets	58,404,961	42,006,902	12,871,742	13,758,004	6,124,117	133,165,726	13,550,019
Other assets							
Lease receivable	145,202	55,279,105	-	-	-	55,424,307	-
Capital assets, net							
Non-depreciable/amortizable	28,365,565	26,081,007	133,301	-	-	54,579,873	316,861
Depreciable/amortizable, net	193,772,892	146,329,494	715,737	1,488,635	105,101	342,411,859	320,793
Total capital assets (Net of accumulated depreciation/ amortization)	222,138,457	172,410,501	849,038	1,488,635	105,101	396,991,732	637,654
TOTAL ASSETS	280,688,620	269,696,508	13,720,780	15,246,639	6,229,218	585,581,765	14,187,673
DEFERRED OUTFLOWS OF RESOURCES							
Deferred charges related to pensions	3,324,497	1,389,302	353,441	3,449,036	305,023	8,821,299	636,263
Deferred charges on refunding	1,139,647	-	-	-	-	1,139,647	-
Deferred charges related to OPEB	31,176	8,480	3,392	31,111	3,365	77,524	1,652,968
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 4,495,320	\$ 1,397,782	\$ 356,833	\$ 3,480,147	\$ 308,388	\$ 10,038,470	\$ 2,289,231
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 285,183,940	\$ 271,094,290	\$ 14,077,613	\$ 18,726,786	\$ 6,537,606	\$ 595,620,235	\$ 16,476,904

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF NET POSITION – PROPRIETARY FUNDS – CONTINUED
SEPTEMBER 30, 2022

	Business-Type Activities					Total	Governmental Activities Internal Service Funds
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Solid Waste Fund	EMS Enterprise Fund	Other Enterprise Funds		
LIABILITIES							
Current liabilities							
Accounts payable	\$ 933,261	\$ 1,496,840	\$ 82,664	\$ 70,224	\$ 7,560	\$ 2,590,549	\$ 355,224
Contracts payable	1,127,576	8,174,943	3,855,909	99,584	7,527	13,265,539	223,426
Compensated absences	514,828	101,118	52,689	199,218	147,940	1,015,793	1,766,087
Closure cost payable	-	-	391,714	-	-	391,714	-
Claims and judgments	-	-	-	-	-	-	2,021,696
Other accrued liabilities	346,074	92,461	32,346	282,855	60,090	813,826	59,549
Due to other funds	-	-	-	-	-	-	1,752,000
Due to other elected officials	10	309	-	145	-	464	120
Due to other governments	4,965	29,466	139	63	20,521	55,154	-
Due to depositors	-	-	-	-	-	-	1,366
Unearned revenues	752,505	884,011	-	555,625	30,805	2,222,946	-
Notes payable	469,539	-	-	-	-	469,539	-
Lease contracts	422,770	-	-	106,486	-	529,256	-
Revenue bonds payable	3,515,000	-	-	-	-	3,515,000	-
Current liabilities payable from restricted assets							
Customer deposits payable	1,436,756	-	21,508	-	-	1,458,264	-
Interest payable	597,149	-	-	-	-	597,149	-
Total current liabilities payable from restricted assets	<u>2,033,905</u>	<u>-</u>	<u>21,508</u>	<u>-</u>	<u>-</u>	<u>2,055,413</u>	<u>-</u>
Total current liabilities	<u>10,120,433</u>	<u>10,779,148</u>	<u>4,436,969</u>	<u>1,314,200</u>	<u>274,443</u>	<u>26,925,193</u>	<u>6,179,468</u>
NONCURRENT LIABILITIES							
Compensated absences	454,429	93,896	35,013	117,918	110,996	812,252	59,888
Closure costs payable	-	-	1,664,619	-	-	1,664,619	-
Claims and judgements	-	-	-	-	-	-	4,046,000
Loan-state of Florida, net	1,749,140	-	-	-	-	1,749,140	-
Revenue bonds payable, net	49,977,852	-	-	-	-	49,977,852	-
Other post employment benefits	525,506	142,938	57,175	516,297	56,730	1,298,646	7,473,780
Lease contracts	5,644,233	-	-	45,358	-	5,689,591	-
Net pension liability	12,460,179	5,131,209	1,327,130	13,213,665	1,405,108	33,537,291	2,322,545
Total noncurrent liabilities	<u>70,811,339</u>	<u>5,368,043</u>	<u>3,083,937</u>	<u>13,893,238</u>	<u>1,572,834</u>	<u>94,729,391</u>	<u>13,902,213</u>
TOTAL LIABILITIES	<u>\$ 80,931,772</u>	<u>\$ 16,147,191</u>	<u>\$ 7,520,906</u>	<u>\$ 15,207,438</u>	<u>\$ 1,847,277</u>	<u>\$ 121,654,584</u>	<u>\$ 20,081,681</u>

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF NET POSITION – PROPRIETARY FUNDS – CONTINUED
SEPTEMBER 30, 2022

	Business-Type Activities					Total	Governmental Activities Internal Service Funds
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Solid Waste Fund	EMS Enterprise Fund	Other Enterprise Funds		
DEFERRED INFLOWS OF RESOURCES							
Deferred charges related to pensions	\$ 976,140	\$ 32,910	\$ 147,434	\$ 900,716	\$ 19,679	\$ 2,076,879	\$ 252,048
Deferred charges related to OPEB	166,177	45,200	18,083	163,693	17,938	411,091	-
Deferred charges related to leases	140,876	53,824,823	-	-	-	53,965,699	-
Unearned revenues	-	10,188,662	-	-	-	10,188,662	446,374
Total deferred inflows of resources	<u>\$ 1,283,193</u>	<u>\$ 64,091,595</u>	<u>\$ 165,517</u>	<u>\$ 1,064,409</u>	<u>\$ 37,617</u>	<u>\$ 66,642,331</u>	<u>\$ 698,422</u>
NET POSITION							
Net investment in capital assets	\$ 161,499,570	\$ 172,410,501	\$ 849,038	\$ 1,488,635	\$ 105,101	\$ 336,352,845	\$ 637,654
Restricted for debt service	4,836,997	-	-	-	-	4,836,997	-
Restricted for passenger facility charges program	-	6,741,834	-	-	-	6,741,834	-
Restricted for customer facility charges program	-	6,145,255	-	-	-	6,145,255	-
Unrestricted (deficit)	<u>36,632,408</u>	<u>5,557,914</u>	<u>5,542,152</u>	<u>966,304</u>	<u>4,547,611</u>	<u>53,246,389</u>	<u>(4,940,853)</u>
TOTAL NET POSITION (DEFICIT)	<u>\$ 202,968,975</u>	<u>\$ 190,855,504</u>	<u>\$ 6,391,190</u>	<u>\$ 2,454,939</u>	<u>\$ 4,652,712</u>	<u>\$ 407,323,320</u>	<u>\$ (4,303,199)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION (DEFICIT)	<u>\$ 285,183,940</u>	<u>\$ 271,094,290</u>	<u>\$ 14,077,613</u>	<u>\$ 18,726,786</u>	<u>\$ 6,537,606</u>	<u>\$ 595,620,235</u>	<u>\$ 16,476,904</u>

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, 2022

	Business-Type Activities					Total	Governmental Activities Internal Service Funds
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Solid Waste Fund	EMS Enterprise Funds	Other Enterprise Funds		
OPERATING REVENUES							
Charges for services	\$ 40,970,454	\$ 20,318,557	\$ 14,418,150	\$ 10,365,309	\$ 494,403	\$ 86,566,873	\$ 18,139,456
Licenses and permits	-	-	-	-	3,001,435	3,001,435	-
Miscellaneous	7,495	-	2,081	59	51,596	61,231	1,377,202
Total operating revenues	<u>40,977,949</u>	<u>20,318,557</u>	<u>14,420,231</u>	<u>10,365,368</u>	<u>3,547,434</u>	<u>89,629,539</u>	<u>19,516,658</u>
OPERATING EXPENSES							
Personal services	8,439,025	2,701,367	978,089	8,386,466	1,845,542	22,350,489	2,825,307
Contractual services	3,087,178	5,353,599	11,232,283	657,323	582,811	20,913,194	241,341
Supplies	1,476,294	1,517,928	130,479	1,220,627	50,947	4,396,275	3,718,496
Insurance premiums and claims	-	-	-	-	-	-	9,428,749
Utilities	2,642,558	1,347,334	13,633	30,534	-	4,034,059	5,040
Other operating expenses	3,825,735	3,525,758	487,446	789,891	147,680	8,776,510	830,328
Depreciation/ amortization	9,421,697	5,536,797	244,633	612,507	32,231	15,847,865	75,078
Total operating expenses	<u>28,892,487</u>	<u>19,982,783</u>	<u>13,086,563</u>	<u>11,697,348</u>	<u>2,659,211</u>	<u>76,318,392</u>	<u>17,124,339</u>
Operating Income (loss)	<u>12,085,462</u>	<u>335,774</u>	<u>1,333,668</u>	<u>(1,331,980)</u>	<u>888,223</u>	<u>13,311,147</u>	<u>2,392,319</u>
NON-OPERATING REVENUES (EXPENSES)							
Taxes	-	-	-	523	-	523	-
Intergovernmental	343,268	871,260	217,104	39,329	-	1,470,961	-
Investment income (loss)	(207,434)	(231,927)	(106,560)	(36,114)	(17,610)	(599,645)	(26,588)
Other non-operating revenue	71,104	74,709	-	-	-	145,813	-
Interest expenses	(2,685,617)	-	-	(6,206)	-	(2,691,823)	-
Interest income - leases	4,986	1,636,507	-	-	-	1,641,493	-
Gain (loss) on disposal of capital assets	488,344	32,008	-	37,820	-	558,172	52,791
Total nonoperating revenues (expenses)	<u>(1,985,349)</u>	<u>2,382,557</u>	<u>110,544</u>	<u>35,352</u>	<u>(17,610)</u>	<u>525,494</u>	<u>26,203</u>
Income (loss) before contributions and transfers	10,100,113	2,718,331	1,444,212	(1,296,628)	870,613	13,836,641	2,418,522
Capital contributions	68,240	3,168,376	-	-	-	3,236,616	-
Passenger and customer facility changes	-	6,782,938	-	-	-	6,782,938	-
Transfers in	-	-	-	1,944,482	-	1,944,482	-
Transfers out	-	(2,717,725)	-	-	-	(2,717,725)	-
CHANGE IN NET POSITION	<u>10,168,353</u>	<u>9,951,920</u>	<u>1,444,212</u>	<u>647,854</u>	<u>870,613</u>	<u>23,082,952</u>	<u>2,418,522</u>
TOTAL NET POSITION (DEFICIT) - BEGINNING	<u>192,800,622</u>	<u>180,903,584</u>	<u>4,946,978</u>	<u>1,807,085</u>	<u>3,782,099</u>	<u>384,240,368</u>	<u>(6,721,721)</u>
TOTAL NET POSITION (DEFICIT) - ENDING	<u>\$ 202,968,975</u>	<u>\$ 190,855,504</u>	<u>\$ 6,391,190</u>	<u>\$ 2,454,939</u>	<u>\$ 4,652,712</u>	<u>\$ 407,323,320</u>	<u>\$ (4,303,199)</u>

See notes to the financial statements.

**OKALOOSA COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Business-Type Activities					Total Enterprise Funds	Governmental Activities - Internal Service Funds
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Solid Waste Enterprise Fund	EMS Enterprise Fund	Other Enterprise Funds		
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers	\$ 43,081,614	\$ 19,616,183	\$ 16,149,300	\$ 10,457,124	\$ 3,609,921	\$ 92,914,142	\$ 11,288,481
Receipts from users	-	-	-	-	-	-	8,462,666
Transfers of cash to others for benefits	-	-	-	-	-	-	(4,765,500)
Payments to suppliers	(12,315,201)	(6,724,426)	(9,227,601)	(2,717,234)	(760,529)	(31,744,991)	(9,866,045)
Payments to employees	(7,541,899)	5,216,190	(928,095)	(8,121,206)	(1,814,488)	(13,189,498)	-
Receipts from interfund services provided	-	-	-	-	-	-	(6,919,918)
Payments for other revenues	71,104	-	-	-	-	71,104	-
Net cash provided by (used for) operating activities	23,295,618	18,107,947	5,993,604	(381,316)	1,034,904	48,050,757	(1,800,316)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES							
Operating subsidy - intergovernmental revenue	343,269	871,260	217,104	39,329	-	1,470,962	-
Transfers (out) in	(141)	(2,717,725)	-	1,944,482	-	(773,384)	-
Net interfund activity	-	-	221	(59)	-	162	(498,289)
Net cash provided by (used in) by non-capital financing activities	343,128	(1,846,465)	217,325	1,983,752	-	697,740	(498,289)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Passenger & customer facility charges	-	8,494,254	-	-	-	8,494,254	-
Acquisition and construction of fixed assets	(15,984,548)	(22,491,898)	(306,297)	(647,109)	(62,999)	(39,492,851)	(69,044)
Proceeds from sale of fixed assets	498,470	32,008	-	40,447	-	570,925	78,234
Capital contributions	68,240	3,168,376	-	-	-	3,236,616	-
Interest paid on debt	(3,491,692)	(84,126)	-	(6,206)	-	(3,582,024)	-
Bond refunding costs	(300)	-	-	-	-	(300)	-
Bond and note payable principal payments	(3,389,007)	-	-	-	-	(3,389,007)	-
Net cash provided by (used in) capital and related financing activities	(22,298,837)	(10,881,386)	(306,297)	(612,868)	(62,999)	(34,162,387)	9,190

See notes to the financial statements.

**OKALOOSA COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Business-Type Activities					Total Enterprise Funds	Governmental Activities - Internal Service Funds
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Solid Waste Enterprise Fund	EMS Enterprise Fund	Other Enterprise Funds		
CASH FLOWS FROM INVESTING ACTIVITIES							
Sales of investments	\$ -	\$ 2,773,708	\$ -	\$ -	\$ (1,482,391)	\$ 1,291,317	\$ -
Purchases of investment	(2,749,181)	(5,486,199)	(4,964,707)	(1,463,561)	-	(14,663,648)	(1,973,171)
Investment income (loss)	(202,448)	(231,927)	(106,561)	(36,114)	(17,610)	(594,660)	(26,587)
Net cash used in investing activities	(2,951,629)	(2,944,418)	(5,071,268)	(1,499,675)	(1,500,001)	(13,966,991)	(1,999,758)
NET INCREASE (DECREASE IN CASH AND CASH EQUIVALENTS	(1,611,720)	2,435,678	833,364	(510,107)	(528,096)	619,119	(4,289,173)
CASH AND CASH EQUIVALENTS - BEGINNING	4,841,648	19,754	1,539,689	1,758,196	1,917,975	10,077,262	6,248,272
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 3,229,928</u>	<u>\$ 2,455,432</u>	<u>\$ 2,373,053</u>	<u>\$ 1,248,089</u>	<u>\$ 1,389,879</u>	<u>\$ 10,696,381</u>	<u>\$ 1,959,099</u>
CASH AND CASH EQUIVALENTS AT END CONSISTS OF:							
Current assets	\$ 229,598	\$ 2,455,432	\$ 2,344,545	\$ 1,248,089	\$ 1,389,879	\$ 7,667,543	1,959,099
Restricted assets	3,000,330	-	28,508	-	-	3,028,838	-
TOTAL	<u>\$ 3,229,928</u>	<u>\$ 2,455,432</u>	<u>\$ 2,373,053</u>	<u>\$ 1,248,089</u>	<u>\$ 1,389,879</u>	<u>\$ 10,696,381</u>	<u>\$ 1,959,099</u>

See notes to the financial statements.

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**OKALOOSA COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Business-Type Activities					Total Enterprise Funds	Governmental Activities - Internal Service Funds
	Water and Sewer Enterprise Fund	Airport Enterprise Fund	Solid Waste Enterprise Fund	EMS Enterprise Fund	Other Enterprise Funds		
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR)							
OPERATING ACTIVITIES							
Operating income (loss)	\$ 12,085,462	\$ 335,774	\$ 1,333,668	\$ (1,331,980)	\$ 888,223	\$ 13,311,147	\$ 2,392,319
Adjustments to reconcile operating income to net cash provided (used) by operating activities							
Depreciation/amortization	9,421,697	5,536,797	244,633	612,507	32,231	15,847,865	75,078
Other revenue	71,104	-	-	523	-	71,627	-
Decrease (increase) in assets							
Accounts receivable	1,091,615	263,020	1,739,096	(451,890)	59,985	2,701,826	168,422
Lease receivable	32,424	4,125,565	-	-	-	4,157,989	-
Amounts held by others for benefits	-	-	-	-	-	-	(4,765,500)
Due from other governments	1,987,926	486,496	(3,027)	-	-	2,471,395	(1,385)
Inventories	(59,324)	(41,971)	-	(72,039)	-	(173,334)	(80,184)
Due from other funds	-	-	-	-	-	-	57,388
Prepaid expenses	(57,881)	(28,567)	-	2,192	6,611	(77,645)	(7,379)
Deferred outflows	(62,524)	(224,824)	(78,148)	(721,491)	(105,327)	(1,192,314)	(1,316,758)
Increase (decrease) in liabilities							
Accounts payable	48,910	457,456	(689,010)	40,697	5,436	(136,511)	173,766
Contracts payable	(1,219,859)	4,669,253	3,719,693	25,441	6,032	7,200,560	154,982
Due to other elected officials	-	(388)	-	127	(377)	(638)	120
Due to other governments	(108)	(7,959)	50	(902)	(3,223)	(12,142)	-
Accrued liabilities	4,743	(27,631)	12	(14,375)	(1,939)	(39,190)	(6,644)
Compensated absences	83	11,868	213	33,527	5,609	51,300	10,617
Closure costs	72,003	-	(369,821)	-	-	(297,818)	-
Claims and judgements	-	-	-	-	-	-	(171,438)
Claims incurred but not reported	-	-	-	-	-	-	33,947
Other post employment benefits	(74,991)	(20,397)	(8,160)	(73,675)	(8,094)	(185,317)	1,362,813
Deferred revenue	(988,348)	(609)	-	534,331	2,672	(451,954)	(2,724)
Customer deposits	16,798	3,000	(7,000)	8,792	(170)	21,420	(1,035)
Net pension liability	7,103,565	2,384,073	827,127	7,638,764	1,119,055	19,072,584	1,265,019
Deferred inflows	(6,177,677)	186,991	(715,722)	(6,611,865)	(971,820)	(14,290,093)	(1,141,740)
Total adjustments	<u>11,210,156</u>	<u>17,772,173</u>	<u>4,659,936</u>	<u>950,664</u>	<u>146,681</u>	<u>34,739,610</u>	<u>(4,192,635)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ 23,295,618</u>	<u>\$ 18,107,947</u>	<u>\$ 5,993,604</u>	<u>\$ (381,316)</u>	<u>\$ 1,034,904</u>	<u>\$ 48,050,757</u>	<u>\$ (1,800,316)</u>

See notes to the financial statements.

**OKALOOSA COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2022**

ASSETS

Cash and cash equivalents	\$ 30,923,943
Investments	2,309,000
Accounts receivable	33,191
Due from other governments	<u>24,651</u>

TOTAL ASSETS

33,290,785

LIABILITIES

Due to other funds	32,158
Due to other elected officials	202,292
Due to other governments	1,297,543
Due to depositors	155,221
Taxes collected in advance for other governments	<u>2,803,395</u>

TOTAL LIABILITIES

\$ 4,490,609

NET POSITION

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

28,800,176

TOTAL NET POSITION

\$ 28,800,176

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

ADDITIONS

Collections from individuals	\$ 2,860
Fines and forfeitures and fees collected	4,724,672
Witness advanced funding	6,403
Tax deeds and fees collected	1,007,471
Child support collected	1,703,133
Registry of the court and fees collected	53,238,202
Recording fees collected	573,458
Documentary stamps and intangible tax collected	60,023,884
Probation fees collected	679
Restitution and escrow funds collected	363,557
Juvenile restitution collected	21,119
Online foreclosure funds collected	2,477,994
Cash bonds collected	613,391
County related taxes and fees	382,569,263
State related licenses and fees	33,635,041
Other	<u>1,722,377</u>

TOTAL ADDITIONS

542,683,504

DEDUCTIONS

Distributions to individuals	300
Fines and forfeitures and fees disbursed	4,724,672
Witness advanced funding	6,403
Tax deeds and fees disbursed	1,141,069
Child support collected	1,703,133
Registry of the court and fees disbursed	36,125,867
Recording fees disbursed	573,458
Documentary stamps and intangible tax disbursed	60,023,884
Probation fees disbursed	679
Restitution and escrow funds disbursed	369,543
Juvenile restitution disbursed	21,119
Online foreclosure funds disbursed	2,215,960
Cash bonds disbursed	511,825
County related taxes and fees	382,560,400
State related licenses and fees	33,635,041
Other	<u>1,254,263</u>

TOTAL DEDUCTIONS

524,867,616

NET INCREASE IN FIDUCIARY NET POSITION

17,815,888

TOTAL NET POSITION - BEGINNING, AS RESTATED

10,984,288

TOTAL NET POSITION - ENDING

\$ 28,800,176

See notes to the financial statements.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

Okaloosa County is a political subdivision of the State of Florida, governed by a five member Board of County Commissioners (the Board), each elected by the citizenry at large for four-year terms. The Board has no powers other than those expressly vested in it by State Statute and its governmental powers cannot be delegated. In addition, the Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections (collectively referred to as the County's Constitutional Officers) are elected by the citizenry at-large and function independently of the Board. However, the Board funds a portion of, or in certain instances, all of, the operating budgets of the County's Constitutional Officers. These financial statements include the operating activities of the Board and the County's Constitutional Officers.

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, 2022

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, 2022**

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, 2022

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 collected and held by the state 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 absence 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, 2022

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 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, 2022**

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.

Solid Waste Enterprise Fund

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

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.

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, 2022

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, 2022**

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 Emergency Medical Services Enterprise Fund, Airport Enterprise Fund, and Water and Sewer 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 and taxes for municipalities and special districts within the County in accordance with the laws of the State of Florida. No accrual has been made for 2023 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, 2022
Levy Date	November 1, 2022
Due Date	November 1, 2022
Delinquent	April 1, 2022

Discounts of 1% for each month taxes are paid prior to March 2023 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, 2022**

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 for lease 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, 2022

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 payment 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, 2022

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.

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.

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.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

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 \$1,139,647 of deferred outflows on Water and Sewer, Series 2015 bonds, \$35,555,589 of deferred outflows for pension and OPEB and \$1,543,274 of deferred outflows for leases as of September 30, 2022. Amortization expense of the deferred outflow related to the Water and Sewer, Series 2015 bonds totaled \$455,561 for the year ended September 30, 2022 and is included in interest expense on the Statements of Revenues, Expenses and Changes in Net Position.

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 \$89,957,419 of deferred inflows for pension, OPEB, leases and unavailable revenue as of September 30, 2022.

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.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

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 GASB54 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, as well as property acquired for resale. 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, 2022

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

The County implemented GASB Statement No. 87, *Leases*, during the fiscal year ended September 30, 2022. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset. A lessor is required to recognize a lease receivable and a deferred inflow of resources. A lessee is required to recognize a right-of-use asset and a corresponding lease liability. These changes were incorporated in the County's fiscal year 2022 financial statements but had no effect on the beginning net position.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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.

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. Supplemental budgetary appropriations of \$265,709,926 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.

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.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – CONTINUED

Deficit Fund Balance Position

The Natural Disasters Fund reported a deficit fund balance of \$561,598. This is a result of denied FEMA grant claims during the year ended September 30, 2022 and as such expenditures exceeded revenues recognized. If resolution of the claims is not reached a transfer will be made from the General Fund to alleviate the deficit fund balance.

The Garage Services Internal Service Fund reported a deficit net position of \$2,993,446. 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 equity 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 fund equity of \$2,374,472. 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, 2022.

The Debt Service Fund reported a deficit fund balance of \$47,663. This is a result of debt payments exceeding transfers in.

3. DEPOSITS AND INVESTMENTS

Deposits

At September 30, 2022, the County's carrying value of cash and cash equivalents totaled \$59,008,433, which is presented as \$28,084,490 in the statement of net position and \$30,923,943 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, certificates of deposit, and pooled investments of the Local Government Surplus Trust Fund. 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, 2022

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.

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

As of September 30, 2022, Standard & Poor’s rated the investment in Florida Local Government Investment Trust investment pool AAA, Florida Local Government Investment Day to Day AAA, and Florida Local Government Surplus Fund Trust AAA. As of September 30, 2022, all U.S. Instrumentalities held by the County were rated AA+. 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, 2022**

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. As of September 30, 2022, 17.80% of the County’s investments are in the Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Fresh Multi-Family Mortgage Pass Through, and United States Treasury Notes. These investments are 1.3%, 5.5%, 5.3%, 1.6%, 1.2%, and 2.9% respectively, of the County’s total investments.

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>	<u>Percentage of Portfolio</u>
Long term investments:				
United States government agency obligations	<u>\$ 59,028,224</u>	<u>0.152</u>	<u>AA+</u>	<u>17.80%</u>

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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.

Okaloosa County has the following recurring fair value measurements as of September 30, 2021:

Short-Term Bond Fund- FLGIT– Maximum of 75% of the total investment portfolio. Valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value (NAV) and to transact at that price. These funds held by FLGIT are deemed to be actively traded.

US Treasuries/Agencies/Instrumentalities – Maximum of 50% of the total investment portfolio. Valued at market prices for similar assets in active markets.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

4. FAIR VALUE OF INVESTMENTS – CONTINUED

At September 30, 2022, Okaloosa County had the following recurring fair value measurements:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Federal farm credit bank	\$ 4,426,950	\$ -	\$ 4,426,950	\$ -
Federal home loan bank	18,320,750	-	18,320,750	-
Federal home loan mortgage corporation	17,566,126	-	17,566,126	-
Federal national mortgage association	5,283,340	-	5,283,340	-
Fresb multifamily mortgage pass thru	3,813,178	-	3,813,178	-
United States treasury note	9,617,880	-	9,617,880	-
TOTAL	59,028,224	\$ -	\$ 59,028,224	\$ -
Investments measured at the net asset value (NAV)				
FL safe	5,024,100			
Florida fixed income trust	54,151,471			
Florida local government Investment trust - investment pool	41,375,764			
TOTAL INVESTMENTS MEASURED AT FAIR VALUE	159,579,559			
TOTAL INVESTMENTS MEASURED AT AMORTIZED COST	173,235,619			
TOTAL INVESTMENTS AT SEPTEMBER 30, 2022	\$ 332,815,178			

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

5. RECEIVABLES/ UNEARNED AND UNAVAILABLE REVENUE

Receivables as of September 30, 2022 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, 2022
General	\$ 196,251	\$ 16,402,809	\$ 6,739,947	\$ 23,339,007	\$ -	\$ 23,339,007
Tourist development	72,789	-	133,117	205,906	-	205,906
Natural disasters	-	-	494,363	494,363	-	494,363
Road and bridge construction	18,815,689	-	1,067,675	19,883,364	-	19,883,364
Infrastructure surtax	-	-	1,742,860	1,742,860	-	1,742,860
Water and sewer	4,337,177	145,202	1,427,838	5,910,217	491,532	5,418,685
Airport	4,270,693	55,279,105	2,954,639	62,504,437	411,655	62,092,782
Solid waste	865,824	-	35,525	901,349	-	901,349
EMS	5,693,407	-	-	5,693,407	2,404,985	3,288,422
Nonmajor and other funds	161,692	-	1,669,204	1,830,896	-	1,830,896
TOTAL	\$ 34,413,522	\$ 71,827,116	\$ 16,265,168	\$ 122,505,806	\$ 3,308,172	\$ 119,197,634

As of September 30, 2022, the County had \$18,845,689 in accounts receivable related to eligible Triumph grant expenditures incurred, paid by the County and submitted for reimbursement by the County.

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 25 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 \$255,000, and have terms from 30 to 58 years. During the year ended September 30, 2022, principal and interest received were approximately \$350,363 and \$476,432, respectively.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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, 2022 are as follows:

<u>Year ending September 30,</u>	Governmental Activities			
	Board		Tax Collector	
	Principal	Interest	Principal	Interest
2023	\$ 377,279	\$ 497,629	\$ 29,377	\$ 6,171
2024	411,984	483,453	30,300	4,185
2025	446,659	469,952	24,092	2,360
2026	483,120	455,341	20,627	981
2027	527,103	439,431	5,372	29
2028-2032	3,415,247	1,904,711	-	-
2033-2037	5,111,153	1,241,255	-	-
2038-2042	4,510,183	417,814	-	-
2043-2047	984,548	37,127	-	-
2048-2052	25,765	235	-	-
	<u>\$ 16,293,041</u>	<u>\$ 5,946,948</u>	<u>\$ 109,768</u>	<u>\$ 13,726</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 \$4,025 to \$1,561,890, and have terms from 10 to 35 years. During the year ended September 30, 2022, principal and interest received were approximately \$4,446,695 and \$1,636,069, respectively.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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, 2022 are as follows:

Year ending September 30,	Business-Type Activities			
	Water & Sewer		Airports	
	Principal	Interest	Principal	Interest
2023	\$ 34,592	\$ 3,941	\$ 6,481,687	\$ 1,632,592
2024	36,862	2,826	6,691,780	1,427,330
2025	39,240	1,639	6,910,288	1,215,435
2026	34,508	405	7,088,341	996,777
2027	-	-	4,777,057	808,551
2028-2032	-	-	21,302,488	1,777,956
2033-2037	-	-	1,745,528	94,292
2038-2042	-	-	64,321	39,179
2043-2047	-	-	75,165	28,335
2048-2052	-	-	87,837	15,663
2053-2057	-	-	54,613	2,883
	<u>\$ 145,202</u>	<u>\$ 8,811</u>	<u>\$ 55,279,105</u>	<u>\$ 8,038,993</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, 2022, the County recognized revenues from regulated leases in the amount of \$2,433,627. These leases are subject to renewal by the County via a Board ordinance.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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, 2022, are as follows:

Regulated Leases:

During the year ending September 30:

2023	\$ 2,252,938
2024	2,006,905
2025	1,968,610
2026	1,959,795
2027	1,959,453
2028-2032	9,329,888
2033-2037	2,944,301
2038-2042	2,172,447
2043-2047	1,457,237
2048-2052	665,933
2053-2054	<u>109,195</u>
Total	<u>\$ 26,826,702</u>

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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, 2022 for the government’s individual major funds and nonmajor internal service, and fiduciary funds in the aggregate are as follows:

Funds	Unavailable	Unearned
General	\$ -	\$ 811,312
Tourist development	-	166,705
Natural disasters	-	38,669,420
Water and sewer	-	752,505
Airport	-	884,011
EMS	-	555,625
Nonmajor and other funds	-	3,207,378
Total	<u>\$ -</u>	<u>\$ 45,046,956</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.

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, 2022, the Airport is reporting \$10,188,662 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, 2022**

6. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2022, was as follows:

	Beginning Balance (As Restated)	Increases	Decreases	Transfers and Adjustments	Ending Balance
GOVERNMENTAL ACTIVITIES					
Capital assets, not being depreciated/ amortized					
Land	\$ 17,298,589	\$ 1,483,045	\$ -	\$ 108,280	\$ 18,889,914
Intangibles	1,146,905	-	-	-	1,146,905
Construction in progress	39,490,974	41,769,865	-	(21,553,111)	59,707,728
Works of art	29,195	-	-	-	29,195
Total capital assets not being depreciated/ amortized	57,965,663	43,252,910	-	(21,444,831)	79,773,742
Capital assets, being depreciated/ amortized:					
Buildings	142,620,124	281,895	-	11,627,748	154,529,767
Improvement other than buildings	51,097,411	46,853	-	6,880,048	58,024,312
Intangibles	2,380,749	32,306	-	-	2,413,055
Machinery and equipment	68,509,103	6,554,111	(8,186,848)	352,459	67,228,825
Machinery and equipment - financed purchase	-	523,300	-	-	523,300
Right-to-use leased asset	20,755	-	-	-	20,755
Infrastructure	174,373,683	-	-	2,937,035	177,310,718
Total capital assets being depreciated/ amortized	439,001,825	7,438,465	(8,186,848)	21,797,290	460,050,732
Less accumulated depreciation/ amortization for:					
Buildings	(51,374,256)	(4,142,090)	-	-	(55,516,346)
Improvement other than buildings	(19,019,423)	(2,200,199)	-	-	(21,219,622)
Intangibles	(2,322,244)	(37,442)	-	-	(2,359,686)
Machinery and equipment	(51,457,712)	(5,889,920)	7,931,825	(420,348)	(49,836,155)
Machinery and equipment - financed purchase	-	(137,029)	-	-	(137,029)
Right-to-use leased asset	-	(4,447)	-	-	(4,447)
Infrastructure	(100,298,338)	(3,245,490)	-	-	(103,543,828)
Total accumulated depreciated/ amortized	(224,471,973)	(15,656,617)	7,931,825	(420,348)	(232,617,113)
TOTAL CAPITAL AMOUNTS, BEING DEPRECIATED/ AMORTIZED , NET	214,529,852	(8,218,152)	(255,023)	21,376,942	227,433,619
GOVERNMENTAL ACTIVITIES CAPITAL CAPITAL ASSETS, NET	\$ 272,495,515	\$ 35,034,758	\$ (255,023)	\$ (67,889)	\$ 307,207,361

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

6. CAPITAL ASSETS – CONTINUED

Depreciation expense was charged to functions/programs as follows:

GOVERNMENTAL ACTIVITIES	<u>Depreciation</u>	<u>Amortization</u>
General government	\$ 3,509,050	\$ 22,017
Public safety	4,325,177	-
Physical environment	292,021	-
Transportation, incl. depreciation of general infrastructure assets	4,509,952	17,127
Economic environmental	62,591	-
Human services	307,741	-
Culture and recreation	2,531,951	2,745
Court related	1,833	-
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>74,412</u>	<u>-</u>
TOTAL DEPRECIATION EXPENSE		
- GOVERNMENTAL ACTIVITIES	<u><u>\$ 15,614,728</u></u>	<u><u>\$ 41,889</u></u>

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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	24,729,226	32,580,181	-	(17,564,561)	39,744,846
Works of art	69,865	-	-	-	69,865
Total capital assets not being depreciated/ amortized	39,564,253	32,580,181	-	(17,564,561)	54,579,873
Capital assets, not being depreciated/ amortized:					
Buildings	89,641,750	-	-	14,165,154	103,806,904
Improvement other than buildings	276,776	-	-	-	276,776
Intangibles	932,259	-	-	-	932,259
Machinery and equipment	26,864,410	2,869,589	(739,321)	(362,455)	28,632,223
Right-to-use leased assets	6,564,767	-	-	-	6,564,767
Infrastructure	435,156,290	3,207,006	(475,500)	3,399,407	441,287,203
Total capital assets being depreciated/ amortized	559,436,252	6,076,595	(1,214,821)	17,202,106	581,500,132
Less accumulated depreciation /amortization for:					
Buildings	(32,040,282)	(2,536,162)	-	-	(34,576,444)
Improvement other than buildings	(229,121)	(5,973)	-	-	(235,094)
Intangibles	(904,640)	(13,762)	-	-	(918,402)
Machinery and equipment	(19,718,928)	(2,339,695)	726,567	430,344	(20,901,712)
Right-to-use leased assets	-	(494,339)	-	-	(494,339)
Infrastructure	(171,979,347)	(10,457,935)	475,000	-	(181,962,282)
Total accumulated depreciated/ amortized	(224,872,318)	(15,847,866)	1,201,567	430,344	(239,088,273)
TOTAL CAPITAL ASSETS, BEING DEPRECIATED/ AMORTIZED, NET	334,563,934	(9,771,271)	(13,254)	17,632,450	342,411,859
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	\$ 374,128,187	\$ 22,808,910	\$ (13,254)	\$ 67,889	\$ 396,991,732

Depreciation expense was charged to enterprise funds as follows:

BUSINESS-TYPE ACTIVITIES	Depreciation	Amortization
Water and sewer	\$ 9,016,522	\$ 405,175
Airport	5,535,897	900
Solid waste	244,633	-
Emergency management services	510,482	102,026
Other enterprise funds	32,231	-
TOTAL DEPRECIATION EXPENSE - BUSINESS TYPE ACTIVITIES	\$ 15,339,765	\$ 508,101

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

6. CAPITAL ASSETS – CONTINUED

Construction Commitments

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 construct a new interchange with I-10 at an estimated cost of \$83,129,000; Okaloosa County will construct connecting roads both north and south of the new interchange at a total estimated cost of \$111,890,000. Expenditures by the County through the end of fiscal year 2022 were approximately \$52,600,000. County expenditures for fiscal year 2023 are estimated to be \$22,000,000.

Water and Sewer Expansion and Renovation

The Water and Sewer System is continuing capital projects in FY2023 related to expansion, aging infrastructure replacement/rehabilitation, and the environment. Based on the fiscal year 2023 capital budget, total expenditures will approximate \$30,255,983 on projects, which include \$3,804,798 in new equipment; \$3,020,000 for the continuation of the Arbiene Waste Reclamation Facility expansion; \$1,187,443 in State Department of Transportation Projects; \$621,210 for Okaloosa Island booster station replacement; \$4,073,474 to continue Sewer Rehabilitation; \$45,779 for the Reclaimed Water Transmission Main; \$693,140 for the On-Site Generators at Existing Lift Stations; \$5,917,435 for the Proposed Shoal River Ranch WRF; and multiple smaller projects.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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.

	<u>Years of Service</u>	<u>40 Hours/ Week</u>	<u>45 Hours/ Week</u>	<u>24 Hours On/ 48 Hours Off</u>
<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, 2022**

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, 2022**

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, 2022**

7. COMPENSATED ABSENCES – CONTINUED

The total amounts of accumulated annual leave and other compensated absences for all elected officials as of September 30, 2022, are as follows:

Elected Officials	Current Portion	Long-term Portion	Totals
Board of county commissioners	\$ 2,504,819	\$ 1,747,428	\$ 4,252,247
Clerk of the circuit court	134,575	155,439	290,014
Sheriff	1,678,851	2,798,086	4,476,937
Tax collector	112,945	249,573	362,518
Property appraiser	-	99,364	99,364
Supervisor of elections	68,482	70,441	138,923
TOTALS	\$ 4,499,672	\$ 5,120,331	\$ 9,620,003

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, 2022. 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 \$369,821. The estimated liability for post closure care costs has a balance of \$2,056,333 as of September 30, 2022.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

9. INTERFUND BALANCES AND ACTIVITY

The composition of interfund balances as of September 30, 2022, is as follows:

	Receivable From Other Funds	Payable to Other Funds
MAJOR FUNDS		
General fund	\$ 105,858	\$ 263,823
Tourist development special revenue fund	1,000,000	-
Road and bridge construction capital projects fund	500,000	-
Infrastructure surtax fund	2,000,000	-
NON-MAJOR FUNDS		
Governmental funds	1,452,150	4,273,850
Internal service funds	1,263,823	1,752,000
Fiduciary funds	-	32,158
	\$ 6,321,831	\$ 6,321,831

The composition of interfund balances with other elected officials as of September 30, 2022, is as follows:

	Receivable From Other Elected Official	Payable to Other Elected Official
MAJOR FUNDS		
General fund	\$ 3,312,856	\$ 6,748,278
Tourist development special revenue fund	3,957,880	198,396
Water and sewer enterprise fund	-	10
Airport enterprise fund	-	309
Emergency medical services	60	145
NON-MAJOR FUNDS		
Governmental funds	205,982	328,738
Internal service funds	1,510	120
Fiduciary funds	-	202,292
	\$ 7,478,288	\$ 7,478,288

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, 2022**

9. INTERFUND BALANCES AND ACTIVITY – CONTINUED

Interfund transfers activity for the year ended September 30, 2022, consisted of the following:

	Transfers In	Transfers Out
MAJOR FUNDS		
General	\$ 7,850,562	\$ 6,462,258
Tourist development	-	3,312,494
Airport enterprise	-	2,717,725
Emergency medical services enterprise	1,944,482	-
Infrastructure surtax fund	-	1,274,878
NON-MAJOR FUNDS		
Governmental	7,347,735	3,375,424
	\$ 17,142,779	\$ 17,142,779

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 \$3,312,494. The E-911 operations special revenue fund (nonmajor governmental fund) provided approximately \$1,200,000 to the general fund to supplement the Sheriff's communications operations. The Airport Enterprise fund made a transfer to the general fund of approximately \$2.7 million to fund law enforcement officers responsible for safety of the Destin-Fort Walton Beach Airport operations. The General Fund made a transfer to the Emergency Medical Services Fund of \$1,911,482 to support the operations of the fund. The General Fund made a transfer to the Debt Service Fund of \$3,667,563 to cover debt payments on the 2011, 2014, and 2016 bonds and the Shoal River Note. The Infrastructure Surtax Fund made a transfer to the Debt Service Fund of \$1,274,878 to cover certain debt payments on the 2019 bonds.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

10. LONG TERM DEBT

Primary Government

The following debt issues are outstanding for September 30, 2022:

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.

\$ 2,020,000

\$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.

17,160,000

\$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.

11,720,000

\$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.

36,600,000

Total governmental activities revenue bonds

\$ 67,500,000

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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.

\$ 2,345,000

\$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.

19,700,000

\$275,000 non-interest-bearing note with the City of Crestview, Florida. The Tax Collector purchased land in Crestview, Florida from the City of Crestview for \$800,000. The Tax Collector paid approximately \$570,000 in cash at closing. The note is to be paid in full at maturity on September 28, 2024.

275,000

Total direct borrowings

\$ 22,320,000

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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.

47,115,000

Total business-type revenue bonds

\$ 47,115,000

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.

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.

\$ 2,218,679

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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, 2022:

	Balance Due October 1 , 2021, as Restated	Increases	Decreases	Balance Due September 30, 2022	Due Within One Year
GOVERNMENTAL ACTIVITIES:					
REVENUE BONDS					
Sales tax revenue bonds,					
Series 2011	\$ 2,206,000	\$ -	\$ (186,000)	\$ 2,020,000	\$ 193,000
Series 2014	18,085,000	-	(925,000)	17,160,000	970,000
Series 2016	11,985,000	-	(265,000)	11,720,000	280,000
Series 2019	37,490,000	-	(890,000)	36,600,000	930,000
Less deferred amounts for issuance discounts/ premiums	8,332,486	-	(882,119)	7,450,367	-
Total revenue bonds	<u>78,098,486</u>	<u>-</u>	<u>(3,148,119)</u>	<u>74,950,367</u>	<u>2,373,000</u>
NOTES FROM DIRECT BORROWINGS					
Private note, 2022	-	275,000	-	275,000	-
Private bank note, 2021	-	19,700,000	-	19,700,000	2,600,000
Private bank note, 2020	2,480,000	-	(135,000)	2,345,000	142,000
Total direct borrowings	<u>2,480,000</u>	<u>19,975,000</u>	<u>(135,000)</u>	<u>22,320,000</u>	<u>2,742,000</u>
TOTAL NOTES AND PAYABLES	<u>80,578,486</u>	<u>19,975,000</u>	<u>(3,283,119)</u>	<u>97,270,367</u>	<u>5,115,000</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

10. LONG TERM DEBT – CONTINUED

Primary Government – Continued

	Balance Due October 1 , 2021, as Restated	Increases	Decreases	Balance Due September 30, 2022	Due Within One Year
Accrued compensated absences	\$ 7,547,301	\$ 3,561,242	\$ (3,316,585)	\$ 7,791,958	\$ 3,483,879
Estimated claims payable	5,652,720	7,956,536	(7,541,560)	6,067,696	2,021,696
Lease agreements	20,755	-	(3,897)	16,858	4,462
Financed purchases	67,908	392,400	(191,014)	269,294	191,499
TOTAL GOVERNMENTAL ACTIVITIES	\$ 13,288,684	\$ 11,910,178	\$ (11,053,056)	\$ 14,145,806	\$ 5,701,536
BUSINESS TYPE ACTIVITIES:					
Revenue bonds					
Water and sewer revenue, Series 2015	50,470,000	-	(3,355,000)	47,115,000	3,515,000
Bond discounts/ premiums	6,833,413	-	(455,561)	6,377,852	-
Total revenue bonds	57,303,413	-	(3,810,561)	53,492,852	3,515,000
LOANS AND NOTES - DIRECT BORROWINGS					
State of Florida revolving loan fund	2,675,456	-	(456,777)	2,218,679	469,539
TOTAL LOANS AND NOTES	2,675,456	-	(456,777)	2,218,679	469,539
Accrued compensated absences	1,704,824	1,058,310	(935,089)	1,828,045	1,015,793
Lease agreements	6,564,768	-	(345,921)	6,218,847	529,256
Estimated closure costs payable	2,426,155	-	(793,155)	1,633,000	391,714
TOTAL BUSINESS TYPE ACTIVITIES	\$ 64,109,848	\$ 1,058,310	\$ (5,995,582)	\$ 59,172,576	\$ 5,392,046

The County adopted GASB 87, Leases, as of October 1, 2021 which changed the terminology of liabilities formerly known as "capital leases" to "financed purchases".

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$1,825,975 of internal service funds compensated absences and \$5,501,000 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, 2022**

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 month with an implicit interest rate of 3.12% and an expiration date in May 2026. During September 30, 2022, principal and interest paid were \$3,896 and \$598, respectively.

Leases – Business-Type Activities

The Board of County Commissioners leases cardiac monitors from Zoll Medical Corporation under a lease agreement which expires March of 2023. The lease is based on monthly payments of \$9,900 and has an implicit interest rate of 3.12%. During September 30, 2022, principal and interest paid were \$103,219 and \$6,206, 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, 2022, principal and interest paid were \$242,700 and \$186,130, respectively.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

10. LONG TERM DEBT – CONTINUED

Primary Government – Continued

Debt service requirements to maturity on long-term debt at September 30, 2022 are as follows:

Year ending September 30,	Governmental Activities			
	Revenue Bonds		Loans and Notes	
	Principal	Interest	Principal	Interest
2023	\$ 2,373,000	\$ 3,045,277	\$ 2,742,000	\$ 288,463
2024	2,490,000	2,924,688	3,182,000	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
2028-2032	16,337,000	10,311,713	6,688,000	221,325
2033-2037	15,635,000	6,405,547	754,000	38,097
2038-2042	10,545,000	3,515,928	-	-
2043-2047	8,340,000	1,658,875	-	-
2048-2051	3,560,000	217,400	-	-
	<u>\$ 67,500,000</u>	<u>\$ 36,067,896</u>	<u>\$ 22,320,000</u>	<u>\$ 1,318,097</u>

Year ending September 30,	Governmental Activities			
	Financed Purchases		Lease Contracts	
	Principal	Interest	Principal	Interest
2023	\$ 191,499	\$ 1,356	\$ 4,462	\$ 442
2024	61,203	852	4,113	382
2025	16,592	324	4,278	217
2026	-	-	4,005	81
	<u>\$ 269,294</u>	<u>\$ 2,532</u>	<u>\$ 16,858</u>	<u>\$ 1,122</u>

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

10. LONG TERM DEBT – CONTINUED

Year ending September 30,	Business-Type Activities			
	Revenue Bonds		Loans and Notes	
	Principal	Interest	Principal	Interest
2023	\$ 3,515,000	\$ 2,306,500	\$ 469,539	\$ 58,337
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
2028-2032	14,745,000	5,705,250	-	-
2033-2037	14,670,000	1,681,750	-	-
	<u>\$ 47,115,000</u>	<u>\$ 17,071,250</u>	<u>\$ 2,218,679</u>	<u>\$ 156,763</u>

Year ending September 30,	Business-Type Activities			
	Landfill Closure Costs		Lease Contracts	
	Principal	Interest	Principal	Interest
2023	\$ 391,714	\$ -	\$ 529,256	\$ 181,116
2024	391,714	-	321,818	169,931
2025	391,714	-	294,415	160,663
2026	391,714	-	313,123	151,057
2027	66,144	-	332,611	140,853
2028-2032	-	-	1,984,715	528,487
2033-2037	-	-	2,442,909	168,329
	<u>\$ 1,633,000</u>	<u>\$ -</u>	<u>\$ 6,218,847</u>	<u>\$ 1,500,436</u>

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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, 2022, \$9,180,864 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.

12. FUND BALANCES / RESTRICTED BALANCE

A schedule of the governmental fund balances for September 30, 2022 is provided below:

	Major Funds					Other	Total
	General Fund	Tourist Development	Natural Disaster	Road and Bridge	Infrastructure Surtax		
FUND BALANCES:							
Nonspendable:							
Inventory	\$ 81,613	\$ 344	\$ 3,364	\$ 161,154	\$ 26,869	\$ 280,383	\$ 553,727
Prepays	765,661	40,296	-	-	-	30,523	836,480
Restricted for:							
Tourist development 1st cent	-	38,428,899	-	-	-	-	38,428,899
Tourist development 2nd cent	-	3,965,500	-	-	-	-	3,965,500
Tourist development 3rd cent	-	3,392,707	-	-	-	-	3,392,707
Tourist development 4th cent	-	1,246,299	-	-	-	-	1,246,299
Tourist development 5th cent	-	1,482,820	-	-	-	-	1,482,820
Tourist development expansion	-	19,167,071	-	-	-	-	19,167,071
Florida boating Improvements	-	-	-	-	-	428,577	428,577
Capital projects	-	-	-	-	-	22,104,434	22,104,434
Housing and urban development	-	-	-	-	-	360,672	360,672
E- 911 operations	-	-	-	-	-	670,096	670,096
Radio communications	-	-	-	-	-	289,254	289,254
Law enforcement trust fund	-	-	-	-	-	135,873	135,873
Police academy	-	-	-	-	-	131,491	131,491
Park and stormwater projects	-	-	-	-	-	2,490,860	2,490,860
Prisoner benefit fund	-	-	-	-	-	1,294,398	1,294,398
Judicial innovations	-	-	-	-	-	357,777	357,777
Drug abuse trust fund	-	-	-	-	-	124,494	124,494
Domestic violence trust fund	-	-	-	-	-	5,712	5,712
Public records	-	-	-	-	-	502,750	502,750
Traffic education	-	-	-	-	-	200,653	200,653
Debt service	-	-	-	-	-	-	-
Transportation projects	-	-	-	30,791,617	-	-	30,791,617
Infrastructure projects	-	-	-	-	43,220,949	-	43,220,949
Committed to:							
Planning projects	234,173	-	-	-	-	-	234,173
Municipal benefits service units	-	-	-	-	-	761,875	761,875
Assigned to:							
Capital projects	1,207,000	-	-	-	-	5,799,646	7,006,646
Natural disasters	561,600	-	-	-	-	-	561,600
Planning/Salary study	2,000,000	-	-	-	-	-	2,000,000
Fiber optic cable	-	-	-	-	-	1,705,347	1,705,347
Health department	-	-	-	-	-	249,789	249,789
Choctaw bay estuary	-	-	-	-	-	500	500
Other	340,000	-	-	-	-	-	340,000
Unassigned:							
Unassigned	32,041,228	-	(564,962)	-	-	(75,521)	31,400,745
TOTAL FUND BALANCE (DEFICIT)	\$ 37,231,275	\$ 67,723,936	\$ (561,598)	\$ 30,952,771	\$ 43,247,818	\$ 37,849,583	\$ 216,443,785

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

13. ENCUMBRANCES

The amount of encumbrances outstanding as of September 30, 2022, is as follows:

	<u>Amount</u>
GOVERNMENTAL FUNDS:	
General fund	\$ 866,092
Tourist development	1,234,209
Capital outlay	605,923
Other governmental	<u>765,806</u>
TOTAL	<u><u>\$ 3,472,030</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, 2022**

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, 2022**

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 2021 and 2022 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, 2022 and two preceding FRS fiscal years are as follows:

	September 30, 2022	June 30, 2022	June 30, 2021	June 30, 2020
Regular class	11.91%	10.82%	10.00%	8.47%
Senior management	31.57%	29.01%	27.29%	25.41%
Elected officials	57.00%	51.42%	49.18%	48.82%
Deferred retirement option program	18.60%	18.34%	16.98%	14.60%
Special risk regular	27.83%	25.89%	24.45%	25.48%
Special risk administrative support	38.65%	37.76%	35.84%	38.59%

For the years ending September 30, 2022, 2021, 2020, the County contributed \$13,594,011, \$13,628,113, and \$12,339,863 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, 2022

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, 2022, the County reported a liability of \$128,220,598 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, 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, 2022, the County's change in proportion was an increase from its proportion measured as of June 30, 2021.

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, 2022	\$ 105,016,024	\$ 23,204,574	\$ 128,220,598
County's proportion at June 30, 2022	0.00282240168	0.00219084751	
County's proportion at June 30, 2021	<u>0.00275829719</u>	<u>0.00209463239</u>	
Change in proportion during current year	<u>0.00006410449</u>	<u>0.00009621512</u>	

At September 30, 2022, 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 Deferred Outflow (Deferred Inflow)</u>
	<u>Deferred Outflow</u>	<u>Deferred Inflow</u>	<u>Deferred Outflow</u>	<u>Deferred Inflow</u>	
Differences between expected and actual experience	\$ 4,987,655	\$ -	\$ 602,212	\$ -	\$ 5,589,867
Changes in assumptions	12,933,163	-	-	2,259,636	10,673,527
Net difference between projected and actual earnings on pension plan investments	6,934,194	-	33,596		6,967,790
Changes in proportion and differences between county					
County contributions and proportionate share of contributions	2,868,196	4,745,559	1,815,515	382,513	(444,361)
County contributions subsequent to the measurement date	<u>3,344,854</u>	<u>-</u>	<u>345,136</u>	<u>-</u>	<u>3,689,990</u>
	<u>\$ 31,068,062</u>	<u>\$ 4,745,559</u>	<u>\$ 2,796,459</u>	<u>\$ 2,642,149</u>	<u>\$ 26,476,813</u>

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

14. PENSION PLAN – CONTINUED

County contributions subsequent to the measurement date of \$3,689,990 reported as deferred outflow of resources will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. 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)
2023	\$ 5,611,143	\$ (123,507)	\$ 5,487,636
2024	1,868,505	55,668	1,924,173
2025	(2,429,524)	169,489	(2,260,035)
2026	17,261,847	53,136	17,314,983
2027	544,779	(227,253)	317,526
Thereafter	120,899	(118,359)	2,540
Totals	\$ 22,977,649	\$ (190,826)	\$ 22,786,823

The total FRS pension liability in the June 30, 2021 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, 2022**

14. PENSION PLAN – CONTINUED

FRS actuarial methods and assumptions are:

Actuarial cost allocation method	Individual Entry Age Cost
Amortization method	Level Percentage of Pay, Closed
Equivalent single amortization period	30 years
Asset valuation method	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	3.54%
Long term expected rate of return, net of Investment expense, including inflation	N/ A
Municipal bond rate	3.54%
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, 2022**

14. PENSION PLAN – CONTINUED

The actuarial assumptions that determined the total pension liability as of June 30, 2022 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 3.54% 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%	2.60%	2.60%	1.10%
Fixed income	19.80%	4.40%	4.40%	3.20%
Global equity	54.00%	8.80%	7.30%	17.80%
Real estate (property)	10.30%	7.40%	6.30%	15.70%
Private equity	11.10%	12.00%	8.90%	26.30%
Strategic investments	3.80%	6.20%	5.90%	7.80%
	100.00%			
Assumed Inflation - mean			2.40%	1.30%

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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	\$ 181,617,992	\$ 105,016,024	\$ 40,967,663
	1% Decrease 1.16%	Current Discount Rate 2.16%	1% Increase 3.16%
HIS Net Pension Liability	\$ 26,547,938	\$ 23,204,574	\$ 20,438,010

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, 2022 for all plans was \$16,038,004.

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) provides 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. The County has elected not to “fund” the total OPEB obligation, but instead chose to appropriate and set aside amounts annually in the Board’s Self Insurance Fund so that the total OPEB liability is completely offset by cash and investments over time. 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, 2022**

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
	968
	968

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, 2021. 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, 2022 OPEB Plan valuation were based on the results of an actuarial study for the period from October 1, 2020 through September 30, 2021.

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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	The discount rate was changed from 2.41% as of the previous measurement date to 2.19% as of September 30, 2021. This change is reflected in the schedule of changes in total OPEB liability.
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, 2022**

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 30,2021	\$ 4,986,264	\$ -	\$ 4,986,264
Changes for the year:			
Service cost	352,112	-	352,112
Interest	126,559	-	126,559
Difference in expected and actual experience of the total OPEB liability	(821,021)	-	(821,021)
Changes of assumptions	(106,417)	-	(106,417)
Contributions	-	173,913	(173,913)
Benefit payments	(173,913)	(173,913)	-
NET CHANGES	<u>(622,680)</u>	<u>-</u>	<u>(622,680)</u>
BALANCES AT SEPTEMBER 30, 2022	<u>\$ 4,363,584</u>	<u>\$ -</u>	<u>\$ 4,363,584</u>

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

15. POSTEMPLOYMENT BENEFITS – CONTINUED

Board of County Commissioners – Continued

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

	1% Decrease 1.19%	Current Discount Rate 2.19%	1% Increase 3.19%
Net OPEB liability	\$ 4,949,754	\$ 4,363,584	\$ 3,873,357

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	\$ 4,054,842	\$ 4,363,584	\$ 4,737,277

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

For the year ended September 30, 2022, the Board recognized OPEB expense of \$290,639. On September 30, 2022, 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	\$ -	\$ 1,274,832
Changes in assumptions	216,927	321,944
Contributions subsequent to the measurement date	258,870	
	\$ 475,797	\$ 1,596,776

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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 \$258,870 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, 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:	
2023	\$ 188,032
2024	188,032
2025	188,032
2026	188,032
2027	168,137
Thereafter	<u>459,584</u>
Total	<u>\$ 1,379,849</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. 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 Comprehensive Annual Financial Report (CAFR).

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

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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, 2021. 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, 2022**

15. POSTEMPLOYMENT BENEFITS – CONTINUED

Sheriff – Continued

Actuarial Assumptions

Actuarial cost method	Entry age normal
Inflation	2.25%
Discount rate	2.19%
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, 2022**

15. POSTEMPLOYMENT BENEFITS – CONTINUED

Sheriff – Continued

Change in Net OPEB Liability

	Total OPEB Liability (a)	Increase (Decrease) Plan Fiduciary Net position (b)	Net OPEB Liability (a) - (b)
Balances at September 30, 2021	\$ 6,003,947	\$ -	\$ 6,003,947
Changes for the year:			
Service cost	290,699	-	290,699
Interest	148,675	-	148,675
Difference in expected and actual experience of the total OPEB liability	453,591	-	453,591
Changes of assumptions	734,353	-	734,353
Contributions	-	251,142	(251,142)
Benefit payments	(251,142)	(251,142)	-
NET CHANGES	1,376,176	-	1,376,176
BALANCES AT SEPTEMBER 30, 2022	\$ 7,380,123	\$ -	\$ 7,380,123

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

	1% Decrease 1.19%	Current Discount Rate 2.19%	1% Increase 3.19%
Net OPEB Liability	\$ 8,190,652	\$ 7,380,123	\$ 6,694,289

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability	\$ 6,395,328	\$ 7,380,123	\$ 8,364,393

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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, 2022, the OCSO recognized OPEB expense of \$490,117. On September 30, 2022, 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	\$ 603,821	\$ -
Changes in assumptions	684,735	416,759
Contributions subsequent to the measurement date	358,856	-
	\$ 1,647,412	\$ 416,759

Deferred outflows of resources related to OPEB of \$358,856 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:	
2022	\$ 50,743
2023	50,743
2024	50,743
2025	50,743
2026	50,743
Thereafter	618,082
Total	\$ 871,797

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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, 2022, 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, 2022. For the year ended September 30, 2022, the Tax Collector's OPEB plan recognized OPEB expense of \$4,499. These amounts are recognized in the government-wide financial statements as part of governmental activities. Life insurance coverage is not considered in this valuation.

Due to the insignificant amounts involved, management has elected not to 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, 2022 for all plans was \$785,255.

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, 2022

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, 2022. 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, 2022, the amount of these liabilities was \$532,749. 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, 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.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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, 2022, the amount of these liabilities was \$33,947. 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, 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.

	2022	2021
Claims liability at beginning of year	\$ 393,720	\$ 361,136
Current year claims and estimated changes	5,871,257	8,369,172
Claims payments	(5,698,281)	(8,336,588)
Claims liability at end of year	\$ 566,696	\$ 393,720

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, 2022**

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, 2022 were as follows:

	<u>Current</u>	<u>Long- term</u>	<u>Total</u>
Workers’ compensation	\$ 992,000	\$ 3,342,000	\$ 4,334,000
General liability	283,000	585,000	868,000
Automobile liability	127,000	110,000	237,000
Property	53,000	9,000	62,000
Total claims liability recognized	<u>\$ 1,455,000</u>	<u>\$ 4,046,000</u>	<u>\$ 5,501,000</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, 2022**

16. RISK MANAGEMENT – CONTINUED

Reconciliation of Claims Liabilities

	As of September 30, 2022					As of September 30, 2021				
	Workers' Compensation	General Liability	Automobile	Property	Total	Workers' Compensation	General Liability	Automobile	Property	Total
Unpaid claims and adjustment expenses at beginning of year	\$ 4,257,000	\$ 698,600	\$ 244,000	\$ 60,000	\$ 5,259,600	\$ 4,416,645	\$ 779,913	\$ 208,055	\$ 11,387	\$ 5,416,000
Incurred claims and claim adjustment expenses										
a) Provision for insured events of current fiscal year	1,390,000	313,000	70,000	93,000	1,866,000	1,973,000	347,000	67,000	60,000	2,447,000
b) Increases (decreases) in provision for insured events of prior fiscal years	(483,000)	165,000	159,000	18,000	(141,000)	(501,000)	78,000	37,000	(381,000)	(767,000)
Total incurred claims and claim adjustment expenses payments	907,000	478,000	229,000	111,000	1,725,000	1,472,000	425,000	104,000	(321,000)	1,680,000
a) Claims and claim adjustment expenses attributable to insured events of current fiscal year	(134,000)	(18,600)	(6,000)	(60,000)	(218,600)	(935,645)	(148,313)	(7,055)	(4,387)	(1,095,400)
b) Claims and claim adjustment expenses attributable to insured events of prior fiscal year	(696,000)	(290,000)	(230,000)	(49,000)	(1,265,000)	(696,000)	(358,000)	(61,000)	374,000	(741,000)
TOTAL PAYMENTS	<u>(830,000)</u>	<u>(308,600)</u>	<u>(236,000)</u>	<u>(109,000)</u>	<u>(1,483,600)</u>	<u>(1,631,645)</u>	<u>(506,313)</u>	<u>(68,055)</u>	<u>369,613</u>	<u>(1,836,400)</u>
UNPAID CLAIMS AND CLAIM ADJUSTMENT EXPENSES AT THE END OF THE YEAR	<u>\$ 4,334,000</u>	<u>\$ 868,000</u>	<u>\$ 237,000</u>	<u>\$ 62,000</u>	<u>\$ 5,501,000</u>	<u>\$ 4,257,000</u>	<u>\$ 698,600</u>	<u>\$ 244,000</u>	<u>\$ 60,000</u>	<u>\$ 5,259,600</u>

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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 is to be billed monthly at a rate equal to \$2.46 per each 1,000 gallons of wastewater flow. Additionally, the City pays 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 increases by 3% annually. Service to the City began March 2010. Fees of \$2,987,449 paid by the City during 2022 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
2023	\$ 65,120
2024	67,074
2025	69,086
2026	71,159
2027	73,294
2028-2032	400,805
2033-2037	464,645
2038-2039	205,958
TOTAL	\$ 1,417,141

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal 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, 2022

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 \$3,067,308 in the contract. Health service expenses above these amounts are the responsibility of the County. During the year ended September 30, 2022, the County incurred additional expenses of \$593,192 as actual costs exceeded the annual exposure amount.

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 September 2021 and shall end or be renewed December 2022. The Okaloosa County Board of County Commissioners' contribution to the library cooperative for the year ended September 30, 2022 was \$753,943. 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, 2021. The future commitment to the library cooperative in 2023 is \$784,912.

OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

19. CHANGE IN ACCOUNTING PRINCIPLES

Governmental Accounting Standards Board Statement No. 87, Leases, was implemented as of October 1, 2021 during fiscal year 2022. 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, 2021 as Previously Reported	Changes to Implement GASB No. 87	Balances October 1, 2021, as Restated
Lease receivable	\$ -	\$ 16,739,581	\$ 16,739,581
Capital assets, depreciable	214,509,097	20,755	214,529,852
Long-term debt, lease contracts	-	20,755	20,755
Deferred inflows of resources related to lease contracts	-	16,739,581	16,739,581
	<u>\$ 214,509,097</u>	<u>\$ 33,520,672</u>	<u>\$ 248,029,769</u>

Business-type Activities

	Balances September 30, 2021 as Previously Reported	Changes to Implement GASB No. 87	Balances October 1, 2021, as Restated
Lease receivable	\$ -	\$ 59,582,296	\$ 59,582,296
Capital assets, depreciable	327,999,167	6,564,767	334,563,934
Long-term debt, lease contracts	-	6,564,768	6,564,768
Deferred inflows of resources related to lease contracts	-	59,582,296	59,582,296
	<u>\$ 327,999,167</u>	<u>\$ 132,294,127</u>	<u>\$ 460,293,294</u>

**OKALOOSA COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

20. PRIOR PERIOD ADJUSTMENT

The County identified two agreements which should have been included in the prior year's implementation of GASB 84, Fiduciary Activities. This change in accounting principle is required to be applied retroactively and therefore, the County restated the beginning net position of the Custodial Funds in the statement of changes in fiduciary net position as follows:

	<u>September 30, 2021 Balance as Previously Reported</u>	<u>Change in Accounting Principle</u>	<u>October 1, 2021 Balance</u>
Cash and cash equivalents	\$ 7,277,478	\$ 6,002,316	\$ 13,279,794
Net position restricted for individuals, organizations and other governments	\$ 4,981,972	\$ 6,002,316	\$ 10,984,288

21. SUBSEQUENT EVENTS

The County has evaluated events and transactions that occurred between September 30, 2022, and March 29, 2023, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements. The following subsequent event is noted:

In August 2022, the County amended and restated its interlocal agreement with the City of Destin whereas the County and the City are working together to acquire and redevelop public beach property. The parties agreed to fund the cost of acquisitions at 59% County and 41% City for Phase I and 50% each for Phase II. Total costs for both phases are approximately \$32,500,000. In November 2022, approximately \$14,000,000 of Tourist Development funds were disbursed from the County to the City to fund an acquisition of land for public beach use.

No other subsequent events have been recognized or disclosed.

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REQUIRED SUPPLEMENTARY INFORMATION

OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 76,845,603	\$ 76,845,603	\$ 77,204,298	\$ 358,695
Licenses and permits	25,000	25,000	25,500	500
Intergovernmental	27,054,304	45,734,977	37,368,185	(8,366,792)
Charges for services	17,038,698	17,780,862	21,291,578	3,510,716
Fines	11,000	46,953	100,722	53,769
Investment income (loss)	400,000	552,356	(1,006,662)	(1,559,018)
Miscellaneous	2,091,161	2,967,832	3,652,707	684,875
Total revenues	123,465,766	143,953,583	138,636,328	(5,317,255)
EXPENDITURES				
Current				
General government	38,453,027	38,615,311	35,943,698	2,671,613
Public safety	83,219,396	91,394,519	72,706,102	18,688,417
Physical environment	903,983	931,983	864,860	67,123
Transportation	57,689	11,183,096	3,579,055	7,604,041
Economic environment	3,075,055	3,075,055	3,040,147	34,908
Human services	4,276,190	5,086,132	4,789,053	297,079
Culture and recreation	2,782,233	3,895,510	3,072,666	822,844
Court-related	2,867,908	3,595,045	3,287,746	307,299
Capital outlay	3,813,881	10,196,840	5,983,020	4,213,820
Debt service				
Principal	31,390	-	22,351	(22,351)
Interest	-	-	598	(598)
Total expenditures	139,480,752	167,973,491	133,289,296	34,684,195
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	(16,014,986)	(24,019,908)	5,347,032	29,366,940
OTHER FINANCING SOURCES (USES)				
Transfers in	7,634,155	7,835,250	7,850,562	15,312
Transfers out	(6,129,093)	(9,565,496)	(6,462,258)	3,103,238
Transfers among constitutional officers	(8,319,081)	(793,345)	778,841	1,572,186
Issuance of debt	-	-	275,000	275,000
Total other financing sources (uses)	(6,814,019)	(2,523,591)	2,442,145	4,965,736
NET CHANGE IN FUND BALANCE	(22,829,005)	(26,543,499)	7,789,177	34,332,676
FUND BALANCE - BEGINNING	22,829,005	26,543,499	25,333,498	(1,210,001)
FUND BALANCE - ENDING	\$ -	\$ -	\$ 33,122,675	\$ 33,122,675

OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
TOURIST DEVELOPMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 23,500,000	\$ 24,500,000	\$ 36,875,379	\$ 12,375,379
Intergovernmental	-	1,597,077	159,607	(1,437,470)
Charges for services	1,084,700	1,084,700	862,330	(222,370)
Investment income (loss)	1,160,000	1,160,000	(1,860,312)	(3,020,312)
Miscellaneous	60,000	60,000	3,581	(56,419)
Total revenues	<u>25,804,700</u>	<u>28,401,777</u>	<u>36,040,585</u>	<u>7,638,808</u>
EXPENDITURES				
Current				
Economic environment	24,184,200	32,904,852	16,004,790	16,900,062
Culture and recreation	35,047,583	38,588,188	4,612,027	33,976,161
Capital outlay	9,015,797	12,965,526	4,295,242	8,670,284
Total expenditures	<u>68,247,580</u>	<u>84,458,566</u>	<u>24,912,059</u>	<u>59,546,507</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(42,442,880)	(56,056,789)	11,128,526	67,185,315
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(3,617,020)</u>	<u>(3,851,116)</u>	<u>(3,312,494)</u>	<u>538,622</u>
NET CHANGE IN FUND BALANCES	(46,059,900)	(59,907,905)	7,816,032	67,723,937
FUND BALANCE - BEGINNING	<u>46,059,900</u>	<u>59,907,905</u>	<u>59,907,904</u>	<u>(1)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,723,936</u>	<u>\$ 67,723,936</u>

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**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, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ 40,784,349	\$ 2,766,334	\$ (38,018,015)
Investment income (loss)	-	-	(3,171)	(3,171)
Total revenues	-	40,784,349	2,763,163	(38,021,186)
EXPENDITURES				
Current				
Public safety	50,000	39,704,597	6,044	39,698,553
Economic environment	-	-	7,379	(7,379)
Capital outlay	-	2,009,091	2,009,091	-
Total expenditures	50,000	41,713,688	2,022,514	39,691,174
EXCESS (DEFICIENCY) OF REVENUES OVER UNDER EXPENDITURES	<u>(50,000)</u>	<u>(929,339)</u>	<u>740,649</u>	<u>1,669,988</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	914,940	-	(914,940)
Transfers among constitutional officers	-	(35,601)	2	35,603
Total other financing sources (uses)	-	879,339	2	(879,337)
NET CHANGE IN FUND BALANCE	(50,000)	(50,000)	740,651	790,651
FUND BALANCE - BEGINNING	50,000	50,000	(1,302,249)	(1,352,249)
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (561,598)</u>	<u>\$ (561,598)</u>

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
APPRAISERS
SEPTEMBER 30, 2022

LAST 10 YEARS (1)

Reporting Year Ended September 30,	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
TOTAL OPEB LIABILITY					
Service cost	\$ 352,112	\$ 335,118	\$ 292,775	\$ 301,261	\$ 315,544
Interest	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	(106,417)	(17,276)	312,630	(190,963)	(228,803)
Benefit payments	(173,913)	(161,860)	(212,688)	(228,144)	(263,492)
NET CHANGE IN TOTAL OPEB LIABILITY	(622,680)	292,063	(186,741)	57,525	(20,880)
TOTAL OPEB LIABILITY - BEGINNING	4,986,264	4,694,201	4,880,942	4,823,417	4,844,297
(2) TOTAL OPEB LIABILITY - ENDING	<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>
COVERED EMPLOYEE PAYROLL	\$ 45,037,915	\$ 42,462,696	\$ 41,026,759	\$ 46,908,840	\$ 3,975,614
TOTAL OPEB LIABILITY AS A PERCENTAGE OF PAYROLL	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.

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
SHERIFF'S PLAN
SEPTEMBER 30, 2022

LAST 10 YEARS (1)

Reporting Year Ended September 30,	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
TOTAL OPEB LIABILITY					
Service cost	\$ 290,699	\$ 290,317	\$ 286,196	\$ 289,638	\$ 299,973
Interest	148,675	164,982	215,697	195,267	173,653
Difference between expected and actual experience	453,591	-	236,378	-	-
Changes in assumptions and other inputs	734,353	(27,539)	(130,119)	(204,160)	(253,549)
Benefit payments	<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	1,376,176	161,347	385,845	53,913	(17,908)
TOTAL OPEB LIABILITY - BEGINNING	<u>6,003,937</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>\$ 7,380,113</u></u>	<u><u>\$ 6,003,937</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	\$ 26,810,943	\$ 24,956,664	\$ 19,281,684	\$ 21,725,682	\$ 15,887,651
TOTAL OPEB LIABILITY AS A PERCENTAGE OF PAYROLL	27.53%	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.

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST TEN FISCAL YEARS (1)
SEPTEMBER 30, 2022

	Florida Retirement System				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
County's proportion of the net pension liability (asset)	0.28%	0.28%	0.30%	0.29%	0.29%
County's proportionate share of the net pension liability (asset)	\$ 105,016,024	\$ 20,835,800	\$ 128,458,322	\$ 101,144,655	\$ 87,393,354
County's covered payroll	\$ 79,119,061	\$ 89,370,064	\$ 82,201,157	\$ 88,574,717	\$ 82,752,416
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	132.73%	23.31%	156.27%	114.19%	105.61%
Plan fiduciary net position as a percentage of the total pension liability	78.85%	96.40%	78.85%	82.61%	84.26%
	Health Insurance Subsidy				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
County's proportion of the net pension liability (asset)	0.21%	0.21%	0.21%	0.21%	0.20%
County's proportionate share of the net pension liability (asset)	\$ 23,204,574	\$ 25,693,815	\$ 25,340,684	\$ 23,169,078	\$ 21,574,482
County's covered payroll	\$ 79,119,061	\$ 89,370,064	\$ 82,201,157	\$ 88,574,717	\$ 82,752,416
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	29.33%	28.75%	30.83%	26.16%	26.07%
Plan fiduciary net position as a percentage of the total pension liability	3.00%	3.56%	3.00%	2.63%	2.15%

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

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY – CONTINUED
LAST TEN FISCAL YEARS (1)
SEPTEMBER 30, 2022

	Florida Retirement System			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset)	0.28%	0.28%	0.27%	0.27%
County's proportionate share of the net pension liability (asset)	\$ 83,995,538	\$ 71,598,556	\$ 34,835,695	\$ 16,322,350
County's covered payroll	\$ 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	110.43%	94.72%	47.35%	23.08%
Plan fiduciary net position as a percentage of the total pension liability	83.89%	84.88%	92.00%	96.09%
	Health Insurance Subsidy			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset)	0.20%	0.20%	0.20%	0.20%
County's proportionate share of the net pension liability (asset)	\$ 21,241,191	\$ 23,012,784	\$ 20,014,715	\$ 18,257,627
County's covered payroll	\$ 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	27.93%	30.44%	27.20%	25.82%
Plan fiduciary net position as a percentage of the total pension liability	1.64%	0.97%	0.50%	0.99%

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

**OKALOOSA COUNTY, FLORIDA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS (1)
SEPTEMBER 30, 2022**

	Florida Retirement System				
	2022	2021	2020	2019	2018
Contractually required contribution	\$ 12,043,702	\$ 10,507,921	\$ 9,847,613	\$ 9,106,681	\$ 8,268,916
Contributions in relation to the contractually required contribution	(12,043,702)	(10,507,921)	(9,847,613)	(9,106,681)	(8,268,916)
CONTRIBUTION DEFICIENCY (EXCESS)	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 80,204,007	\$ 89,370,064	\$ 82,201,157	\$ 88,574,717	\$ 82,752,416
Contributions as a percentage of covered payroll	15.02%	11.76%	11.98%	10.28%	9.99%
	Health Insurance Subsidy				
	2022	2021	2020	2019	2018
Contractually required contribution	\$ 1,325,647	\$ 1,231,227	\$ 1,195,974	\$ 1,149,840	\$ 1,105,421
Contributions in relation to the contractually required contribution	(1,325,647)	(1,231,227)	(1,195,974)	(1,149,840)	(1,105,421)
CONTRIBUTION DEFICIENCY (EXCESS)	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 80,204,007	\$ 89,370,064	\$ 82,201,157	\$ 88,574,717	\$ 82,752,416
Contributions as a percentage of covered payroll	1.65%	1.38%	1.45%	1.30%	1.34%

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

**OKALOOSA COUNTY, FLORIDA
SCHEDULE OF CONTRIBUTIONS – CONTINUED
LAST TEN FISCAL YEARS (1)
SEPTEMBER 30, 2022**

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

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

**OKALOOSA COUNTY, FLORIDA
NOTES REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2022**

The following changes in actuarial assumptions occurred in 2022:

Pension Related Notes to Schedule:

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 decreased to 6.7%.

HIS: The municipal rate used to determine total pension liability was increased from 2.16% to 3.54%.

OPEB Related Notes to Schedule:

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 2.41% to 2.19% as of September 30, 2022. The following are the discount rates used in each period:

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**

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**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, 2022**

	Board	Clerk	Sheriff	Supervisor of Elections	Tax Collector	Property Appraiser	Total
ASSETS							
Cash and cash equivalents	\$ 530,934	\$ 3,835,888	\$ 2,096,906	\$ 120,142	\$ 307,987	\$ 1,041,212	\$ 7,933,069
Investments	30,537,443	99,131	-	94,636	-	-	30,731,210
Accounts receivable	190,486	5,765	-	-	-	-	196,251
Lease receivable	16,293,041	-	-	-	109,768	-	16,402,809
Due from other funds	73,850	-	-	-	32,008	-	105,858
Due from other elected officials	2,474,966	30,240	807,219	-	431	-	3,312,856
Due from other governments	6,183,841	18,064	538,042	-	-	-	6,739,947
Inventory	81,613	-	-	-	-	-	81,613
Prepays	506,139	156,799	-	102,723	-	-	765,661
TOTAL ASSETS	56,872,313	4,145,887	3,442,167	317,501	450,194	1,041,212	66,269,274
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES							
LIABILITIES							
Accounts payable	494,055	51,292	575,799	42,375	18,525	3,385	1,185,431
Contracts payable	1,040,147	-	-	-	-	-	1,040,147
Other accrued liabilities	900,254	128,010	1,256,854	47,780	21,315	41,746	2,395,959
Due to other funds	-	-	263,823	-	-	-	263,823
Due to other elected officials	310,352	3,958,723	1,245,081	227,346	121,051	885,725	6,748,278
Due to other governments	415,823	7,862	100,610	-	3,183	110,356	637,834
Due to depositors	24,612	-	-	-	4,227	-	28,839
Unearned revenue	639,187	-	-	-	172,125	-	811,312
TOTAL LIABILITIES	3,824,430	4,145,887	3,442,167	317,501	340,426	1,041,212	13,111,623
DEFERRED INFLOW OF RESOURCES							
Lease receivable	15,816,608	-	-	-	109,768	-	15,926,376
FUND BALANCES							
Nonspendable	587,752	156,799	-	102,723	-	-	847,274
Committed	234,173	-	-	-	-	-	234,173
Assigned	4,108,600	-	-	-	-	-	4,108,600
Unassigned	32,300,750	(156,799)	-	(102,723)	-	-	32,041,228
TOTAL FUND BALANCES	37,231,275	-	-	-	-	-	37,231,275
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES	\$ 56,872,313	\$ 4,145,887	\$ 3,442,167	\$ 317,501	\$ 450,194	\$ 1,041,212	\$ 66,269,274

**OKALOOSA COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GENERAL FUND BY CATEGORY
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Board	Clerk	Sheriff	Supervisor of Elections	Tax Collector	Property Appraiser	Total
REVENUES							
Taxes	\$ 77,204,298	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,204,298
Licenses and permits	25,500	-	-	-	-	-	25,500
Intergovernmental	36,302,568	676,197	385,430	3,990	-	-	37,368,185
Charges for services	12,045,630	1,864,312	-	7,545	7,030,891	343,200	21,291,578
Fines	100,722	-	-	-	-	-	100,722
Investment income (loss)	(1,026,992)	20,330	-	-	-	-	(1,006,662)
Miscellaneous	3,324,830	29,688	-	-	289,776	8,413	3,652,707
Total revenues	127,976,556	2,590,527	385,430	11,535	7,320,667	351,613	138,636,328
EXPENDITURES							
Current							
General government	19,081,712	5,201,882	-	2,000,052	6,673,731	2,986,321	35,943,698
Public safety	20,713,433	-	51,992,669	-	-	-	72,706,102
Physical environment	864,860	-	-	-	-	-	864,860
Transportation	3,579,055	-	-	-	-	-	3,579,055
Economic environment	3,040,147	-	-	-	-	-	3,040,147
Human services	4,789,053	-	-	-	-	-	4,789,053
Culture and recreation	3,072,666	-	-	-	-	-	3,072,666
Court-related	1,215,634	-	2,072,112	-	-	-	3,287,746
Capital outlay	960,578	40,354	3,954,576	3,990	905,738	117,784	5,983,020
Debt service							
Principal	3,896	18,455	-	-	-	-	22,351
Interest	598	-	-	-	-	-	598
Total expenditures	57,321,632	5,260,691	58,019,357	2,004,042	7,579,469	3,104,105	133,289,296
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	70,654,924	(2,670,164)	(57,633,927)	(1,992,507)	(258,802)	(2,752,492)	5,347,032
OTHER FINANCING SOURCES (USES)							
Transfers in	7,034,084	816,478	-	-	-	-	7,850,562
Transfers out	(6,462,258)	-	-	-	-	-	(6,462,258)
Issuance of debt	-	-	-	-	275,000	-	275,000
Transfers among constitutional officers	(63,437,573)	1,853,686	57,633,927	1,992,507	(16,198)	2,752,492	778,841
Total other financing sources (uses)	(62,865,747)	2,670,164	57,633,927	1,992,507	258,802	2,752,492	2,442,145
NET CHANGE IN FUND BALANCE	7,789,177	-	-	-	-	-	7,789,177
FUND BALANCES - BEGINNING	25,333,498	-	-	-	-	-	25,333,498
FUND BALANCES - ENDING	\$ 33,122,675	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,122,675

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OTHER SUPPLEMENTARY INFORMATION

OKALOOSA COUNTY
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, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 2,065,641	\$ 2,065,641	\$ 2,262,673	\$ 197,032
Intergovernmental	9,199,208	12,466,862	2,994,749	(9,472,113)
Charges for services	-	2,032,100	-	(2,032,100)
Investment income (loss)	-	-	(697,201)	(697,201)
Miscellaneous	-	58,352,389	12,681,316	(45,671,073)
Total revenues	<u>11,264,849</u>	<u>74,916,992</u>	<u>17,241,537</u>	<u>(57,675,455)</u>
EXPENDITURES				
Current				
Transportation	5,901,777	15,815,441	1,821,542	13,993,899
Capital Outlay	38,847,258	99,066,954	25,201,899	73,865,055
Debt service				
Principal	-	-	174,400	(174,400)
Total expenditures	<u>44,749,035</u>	<u>114,882,395</u>	<u>27,197,841</u>	<u>87,684,554</u>
EXCESS (DEFICIENCY) OF REVENUES OVER UNDER EXPENDITURES				
	(33,484,186)	(39,965,403)	(9,956,304)	30,009,099
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>600,000</u>	<u>67,900</u>	-	<u>(67,900)</u>
NET CHANGE IN FUND BALANCE	(32,884,186)	(39,897,503)	(9,956,304)	29,941,199
FUND BALANCE - BEGINNING	<u>32,884,186</u>	<u>39,897,503</u>	<u>40,516,675</u>	<u>619,172</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,560,371</u>	<u>\$ 30,560,371</u>

**OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
INFRASTRUCTURE SURTAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes	\$ 19,378,400	\$ 19,378,400	\$ 21,769,843	\$ 2,391,443
Investment income (loss)	-	-	(438,066)	(438,066)
Miscellaneous	-	-	236,444	236,444
TOTAL REVENUES	<u>19,378,400</u>	<u>19,378,400</u>	<u>21,568,221</u>	<u>2,189,821</u>
EXPENDITURES				
Current				
Public Safety	35,941,829	29,609,852	-	29,609,852
Transportation	189,222	189,222	158,049	31,173
Capital outlay	<u>4,497,782</u>	<u>19,172,699</u>	<u>7,368,429</u>	<u>11,804,270</u>
TOTAL EXPENDITURES	<u>40,628,833</u>	<u>48,971,773</u>	<u>7,526,478</u>	<u>41,445,295</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(21,250,433)	(29,593,373)	14,041,743	43,635,116
OTHER FINANCING SOURCES (USES)				
Transfer out	<u>(1,274,878)</u>	<u>(1,274,878)</u>	<u>(1,274,878)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,274,878)</u>	<u>(1,274,878)</u>	<u>(1,274,878)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(22,525,311)	(30,868,251)	12,766,865	43,635,116
FUND BALANCE - BEGINNING	<u>22,525,311</u>	<u>30,868,251</u>	<u>30,480,953</u>	<u>(387,298)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,247,818</u>	<u>\$ 43,247,818</u>

**OKALOOSA COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

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, 2022**

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, 2022**

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 Challenge Driver 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 FUNDS

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
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	County Transportation Trust Special Revenue Fund	Local Housing Assistance trust Fund	E- 911 Operations Special Revenue Fund
ASSETS			
Cash and cash equivalents	\$ 394,252	\$ 84,333	\$ 107,572
Investments	3,981,945	3,414,225	374,259
Accounts receivable	-	38,687	-
Due from other funds	1,000,000	-	-
Due from other elected officials	52	-	-
Due from other governments	755,189	-	516,718
Inventory	280,111	-	-
Prepays	1,660	-	-
TOTAL ASSETS	\$ 6,413,209	\$ 3,537,245	\$ 998,549
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 79,932	\$ -	\$ -
Contracts payable	32,194	-	-
Other accrued liabilities	216,755	-	-
Due to other fund	-	-	-
Due to other elected officials	285	-	328,453
Due to other government	2,626	-	-
Due to depositors	-	-	-
Unearned revenue	-	3,176,573	-
TOTAL LIABILITIES	331,792	3,176,573	328,453
FUND BALANCES			
Nonspendable	281,771	-	-
Restricted	-	360,672	670,096
Committed	-	-	-
Assigned	5,799,646	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	6,081,417	360,672	670,096
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,413,209	\$ 3,537,245	\$ 998,549

**OKALOOSA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	Radio Communications Special Revenue Fund	Law Enforcement Trust Special Revenue Fund	Police Academy Special Revenue Fund
ASSETS			
Cash and cash equivalents	\$ 185,823	\$ 11,287	\$ 96,361
Investments	98,227	124,586	35,130
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other elected officials	5,204	-	-
Due from other governments	-	-	-
Inventory	-	-	-
Prepays	-	-	-
TOTAL ASSETS	<u>\$ 289,254</u>	<u>\$ 135,873</u>	<u>\$ 131,491</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Contracts payable	-	-	-
Other accrued liabilities	-	-	-
Due to other fund	-	-	-
Due to other elected officials	-	-	-
Due to other government	-	-	-
Due to depositors	-	-	-
Unearned revenue	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	289,254	135,873	131,491
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	<u>289,254</u>	<u>135,873</u>	<u>131,491</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 289,254</u>	<u>\$ 135,873</u>	<u>\$ 131,491</u>

**OKALOOSA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	County Public Health Special Revenue Fund	Municipal Services Benefit Unit Special Revenue Fund	Unincorporated Municipal Services Taxing Unit Fund
ASSETS			
Cash and cash equivalents	\$ 60,653	\$ 101,632	\$ 1,366
Investments	39,355	576,341	2,534,900
Accounts receivable	-	-	300
Due from other funds	250,000	202,000	-
Due from other elected officials	58	389	412
Due from other governments	-	53,531	-
Inventory	-	-	272
Prepays	-	-	-
TOTAL ASSETS	\$ 350,066	\$ 933,893	\$ 2,537,250
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ -	\$ 5,905	\$ 21,158
Contracts payable	100,277	92,263	930
Other accrued liabilities	-	-	24,030
Due to other fund	-	73,850	-
Due to other elected officials	-	-	-
Due to other government	-	-	-
Due to depositors	-	-	-
Unearned revenue	-	-	-
TOTAL LIABILITIES	100,277	172,018	46,118
FUND BALANCES			
Nonspendable	-	-	272
Restricted	-	-	2,490,860
Committed	-	761,875	-
Assigned	249,789	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	249,789	761,875	2,491,132
TOTAL LIABILITIES AND FUND BALANCES	\$ 350,066	\$ 933,893	\$ 2,537,250

**OKALOOSA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	Prisoner Benefit Special Revenue Fund	Additional Court Cost Special Revenue Fund	Drug Abuse Trust Special Revenue Fund
ASSETS			
Cash and cash equivalents	\$ 284,485	\$ 88,093	\$ 71,992
Investments	1,089,986	268,106	50,958
Accounts receivable	58,864	-	-
Due from other funds	-	-	-
Due from other elected officials	-	93,307	1,580
Due from other governments	-	-	-
Inventory	-	-	-
Prepays	455	-	-
TOTAL ASSETS	\$ 1,433,790	\$ 449,506	\$ 124,530
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 909	\$ 24,996	\$ 36
Contracts payable	50,437	17,723	-
Other accrued liabilities	14,718	9,679	-
Due to other fund	-	-	-
Due to other elected officials	-	-	-
Due to other government	31	39,331	-
Due to depositors	72,842	-	-
Unearned revenue	-	-	-
TOTAL LIABILITIES	138,937	91,729	36
FUND BALANCES			
Nonspendable	455	-	-
Restricted	1,294,398	357,777	124,494
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	1,294,853	357,777	124,494
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,433,790	\$ 449,506	\$ 124,530

**OKALOOSA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	Domestic Violence Trust Special Revenue Fund	Traffic Education Special Revenue Fund	Choctaw Bay Estuary Fund
ASSETS			
Cash and cash equivalents	\$ 2,138	\$ 46,648	\$ 2,213
Investments	1,420	154,005	657
Accounts receivable	-	-	-
Due from other funds			
Due from other elected officials	2,154	-	-
Due from other governments	-	-	149,417
Inventory	-	-	-
Prepays	-	-	-
TOTAL ASSETS	\$ 5,712	\$ 200,653	\$ 152,287
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ 655
Contracts payable	-	-	59,510
Other accrued liabilities	-	-	6,622
Due to other fund	-	-	85,000
Due to other elected officials	-	-	-
Due to other government	-	-	-
Due to depositors	-	-	-
Unearned revenue	-	-	-
TOTAL LIABILITIES	-	-	151,787
FUND BALANCES			
Nonspendable	-	-	-
Restricted	5,712	200,653	-
Committed	-	-	-
Assigned	-	-	500
Unassigned	-	-	-
TOTAL FUND BALANCES	5,712	200,653	500
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,712	\$ 200,653	\$ 152,287

**OKALOOSA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	<u>Fiber Optic Cable Fund</u>	<u>Courts Special Revenue Fund</u>	<u>Public Records Modernization Trust Special Revenue Fund</u>
ASSETS			
Cash and cash equivalents	\$ 8,376	\$ 815,698	\$ 319,692
Investments	1,888,055	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	150
Due from other elected officials	-	180	-
Due from other governments	-	53,413	-
Inventory	-	-	-
Prepays	550	27,858	-
TOTAL ASSETS	<u>\$ 1,896,981</u>	<u>\$ 897,149</u>	<u>\$ 319,842</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 6,411	\$ 111,468	\$ -
Contracts payable	184,673	-	-
Other accrued liabilities	-	362,161	-
Due to other fund	-	-	-
Due to other elected officials	-	-	-
Due to other government	-	423,520	-
Due to depositors	-	-	-
Unearned revenue	-	-	-
TOTAL LIABILITIES	<u>191,084</u>	<u>897,149</u>	<u>-</u>
FUND BALANCES			
Nonspendable	550	27,858	-
Restricted	-	-	319,842
Committed	-	-	-
Assigned	1,705,347	-	-
Unassigned	-	(27,858)	-
TOTAL FUND BALANCES	<u>1,705,897</u>	<u>-</u>	<u>319,842</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,896,981</u>	<u>\$ 897,149</u>	<u>\$ 319,842</u>

**OKALOOSA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	Public Records Courts Special Revenue Fund	Federal Law Enforcement Trust Special Revenue Fund	Teen Driver Challenge Special Revenue Fund
ASSETS			
Cash and cash equivalents	\$ 182,908	\$ -	\$ -
Investments	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other elected officials	-	-	-
Due from other governments	-	-	-
Inventory	-	-	-
Prepays	-	-	-
TOTAL ASSETS	\$ 182,908	\$ -	\$ -
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Contracts payable	-	-	-
Other accrued liabilities	-	-	-
Due to other fund	-	-	-
Due to other elected officials	-	-	-
Due to other government	-	-	-
Due to depositors	-	-	-
Unearned revenue	-	-	-
TOTAL LIABILITIES	-	-	-
FUND BALANCES			
Nonspendable	-	-	-
Restricted	182,908	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	182,908	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 182,908	\$ -	\$ -

**OKALOOSA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	Okaloosa Debt Service Fund	Capital Outlay Construction Trust Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 3,930,506	\$ 20,466	\$ 6,816,494
Investments	136,831	22,933,744	37,702,730
Accounts receivable	-	-	97,851
Due from other funds	-	-	1,452,150
Due from other elected officials	-	102,646	205,982
Due from other governments	-	-	1,528,268
Inventory	-	-	280,383
Prepays	-	-	30,523
TOTAL ASSETS	\$ 4,067,337	\$ 23,056,856	\$ 48,114,381
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ -	\$ 186,700	\$ 438,170
Contracts payable	-	337,145	875,152
Other accrued liabilities	-	-	633,965
Due to other fund	4,115,000	-	4,273,850
Due to other elected officials	-	-	328,738
Due to other government	-	-	465,508
Due to depositors	-	-	72,842
Unearned revenue	-	-	3,176,573
TOTAL LIABILITIES	4,115,000	523,845	10,264,798
FUND BALANCES			
Nonspendable	-	-	310,906
Restricted	-	22,533,011	29,097,041
Committed	-	-	761,875
Assigned	-	-	7,755,282
Unassigned	(47,663)	-	(75,521)
TOTAL FUND BALANCES	(47,663)	22,533,011	37,849,583
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,067,337	\$ 23,056,856	\$ 48,114,381

OKALOOSA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	County Transportation Trust Special Revenue Fund	Local Housing Assistance Trust Fund	E- 911 Operations Special Revenue Fund
REVENUES			
Taxes	\$ 6,557,938	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	2,135,553	125,536	2,064,962
Charges for services	786,761	-	-
Fines	-	-	-
Investment income (loss)	(61,889)	13,295	(1,035)
Miscellaneous	77,259	810,307	-
TOTAL REVENUES	9,495,622	949,138	2,063,927
EXPENDITURES			
Current			
General government	-	665,281	-
Public safety	-	-	368,113
Physical environment	881,342	-	-
Transportation	8,416,056	-	-
Economic environment	-	275,332	-
Human services	-	-	-
Culture and recreation	-	-	-
Court- related	-	-	-
Capital outlay	528,883	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	9,826,281	940,613	368,113
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(330,659)	8,525	1,695,814
OTHER FINANCING SOURCES (USES)			
Transfers in	883,213	-	-
Transfers out	-	-	(1,162,173)
Transfers among constitutional officers	-	-	(779,098)
Issuance of debt	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	883,213	-	(1,941,271)
NET CHANGE IN FUND BALANCES	552,554	8,525	(245,457)
FUND BALANCE - BEGINNING	5,528,863	352,147	915,553
FUND BALANCE - ENDING	\$ 6,081,417	\$ 360,672	\$ 670,096

OKALOOSA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	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	-	-	19,101
Fines	64,218	40,652	-
Investment income (loss)	(773)	1,084	(495)
Miscellaneous	-	-	-
TOTAL REVENUES	63,445	41,736	18,606
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	2,254
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court- related	-	-	-
Capital outlay	130,000	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	130,000	-	2,254
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(66,555)	41,736	16,352
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Transfers among constitutional officers	-	(58,250)	-
Issuance of debt	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(58,250)	-
NET CHANGE IN FUND BALANCES	(66,555)	(16,514)	16,352
FUND BALANCE - BEGINNING	355,809	152,387	115,139
FUND BALANCE - ENDING	\$ 289,254	\$ 135,873	\$ 131,491

OKALOOSA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	County Public Health Special Revenue Fund	Municipal Services Benefit Unit Special Revenue Fund	Unincorporated Municipal Services Taxing Unit Fund
REVENUES			
Taxes	\$ 602,333	\$ -	\$ 1,776,390
Licenses and permits	-	605,980	-
Intergovernmental	-	52,352	-
Charges for services	-	-	21,131
Fines	-	-	-
Investment income (loss)	(691)	(2,682)	(3,359)
Miscellaneous	25,742	689	-
TOTAL REVENUES	627,384	656,339	1,794,162
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	539,178	-
Economic environment	-	-	-
Human services	601,661	-	-
Culture and recreation	-	-	1,203,687
Court- related	-	-	-
Capital outlay	25,743	69,802	1,237,786
Debt service			
Principal	-	-	-
Interest	-	2,356	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	627,404	611,336	2,441,473
EXCESS (DEFICIENCY) OF REVENUES			
OVER (UNDER) EXPENDITURES	(20)	45,003	(647,311)
OTHER FINANCING SOURCES (USES)			
Transfers in	4,000	-	-
Transfers out	-	-	-
Transfers among constitutional officers	-	32	223
Issuance of debt	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	4,000	32	223
NET CHANGE IN FUND BALANCES	3,980	45,035	(647,088)
FUND BALANCE - BEGINNING	245,809	716,840	3,138,220
FUND BALANCE - ENDING	\$ 249,789	\$ 761,875	\$ 2,491,132

OKALOOSA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Prisoner Benefit Special Revenue Fund</u>	<u>Additional Court Cost Special Revenue Fund</u>	<u>Drug Abuse Trust Special Revenue Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	1,198,558	1,297,990	-
Fines	-	-	10,623
Investment income (loss)	(4,997)	(1,001)	(595)
Miscellaneous	-	64,047	-
TOTAL REVENUES	<u>1,193,561</u>	<u>1,361,036</u>	<u>10,028</u>
EXPENDITURES			
Current			
General government	-	-	-
Public safety	922,070	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court- related	-	1,037,213	2,881
Capital outlay	2,505	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	<u>924,575</u>	<u>1,037,213</u>	<u>2,881</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>268,986</u>	<u>323,823</u>	<u>7,147</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	(405,023)	-
Transfers among constitutional officers	-	-	-
Issuance of debt	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(405,023)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	268,986	(81,200)	7,147
FUND BALANCE - BEGINNING	<u>1,025,867</u>	<u>438,977</u>	<u>117,347</u>
FUND BALANCE - ENDING	<u>\$ 1,294,853</u>	<u>\$ 357,777</u>	<u>\$ 124,494</u>

OKALOOSA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Domestic Violence Trust Special Revenue Fund	Traffic Education Special Revenue Fund	Choctaw Bay Estuary Fund
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	282,283
Charges for services	-	-	-
Fines	29,055	56,326	-
Investment income (loss)	-	(830)	-
Miscellaneous	-	-	500
TOTAL REVENUES	29,055	55,496	282,783
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	282,283
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court- related	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	-	-	282,283
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	29,055	55,496	500
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(29,055)	-	-
Transfers among constitutional officers	-	(30,202)	-
Issuance of debt	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(29,055)	(30,202)	-
NET CHANGE IN FUND BALANCES	-	25,294	500
FUND BALANCE - BEGINNING	5,712	175,359	-
FUND BALANCE - ENDING	\$ 5,712	\$ 200,653	\$ 500

OKALOOSA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Fiber Optic Cable Fund</u>	<u>Courts Special Revenue Fund</u>	<u>Public Records Modernization Trust Special Revenue Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	432,232	-
Charges for services	71,463	2,846,606	177,584
Fines	-	1,003,117	-
Investment income (loss)	(3,041)	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	<u>68,422</u>	<u>4,281,955</u>	<u>177,584</u>
EXPENDITURES			
Current			
General government	389,068	-	-
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court- related	-	4,988,900	-
Capital outlay	861,930	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	<u>1,250,998</u>	<u>4,988,900</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,182,576)</u>	<u>(706,945)</u>	<u>177,584</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	706,945	-
Transfers out	-	-	(209,613)
Transfers among constitutional officers	-	-	-
Issuance of debt	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>706,945</u>	<u>(209,613)</u>
NET CHANGE IN FUND BALANCES	(1,182,576)	-	(32,029)
FUND BALANCE - BEGINNING	<u>2,888,473</u>	<u>-</u>	<u>351,871</u>
FUND BALANCE - ENDING	<u>\$ 1,705,897</u>	<u>\$ -</u>	<u>\$ 319,842</u>

OKALOOSA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	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	544,745	-	-
Fines	-	-	-
Investment income (loss)	-	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	544,745	-	-
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	58,250	30,202
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court- related	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Other debt service costs	-	-	-
TOTAL EXPENDITURES	-	58,250	30,202
EXCESS (DEFICIENCY) OF REVENUES			
OVER (UNDER) EXPENDITURES	544,745	(58,250)	(30,202)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(1,313,810)	-	-
Transfers among constitutional officers	-	58,250	30,202
Issuance of debt	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,313,810)	58,250	30,202
NET CHANGE IN FUND BALANCES	(769,065)	-	-
FUND BALANCE - BEGINNING	951,973	-	-
FUND BALANCE - ENDING	\$ 182,908	\$ -	\$ -

OKALOOSA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Okaloosa Debt Service Fund	Capital Outlay Construction Trust Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ -	\$ 1,810,247	\$ 10,746,908
Licenses and permits	-	-	605,980
Intergovernmental	446,500	102,566	5,641,984
Charges for services	-	-	6,963,939
Fines	-	-	1,203,991
Investment income (loss)	482	(570,122)	(636,649)
Miscellaneous	-	200	978,744
TOTAL REVENUES	446,982	1,342,891	25,504,897
EXPENDITURES			
Current			
General government	190,750	2,500	1,247,599
Public safety	-	-	1,380,889
Physical environment	-	-	1,163,625
Transportation	-	-	8,955,234
Economic environment	-	-	275,332
Human services	-	-	601,661
Culture and recreation	-	69,141	1,272,828
Court- related	-	-	6,028,994
Capital outlay	-	2,571,935	5,428,584
Debt service			
Principal	2,401,000	-	2,401,000
Interest	3,316,465	-	3,318,821
Other debt service costs	1,913	-	1,913
TOTAL EXPENDITURES	5,910,128	2,643,576	32,076,480
EXCESS (DEFICIENCY) OF REVENUES			
OVER (UNDER) EXPENDITURES	(5,463,146)	(1,300,685)	(6,571,583)
OTHER FINANCING SOURCES (USES)			
Transfers in	5,347,464	406,113	7,347,735
Transfers out	(255,750)	-	(3,375,424)
Transfers among constitutional officers	-	-	(778,843)
Issuance of debt	-	19,700,000	19,700,000
TOTAL OTHER FINANCING SOURCES (USES)	5,091,714	20,106,113	22,893,468
NET CHANGE IN FUND BALANCES	(371,432)	18,805,428	16,321,885
FUND BALANCE - BEGINNING	323,769	3,727,583	21,527,698
FUND BALANCE (DEFICIT) - ENDING	\$ (47,663)	\$ 22,533,011	\$ 37,849,583

OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COUNTY TRANSPORTATION TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUE				
Taxes	\$ 6,157,404	\$ 6,157,404	\$ 6,557,938	\$ 400,534
Intergovernmental	1,991,883	4,244,854	2,135,553	(2,109,301)
Charges for service	658,786	658,786	786,761	127,975
Investment income (loss)	10,000	10,000	(61,889)	(71,889)
Miscellaneous	1,000	1,000	77,259	76,259
TOTAL REVENUES	<u>8,819,073</u>	<u>11,072,044</u>	<u>9,495,622</u>	<u>(1,576,422)</u>
EXPENDITURES				
Current				
Physical environment	2,620,487	2,318,111	881,342	1,436,769
Transportation	10,602,932	12,107,502	8,416,056	3,691,446
Capital outlay	607,312	3,057,924	528,883	2,529,041
TOTAL EXPENDITURES	<u>13,830,731</u>	<u>17,483,537</u>	<u>9,826,281</u>	<u>7,657,256</u>
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(5,011,658)</u>	<u>(6,411,493)</u>	<u>(330,659)</u>	<u>6,080,834</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	660,483	883,213	883,213	-
TOTAL OTHER FINANCING				
SOURCES (USES)	<u>660,483</u>	<u>883,213</u>	<u>883,213</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(4,351,175)	(5,528,280)	552,554	6,080,834
FUND BALANCE - BEGINNING	4,351,175	5,528,280	5,528,863	583
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,081,417</u>	<u>\$ 6,081,417</u>

**OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
LOCAL HOUSING ASSISTANCE TRUST FUND
FOR THE ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ 7,576,271	\$ 125,536	\$ (7,450,735)
Investment income (loss)	-	8,679	13,295	4,616
Miscellaneous	69,328	1,905,643	810,307	(1,095,336)
TOTAL REVENUES	<u>69,328</u>	<u>9,490,593</u>	<u>949,138</u>	<u>(8,541,455)</u>
EXPENDITURES				
Current				
General government	-	3,274,987	665,281	2,609,706
Economic environment	307,125	8,348,338	275,332	8,073,006
TOTAL EXPENDITURES	<u>307,125</u>	<u>11,623,325</u>	<u>940,613</u>	<u>10,682,712</u>
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(237,797)</u>	<u>(2,132,732)</u>	<u>8,525</u>	<u>2,141,257</u>
NET CHANGE IN FUND BALANCE	(237,797)	(2,132,732)	8,525	2,141,257
FUND BALANCE - BEGINNING	<u>237,797</u>	<u>2,132,732</u>	<u>352,147</u>	<u>(1,780,585)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 360,672</u>	<u>\$ 360,672</u>

OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
E-911 OPERATIONS SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 1,025,000	\$ 4,302,897	\$ 2,064,962	\$ (2,237,935)
Investment income (loss)	-	-	(1,035)	(1,035)
TOTAL REVENUES	<u>1,025,000</u>	<u>4,302,897</u>	<u>2,063,927</u>	<u>(2,238,970)</u>
EXPENDITURES				
Current				
Public Safety	<u>1,676,466</u>	<u>778,380</u>	<u>368,113</u>	<u>410,267</u>
TOTAL EXPENDITURES	<u>1,676,466</u>	<u>778,380</u>	<u>368,113</u>	<u>410,267</u>
EXCESS (DEFICIENCY) OF REVENUES REVENUES OVER (UNDER) EXPENDITURES	<u>(651,466)</u>	<u>3,524,517</u>	<u>1,695,814</u>	<u>(1,828,703)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,151,273)	(1,162,173)	(1,162,173)	-
Transfers among constitutional officer	<u>-</u>	<u>(3,277,897)</u>	<u>(779,098)</u>	<u>2,498,799</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,151,273)</u>	<u>(4,440,070)</u>	<u>(1,941,271)</u>	<u>2,498,799</u>
NET CHANGE IN FUND BALANCE	(1,802,739)	(915,553)	(245,457)	670,096
FUND BALANCE - BEGINNING	<u>1,802,739</u>	<u>915,553</u>	<u>915,553</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 670,096</u>	<u>\$ 670,096</u>

OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
RADIO COMMUNICATIONS SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines	\$ 72,000	\$ 72,000	\$ 64,218	\$ (7,782)
Investment income (loss)	1,200	1,200	(773)	(1,973)
TOTAL REVENUES	<u>73,200</u>	<u>73,200</u>	<u>63,445</u>	<u>(9,755)</u>
EXPENDITURES				
Current				
Public Safety	73,200	73,200	-	73,200
Capital Outlay	75,554	156,860	130,000	26,860
TOTAL EXPENDITURES	<u>148,754</u>	<u>230,060</u>	<u>130,000</u>	<u>100,060</u>
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	<u>(75,554)</u>	<u>(156,860)</u>	<u>(66,555)</u>	<u>90,305</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(198,948)	(198,948)	-	198,948
TOTAL OTHER FINANCING SOURCES (USES)	<u>(198,948)</u>	<u>(198,948)</u>	<u>-</u>	<u>198,948</u>
NET CHANGE IN FUND BALANCE	(274,502)	(355,808)	(66,555)	289,253
FUND BALANCE - BEGINNING	<u>274,502</u>	<u>355,808</u>	<u>355,809</u>	<u>1</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 289,254</u>	<u>\$ 289,254</u>

**OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
LAW ENFORCEMENT TRUST FUND SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines	\$ -	\$ -	\$ 40,652	\$ 40,652
Investment income (loss)	1,200	1,200	1,084	(116)
TOTAL REVENUES	<u>1,200</u>	<u>1,200</u>	<u>41,736</u>	<u>40,536</u>
EXPENDITURES				
Current				
Public safety	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,200	1,200	41,736	40,536
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	(156,145)	(137,391)	(58,250)	79,141
TOTAL OTHER FINANCING SOURCES (USES)	<u>(156,145)</u>	<u>(137,391)</u>	<u>(58,250)</u>	<u>79,141</u>
NET CHANGE IN FUND BALANCE	(154,945)	(136,191)	(16,514)	119,677
FUND BALANCE - BEGINNING	<u>154,945</u>	<u>136,191</u>	<u>152,387</u>	<u>16,196</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 135,873</u>	<u>\$ 135,873</u>

**OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
POLICE ACADEMY SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<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	\$ 20,000	\$ 20,000	\$ 19,101	\$ (899)
Investment income (loss)	1,200	1,200	(495)	(1,695)
TOTAL REVENUES	<u>21,200</u>	<u>21,200</u>	<u>18,606</u>	<u>(2,594)</u>
EXPENDITURES				
Current				
Public safety	22,354	25,041	2,254	22,787
TOTAL EXPENDITURES	<u>22,354</u>	<u>25,041</u>	<u>2,254</u>	<u>22,787</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,154)</u>	<u>(3,841)</u>	<u>16,352</u>	<u>20,193</u>
NET CHANGE IN FUND BALANCE	(1,154)	(3,841)	16,352	20,193
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	(105,840)	(111,297)	-	111,297
TOTAL OTHER FINANCING SOURCES (USES)	(106,994)	(115,138)	16,352	131,490
FUND BALANCE - BEGINNING	<u>106,994</u>	<u>115,138</u>	<u>115,139</u>	<u>1</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 131,491</u>	<u>\$ 131,491</u>

**OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COUNTY PUBLIC HEALTH SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 598,197	\$ 598,197	\$ 602,333	\$ 4,136
Investment income (loss)	-	-	(691)	(691)
Miscellaneous	-	-	25,742	25,742
TOTAL REVENUES	<u>598,197</u>	<u>598,197</u>	<u>627,384</u>	<u>29,187</u>
EXPENDITURES				
Current				
Human services	602,197	602,197	601,661	536
Capital outlay	-	-	25,743	(25,743)
TOTAL EXPENDITURES	<u>602,197</u>	<u>602,197</u>	<u>627,404</u>	<u>(25,207)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,000)	(4,000)	(20)	3,980
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	-	-	3,980	3,980
FUND BALANCE - BEGINNING	-	-	245,809	245,809
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 249,789</u>	<u>\$ 249,789</u>

OKALOOSA COUNTY
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, 2022

	<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	\$ 585,674	\$ 585,674	\$ 605,980	\$ 20,306
Intergovernmental	-	255,304	52,352	(202,952)
Investment income (loss)	10,500	10,500	(2,682)	(13,182)
Miscellaneous	-	47,700	689	(47,011)
TOTAL REVENUES	<u>596,174</u>	<u>899,178</u>	<u>656,339</u>	<u>(242,839)</u>
EXPENDITURES				
Current				
Transportation	1,200,290	1,360,887	539,178	821,709
Capital outlay	46,222	349,226	69,802	279,424
Interest	25,895	25,895	2,356	23,539
TOTAL EXPENDITURES	<u>1,272,407</u>	<u>1,736,008</u>	<u>611,336</u>	<u>1,124,672</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(676,233)</u>	<u>(836,830)</u>	<u>45,003</u>	<u>881,833</u>
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	-	-	32	32
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>32</u>	<u>32</u>
NET CHANGE IN FUND BALANCE	(676,233)	(836,830)	45,035	881,865
FUND BALANCE - BEGINNING	<u>676,233</u>	<u>836,830</u>	<u>716,840</u>	<u>(119,990)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 761,875</u>	<u>\$ 761,875</u>

OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
UNINCORPORATED MUNICIPAL SERVICES TAXING UNIT FRAUD
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 1,770,610	\$ 1,770,610	\$ 1,776,390	\$ 5,780
Charges for services	15,200	15,200	21,131	5,931
Investment income (loss)	-	-	(3,359)	(3,359)
TOTAL REVENUES	<u>1,785,810</u>	<u>1,785,810</u>	<u>1,794,162</u>	<u>8,352</u>
EXPENDITURES				
Current				
Culture and recreation	1,594,778	1,610,783	1,203,687	407,096
Capital outlay	3,325,747	3,313,247	1,237,786	2,075,461
TOTAL EXPENDITURES	<u>4,920,525</u>	<u>4,924,030</u>	<u>2,441,473</u>	<u>2,482,557</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,134,715)</u>	<u>(3,138,220)</u>	<u>(647,311)</u>	<u>2,490,909</u>
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	-	-	223	223
TOTAL TRANSFERS AMONG SOURCES (USES)	<u>-</u>	<u>-</u>	<u>223</u>	<u>223</u>
NET CHANGE IN FUND BALANCE	(3,134,715)	(3,138,220)	(647,088)	2,491,132
FUND BALANCE - BEGINNING	3,134,715	3,138,220	3,138,220	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,491,132</u>	<u>\$ 2,491,132</u>

OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
PRISONER BENEFIT SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<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	\$ 1,198,558	\$ 87,558
Investment income (loss)	-	-	(4,997)	(4,997)
TOTAL REVENUES	<u>1,111,000</u>	<u>1,111,000</u>	<u>1,193,561</u>	<u>82,561</u>
EXPENDITURES				
Current				
Public safety	2,117,078	1,960,767	922,070	1,038,697
Capital outlay	27,000	176,000	2,505	173,495
TOTAL EXPENDITURES	<u>2,144,078</u>	<u>2,136,767</u>	<u>924,575</u>	<u>1,212,192</u>
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(1,033,078)</u>	<u>(1,025,767)</u>	<u>268,986</u>	<u>1,294,753</u>
NET CHANGE IN FUND BALANCE	(1,033,078)	(1,025,767)	268,986	1,294,753
FUND BALANCE - BEGINNING	<u>1,033,078</u>	<u>1,025,767</u>	<u>1,025,867</u>	<u>100</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,294,853</u>	<u>\$ 1,294,853</u>

OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
ADDITIONAL COURT COST SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES				
Charges for services	\$ 1,486,900	\$ 1,486,900	\$ 1,297,990	\$ (188,910)
Investment income (loss)	2,300	2,300	(1,001)	(3,301)
Miscellaneous	53,000	53,000	64,047	11,047
TOTAL REVENUES	<u>1,542,200</u>	<u>1,542,200</u>	<u>1,361,036</u>	<u>(181,164)</u>
EXPENDITURES				
Current				
Court - related	1,802,915	1,802,915	1,037,213	765,702
Capital outlay	30,000	30,000	-	30,000
TOTAL EXPENDITURES	<u>1,832,915</u>	<u>1,832,915</u>	<u>1,037,213</u>	<u>795,702</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(290,715)</u>	<u>(290,715)</u>	<u>323,823</u>	<u>614,538</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(410,000)</u>	<u>(410,000)</u>	<u>(405,023)</u>	<u>4,977</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(410,000)</u>	<u>(410,000)</u>	<u>(405,023)</u>	<u>4,977</u>
NET CHANGE IN FUND BALANCE	(700,715)	(700,715)	(81,200)	619,515
FUND BALANCE - BEGINNING	700,715	700,715	438,977	(261,738)
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 357,777</u>	<u>\$ 357,777</u>

**OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
DRUG ABUSE TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines	\$ 10,000	\$ 10,000	\$ 10,623	\$ 623
Investment income (loss)	-	-	(595)	(595)
TOTAL REVENUES	<u>10,000</u>	<u>10,000</u>	<u>10,028</u>	<u>28</u>
EXPENDITURES				
Current				
Court- related	123,350	146,432	2,881	143,551
TOTAL EXPENDITURES	<u>123,350</u>	<u>146,432</u>	<u>2,881</u>	<u>143,551</u>
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(113,350)</u>	<u>(136,432)</u>	<u>7,147</u>	<u>143,579</u>
NET CHANGE IN FUND BALANCE	(113,350)	(136,432)	7,147	143,579
FUND BALANCE - BEGINNING	<u>113,350</u>	<u>136,432</u>	<u>117,347</u>	<u>(19,085)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 124,494</u>	<u>\$ 124,494</u>

OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
DOMESTIC VIOLENCE TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines	\$ 27,000	\$ 27,000	\$ 29,055	\$ 2,055
TOTAL REVENUES	<u>27,000</u>	<u>27,000</u>	<u>29,055</u>	<u>2,055</u>
EXPENDITURES				
Current				
Court-related	5,123	5,123	-	5,123
TOTAL EXPENDITURES	<u>5,123</u>	<u>5,123</u>	<u>-</u>	<u>5,123</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>21,877</u>	<u>21,877</u>	<u>29,055</u>	<u>7,178</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(27,589)	(27,589)	(29,055)	(1,466)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(27,589)</u>	<u>(27,589)</u>	<u>(29,055)</u>	<u>(1,466)</u>
NET CHANGE IN FUND BALANCE	(5,712)	(5,712)	-	5,712
FUND BALANCE - BEGINNING	5,712	5,712	5,712	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,712</u>	<u>\$ 5,712</u>

**OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
TRAFFIC EDUCATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<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	\$ 56,326	\$ (6,674)
Investment income (loss)	-	-	(830)	(830)
TOTAL REVENUES	<u>63,000</u>	<u>63,000</u>	<u>55,496</u>	<u>(7,504)</u>
EXPENDITURES				
Current				
Court-related	<u>273,851</u>	<u>178,392</u>	<u>-</u>	<u>178,392</u>
TOTAL EXPENDITURES	<u>273,851</u>	<u>178,392</u>	<u>-</u>	<u>178,392</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(210,851)</u>	<u>(115,392)</u>	<u>55,496</u>	<u>170,888</u>
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	<u>(60,767)</u>	<u>(60,767)</u>	<u>(30,202)</u>	<u>30,565</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(60,767)</u>	<u>(60,767)</u>	<u>(30,202)</u>	<u>30,565</u>
NET CHANGE IN FUND BALANCE	<u>(271,618)</u>	<u>(176,159)</u>	<u>25,294</u>	<u>201,453</u>
FUND BALANCE - BEGINNING	<u>271,618</u>	<u>176,159</u>	<u>175,359</u>	<u>(800)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,653</u>	<u>\$ 200,653</u>

**OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CHOCTAW ESTUARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES				
Intergovernmental	\$ 182,936	\$ 1,285,446	\$ 282,283	\$ (1,003,163)
Miscellaneous	-	-	500	500
TOTAL REVENUES	<u>182,936</u>	<u>1,285,446</u>	<u>282,783</u>	<u>(1,002,663)</u>
EXPENDITURES				
Current				
Physical environment	182,936	1,280,528	282,283	998,245
Capital outlay	-	4,918	-	4,918
TOTAL EXPENDITURES	<u>182,936</u>	<u>1,285,446</u>	<u>282,283</u>	<u>1,003,163</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</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>500</u>	<u>500</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 500</u>

OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
FIBER OPTIC FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<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	\$ 14,029	\$ 71,104	\$ 71,463	\$ 359
Investment income (loss)	-	-	(3,041)	(3,041)
TOTAL REVENUES	<u>14,029</u>	<u>71,104</u>	<u>68,422</u>	<u>(2,682)</u>
EXPENDITURES				
Current				
General government	437,067	632,617	389,068	243,549
Capital outlay	65,000	3,215,000	861,930	2,353,070
TOTAL EXPENDITURES	<u>502,067</u>	<u>3,847,617</u>	<u>1,250,998</u>	<u>2,596,619</u>
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(488,038)</u>	<u>(3,776,513)</u>	<u>(1,182,576)</u>	<u>2,593,937</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	400,000	-	(400,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>400,000</u>	<u>-</u>	<u>(400,000)</u>
NET CHANGE IN FUND BALANCE	<u>(488,038)</u>	<u>(3,376,513)</u>	<u>(1,182,576)</u>	<u>2,193,937</u>
FUND BALANCE - BEGINNING	<u>488,038</u>	<u>3,376,513</u>	<u>2,888,473</u>	<u>(488,040)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,705,897</u>	<u>\$ 1,705,897</u>

**OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COURTS SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 391,196	\$ 391,196	\$ 432,232	\$ 41,036
Charges for services	2,955,620	2,955,620	2,846,606	(109,014)
Fines	788,303	788,303	1,003,117	214,814
TOTAL REVENUES	4,135,119	4,135,119	4,281,955	146,836
EXPENDITURES				
Current				
Court- related	4,405,080	4,405,080	4,988,900	(583,820)
TOTAL EXPENDITURES	4,405,080	4,405,080	4,988,900	(583,820)
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(269,961)	(269,961)	(706,945)	(436,984)
OTHER FINANCING SOURCES (USES)				
Transfers in	269,961	269,961	706,945	436,984
TOTAL OTHER FINANCING SOURCES (USES)	269,961	269,961	706,945	436,984
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ -	\$ -

OKALOOSA COUNTY
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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 217,654	\$ 217,654	\$ 177,584	\$ (40,070)
Fines	373,279	373,279	-	(373,279)
TOTAL REVENUES	<u>590,933</u>	<u>590,933</u>	<u>177,584</u>	<u>(413,349)</u>
EXPENDITURES				
Current				
General government	440,933	440,933	-	440,933
TOTAL EXPENDITURES	<u>440,933</u>	<u>440,933</u>	<u>-</u>	<u>440,933</u>
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>150,000</u>	<u>150,000</u>	<u>177,584</u>	<u>27,584</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	(150,000)	(150,000)	(209,613)	(59,613)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(150,000)</u>	<u>(150,000)</u>	<u>(209,613)</u>	<u>(59,613)</u>
NET CHANGE IN FUND BALANCE	-	-	(32,029)	(32,029)
FUND BALANCE - BEGINNING	-	-	351,871	351,871
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 319,842</u>	<u>\$ 319,842</u>

OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
PUBLIC RECORDS COURTS SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<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	\$ 687,843	\$ 687,843	\$ 544,745	\$ (143,098)
Miscellaneous	1,060,855	1,060,855	-	(1,060,855)
TOTAL REVENUES	<u>1,748,698</u>	<u>1,748,698</u>	<u>544,745</u>	<u>(1,203,953)</u>
EXPENDITURES				
Current				
Court- related	1,373,941	1,373,941	-	1,373,941
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>1,373,941</u>	<u>1,373,941</u>	<u>-</u>	<u>1,373,941</u>
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>374,757</u>	<u>374,757</u>	<u>544,745</u>	<u>169,988</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	(374,757)	(374,757)	(1,313,810)	(939,053)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(374,757)</u>	<u>(374,757)</u>	<u>(1,313,810)</u>	<u>(939,053)</u>
NET CHANGE IN FUND BALANCE	-	-	(769,065)	(769,065)
FUND BALANCE - BEGINNING	-	-	951,973	951,973
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 182,908</u>	<u>\$ 182,908</u>

**OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
FEDERAL LAW ENFORCEMENT TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<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	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
Public safety	-	-	58,250	(58,250)
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>58,250</u>	<u>(58,250)</u>
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>(58,250)</u>	<u>(58,250)</u>
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	-	-	58,250	58,250
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>58,250</u>	<u>58,250</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
TEEN DRIVER CHALLENGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<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	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
Public safety	45,902	45,902	30,202	15,700
TOTAL EXPENDITURES	<u>45,902</u>	<u>45,902</u>	<u>30,202</u>	<u>15,700</u>
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(45,902)</u>	<u>(45,902)</u>	<u>(30,202)</u>	<u>15,700</u>
OTHER FINANCING SOURCES (USES)				
Transfers among constitutional officers	45,902	45,902	30,202	(15,700)
TOTAL OTHER FINANCING SOURCES (USES)	<u>45,902</u>	<u>45,902</u>	<u>30,202</u>	<u>(15,700)</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OKALOOSA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
OKALOOSA DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 446,500	\$ 446,500	\$ 446,500	\$ -
Investment income (loss)	-	-	482	482
TOTAL REVENUES	<u>446,500</u>	<u>446,500</u>	<u>446,982</u>	<u>482</u>
EXPENDITURES				
Current				
General government	613,870	613,870	190,750	423,120
Debt service				
Principal	2,412,000	2,412,000	2,401,000	11,000
Interest	3,223,716	3,320,936	3,316,465	4,471
Other debt service costs	-	-	1,913	(1,913)
TOTAL EXPENDITURES	<u>6,249,586</u>	<u>6,346,806</u>	<u>5,910,128</u>	<u>436,678</u>
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5,803,086)</u>	<u>(5,900,306)</u>	<u>(5,463,146)</u>	<u>437,160</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	5,352,441	5,449,661	5,347,464	(102,197)
Transfers out	(255,750)	(255,750)	(255,750)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,096,691</u>	<u>5,193,911</u>	<u>5,091,714</u>	<u>(102,197)</u>
NET CHANGE IN FUND BALANCE	<u>(706,395)</u>	<u>(706,395)</u>	<u>(371,432)</u>	<u>334,963</u>
FUND BALANCE - BEGINNING	<u>706,395</u>	<u>706,395</u>	<u>323,769</u>	<u>(382,626)</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (47,663)</u>	<u>\$ (47,663)</u>

OKALOOSA COUNTY
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, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 1,798,634	\$ 1,798,634	\$ 1,810,247	\$ 11,613
Intergovernmental	120,000	2,620,000	102,566	(2,517,434)
Investment income (loss)	-	-	(570,122)	(570,122)
Miscellaneous	-	-	200	200
TOTAL REVENUES	<u>1,918,634</u>	<u>4,418,634</u>	<u>1,342,891</u>	<u>(3,075,743)</u>
EXPENDITURES				
Current				
Culture and recreation	316,315	316,315	69,141	247,174
Capital outlay	2,980,823	6,920,088	2,571,935	4,348,153
Physical environment	-	2,500,000	-	2,500,000
TOTAL EXPENDITURES	<u>3,297,138</u>	<u>9,736,403</u>	<u>2,641,076</u>	<u>7,095,327</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,378,504)</u>	<u>(5,317,769)</u>	<u>(1,298,185)</u>	<u>4,019,584</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	350,260	1,590,184	406,113	(1,184,071)
Issuance of debt	-	-	19,700,000	19,700,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>350,260</u>	<u>1,590,184</u>	<u>20,106,113</u>	<u>18,515,929</u>
NET CHANGE IN FUND BALANCE	<u>(1,028,244)</u>	<u>(3,727,585)</u>	<u>18,807,928</u>	<u>22,535,513</u>
FUND BALANCE - BEGINNING	<u>1,028,244</u>	<u>3,727,585</u>	<u>3,727,583</u>	<u>(2)</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,535,511</u>	<u>\$ 22,535,511</u>

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**OKALOOSA COUNTY
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

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
COMBINING STATEMENT ON NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Business-Type Activities		
	Inspection and Code Enforcement	Tax Collector Building Maintenance	Total Nonmajor Enterprise Funds
ASSETS			
Current assets			
Cash and cash equivalents	\$ 1,069,421	\$ 320,458	\$ 1,389,879
Investments	4,708,566	-	4,708,566
Receivables, net of allowance for uncollectible	23,320	-	23,320
Prepays	2,352	-	2,352
Total current assets	<u>5,803,659</u>	<u>320,458</u>	<u>6,124,117</u>
Capital assets			
Intangible	42,425	-	42,425
Machinery and equipment	408,636	-	408,636
Less accumulated depreciation/ amortization	<u>(345,960)</u>	<u>-</u>	<u>(345,960)</u>
Total capital assets (net of accumulated depreciation/amortization)	<u>105,101</u>	<u>-</u>	<u>105,101</u>
Total noncurrent assets	<u>105,101</u>	<u>-</u>	<u>105,101</u>
TOTAL ASSETS	<u>\$ 5,908,760</u>	<u>\$ 320,458</u>	<u>\$ 6,229,218</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges related to pensions	305,023	-	305,023
Deferred charges related to OPEB	<u>3,365</u>	<u>-</u>	<u>3,365</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>308,388</u>	<u>-</u>	<u>308,388</u>
TOTAL ASSETS AND DEFERRED			
OUTFLOWS OF RESOURCES	<u>\$ 6,217,148</u>	<u>\$ 320,458</u>	<u>\$ 6,537,606</u>

**OKALOOSA COUNTY
COMBINING STATEMENT ON NET POSITION
NONMAJOR ENTERPRISE FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	Business-Type Activities		
	Inspection and Code Enforcement	Tax Collector Building Maintenance	Total Nonmajor Enterprise Funds
LIABILITIES			
Current liabilities			
Accounts payable	\$ 7,560	\$ -	\$ 7,560
Contracts payable	7,527	-	7,527
Compensated absences	147,940	-	147,940
Other accrued liabilities	60,090	-	60,090
Due to other governments	20,521	-	20,521
Unearned revenue	30,805	-	30,805
Total current liabilities	<u>274,443</u>	<u>-</u>	<u>274,443</u>
Noncurrent liabilities			
Compensated absences	110,996	-	110,996
Other post employment benefits	56,730	-	56,730
Net pension liability	1,405,108	-	1,405,108
Total noncurrent liabilities	<u>1,572,834</u>	<u>-</u>	<u>1,572,834</u>
TOTAL LIABILITIES	<u><u>\$ 1,847,277</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,847,277</u></u>
DEFERRED INFLOWS OF RESOURCES			
Deferred charges related to pensions	19,679	-	19,679
Deferred charges related to OPEB	17,938	-	17,938
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>37,617</u>	<u>-</u>	<u>37,617</u>
NET POSITION			
Net Investment in capital assets	105,101	-	105,101
Unrestricted (deficit)	4,227,153	320,458	4,547,611
NET POSITION (DEFICIT)	<u>4,332,254</u>	<u>320,458</u>	<u>4,652,712</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION (DEFICIT)	<u><u>\$ 6,217,148</u></u>	<u><u>\$ 320,458</u></u>	<u><u>\$ 6,537,606</u></u>

**OKALOOSA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGE IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Business-Type Activities		
	Inspection and Code Enforcement	Tax Collector Building Maintenance	Total Nonmajor Enterprise Funds
OPERATING REVENUES			
Licenses and permits	\$ 3,001,435	\$ -	\$ 3,001,435
Charges for services	494,403	-	494,403
Miscellaneous	7,535	44,061	51,596
Total operating revenues	<u>3,503,373</u>	<u>44,061</u>	<u>3,547,434</u>
OPERATING EXPENSES			
Personal services	1,845,542	-	1,845,542
Contractual services	582,811	-	582,811
Supplies	50,947	-	50,947
Other operating expenses	147,680	-	147,680
Depreciation/ amortization	32,231	-	32,231
Total operating revenues	<u>2,659,211</u>	<u>-</u>	<u>2,659,211</u>
OPERATING INCOME	844,162	44,061	888,223
NONOPERATING REVENUES (EXPENSES)			
Investment income (loss)	(17,610)	-	(17,610)
Total nonoperating revenues (expenses)	(17,610)	-	(17,610)
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	<u>826,552</u>	<u>44,061</u>	<u>870,613</u>
CHANGE IN NET POSITION	826,552	44,061	870,613
NET POSITION - BEGINNING	<u>3,505,702</u>	<u>276,397</u>	<u>3,782,099</u>
NET POSITION - ENDING	<u>\$ 4,332,254</u>	<u>\$ 320,458</u>	<u>\$ 4,652,712</u>

**OKALOOSA COUNTY
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Business-Type Activities		
	Inspection and Code Enforcement	Tax Collector Building Maintenance	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from users	\$ 3,565,860	\$ 44,061	\$ 3,609,921
Payments to suppliers	(760,529)	-	(760,529)
Payments to employees	(1,814,488)	-	(1,814,488)
Net cash provided by operating activities	<u>990,843</u>	<u>44,061</u>	<u>1,034,904</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(62,999)	-	(62,999)
Net cash used in capital and related financing activities	<u>(62,999)</u>	<u>-</u>	<u>(62,999)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Investments	(1,482,391)	-	(1,482,391)
Interest Income (loss)	(17,610)	-	(17,610)
Net cash used in investing activities	<u>(1,500,001)</u>	<u>-</u>	<u>(1,500,001)</u>
Net increase (decrease) in cash and cash equivalents	(572,157)	44,061	(528,096)
Cash and cash equivalents - beginning of year	1,641,578	276,397	1,917,975
Cash and cash equivalents - end of year	<u>\$ 1,069,421</u>	<u>\$ 320,458</u>	<u>\$ 1,389,879</u>
Cash and cash equivalents at end of year consist of:			
Current assets	<u>\$ 1,069,421</u>	<u>\$ 320,458</u>	<u>\$ 1,389,879</u>
Total	<u>\$ 1,069,421</u>	<u>\$ 320,458</u>	<u>\$ 1,389,879</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
operating income (loss)	\$ 844,162	\$ 44,061	\$ 888,223
Adjustments to reconcile operating income to net cash provided by (used in) operating activities			
depreciation/ amortization	32,231	-	32,231
Decrease (increase) in assets			
Accounts receivables	59,985	-	59,985
Prepaid expenses	6,611	-	6,611
Deferred outflows	(105,327)	-	(105,327)
Increase (decrease) in liabilities			
Accounts payable	5,436	-	5,436
Contracts payable	6,032	-	6,032
Due to elected officials	(377)	-	(377)
Due to other governments	(3,223)	-	(3,223)
Accrued liabilities	(1,939)	-	(1,939)
Compensated absences	5,609	-	5,609
Other post employment benefits	(8,094)	-	(8,094)
Deferred revenue	2,672	-	2,672
Customer deposits	(170)	-	(170)
Net pension liability	1,119,055	-	1,119,055
Deferred inflows	(971,820)	-	(971,820)
Net cash provided by operating activities	<u>\$ 990,843</u>	<u>\$ 44,061</u>	<u>\$ 1,034,904</u>

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**OKALOOSA COUNTY
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
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2022**

	<u>Self- Insurance</u>	<u>Garage Services</u>	<u>Tax Collector FSEBT</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 293,292	\$ 779	\$ -
Investments	4,726,203	-	-
Receivables, net of allowance for uncollectible	2,064	5,266	-
Due from other funds	1,000,000	-	-
Due from other elected officials	-	1,510	-
Due from other governments	5,773	110,512	-
Amounts held by others for benefits	-	-	457,753
Inventory	-	245,563	-
Prepays	464,706	-	-
Total current assets	<u>6,492,038</u>	<u>363,630</u>	<u>457,753</u>
Noncurrent assets			
Capital assets			
Land	-	316,861	-
Buildings	-	960,999	-
Machinery and equipment	20,889	1,602,156	-
Infrastructure	-	257,345	-
Depreciation/ amortization	<u>(20,694)</u>	<u>(2,499,902)</u>	<u>-</u>
Total capital assets (net of accumulated depreciation/ amortization)	<u>195</u>	<u>637,459</u>	<u>-</u>
TOTAL ASSETS	<u>6,492,233</u>	<u>1,001,089</u>	<u>457,753</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges related to pensions	64,545	571,718	-
Deferred charges related to OPEB	754	4,802	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>65,299</u>	<u>576,520</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 6,557,532</u>	<u>\$ 1,577,609</u>	<u>\$ 457,753</u>

**OKALOOSA COUNTY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	<u>Self- Insurance</u>	<u>Garage Services</u>	<u>Tax Collector FSEBT</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 24,696	\$ 80,528	\$ -
Contracts payable	395	223,031	-
Compensated absences	12,163	75,073	-
Claims and judgments	1,455,000	-	33,947
Other accrued liabilities	14,041	45,508	-
Due to other funds	-	1,752,000	-
Due to other elected official	120		
Due to depositors	1,366	-	-
Total current liabilities	<u>1,507,781</u>	<u>2,176,140</u>	<u>33,947</u>
NONCURRENT LIABILITIES			
Compensated absences	2,262	57,626	-
Claims and judgements	4,046,000	-	-
Other post employment benefits	12,707	80,950	-
Net pension liability	303,670	2,018,875	-
Total noncurrent liabilities	<u>4,364,639</u>	<u>2,157,451</u>	<u>-</u>
TOTAL LIABILITIES	<u>5,872,420</u>	<u>4,333,591</u>	<u>33,947</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred charges related to pensions	40,181	211,867	-
Deferred charges related to OPEB	4,018	25,597	-
Total deferred inflows of resources	<u>44,199</u>	<u>237,464</u>	<u>-</u>
NET POSITION			
Net investment in capital assets	195	637,459	-
Unrestricted (deficit)	640,718	(3,630,905)	423,806
TOTAL NET POSITION (DEFICIT)	<u>640,913</u>	<u>(2,993,446)</u>	<u>423,806</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION (DEFICIT)	<u>\$ 6,557,532</u>	<u>\$ 1,577,609</u>	<u>\$ 457,753</u>

**OKALOOSA COUNTY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	<u>Sherriff Compensated Absences</u>	<u>Sheriff Health Benefits Self Insurance</u>	<u>Total Internal Service Funds</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 1,665,028	\$ -	\$ 1,959,099
Investments	-	-	4,726,203
Receivables, net of allowance for uncollectible	-	-	7,330
Due from other funds	13,823	250,000	1,263,823
Due from other elected officials	-	-	1,510
Due from other governments	-	-	116,285
Amounts held by others for benefits	-	4,307,747	4,765,500
Inventory	-	-	245,563
Prepays	-	-	464,706
Total current assets	<u>1,678,851</u>	<u>4,557,747</u>	<u>13,550,019</u>
Noncurrent assets			
Capital assets			
Land	-	-	316,861
Buildings	-	-	960,999
Machinery and equipment	-	-	1,623,045
Infrastructure	-	-	257,345
Depreciation/ amortization	-	-	(2,520,596)
Total capital assets (net of accumulated depreciation/ amortization)	<u>-</u>	<u>-</u>	<u>637,654</u>
TOTAL ASSETS	<u>1,678,851</u>	<u>4,557,747</u>	<u>14,187,673</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges related to pensions	-	-	636,263
Deferred charges related to OPEB	-	1,647,412	1,652,968
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>1,647,412</u>	<u>2,289,231</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,678,851</u>	<u>\$ 6,205,159</u>	<u>\$ 16,476,904</u>

**OKALOOSA COUNTY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	<u>Sherriff Compensated Absences</u>	<u>Sheriff Health Benefits Self Insurance</u>	<u>Total Internal Service Funds</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ -	\$ 250,000	\$ 355,224
Contracts payable	-	-	223,426
Compensated absences	1,678,851	-	1,766,087
Claims and judgments	-	532,749	2,021,696
Other accrued liabilities	-	-	59,549
Due to other funds	-	-	1,752,000
Due to other elected official	-	-	120
Due to depositors	-	-	1,366
Total current liabilities	<u>1,678,851</u>	<u>782,749</u>	<u>6,179,468</u>
NONCURRENT LIABILITIES			
Compensated absences	-	-	59,888
Claims and judgements	-	-	4,046,000
Other post employment benefits	-	7,380,123	7,473,780
Net pension liability	-	-	2,322,545
Total noncurrent liabilities	<u>-</u>	<u>7,380,123</u>	<u>13,902,213</u>
TOTAL LIABILITIES	<u>1,678,851</u>	<u>8,162,872</u>	<u>20,081,681</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred charges related to pensions	-	-	252,048
Deferred charges related to OPEB	-	416,759	446,374
Total deferred inflows of resources	<u>-</u>	<u>416,759</u>	<u>698,422</u>
NET POSITION			
Net investment in capital assets	-	-	637,654
Unrestricted (deficit)	<u>-</u>	<u>(2,374,472)</u>	<u>(4,940,853)</u>
TOTAL NET POSITION (DEFICIT)	<u>-</u>	<u>(2,374,472)</u>	<u>(4,303,199)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION (DEFICIT)	<u>\$ 1,678,851</u>	<u>\$ 6,205,159</u>	<u>\$ 16,476,904</u>

**OKALOOSA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Self- Insurance</u>	<u>Garage Services</u>	<u>Tax Collector FSEBT</u>
OPERATING REVENUES			
Charges for services	\$ 4,828,322	\$ 4,854,418	\$ 948,473
Miscellaneous	1,377,202	-	-
Total operating revenues	<u>6,205,524</u>	<u>4,854,418</u>	<u>948,473</u>
OPERATING EXPENSES			
Personal services	1,206,354	1,488,052	-
Contractual services	226,197	15,144	-
Supplies	14,943	3,703,553	-
Insurance premiums and claims	2,805,523	-	558,436
Utilities	-	5,040	-
Other operating expenses	29,275	309,152	66,231
Depreciation/ amortization	333	74,745	-
Total operating expenses	<u>4,282,625</u>	<u>5,595,686</u>	<u>624,667</u>
Operating income (loss)	<u>1,922,899</u>	<u>(741,268)</u>	<u>323,806</u>
NONOPERATING REVENUES (EXPENSES)			
Investment Income (loss)	(26,588)	-	-
Gain/loss on disposal of capital assets	-	52,791	-
Total nonoperating revenues (expenses)	<u>(26,588)</u>	<u>52,791</u>	<u>-</u>
Income (loss) before contributions and transfers	<u>1,896,311</u>	<u>(688,477)</u>	<u>323,806</u>
CHANGES IN NET POSITION	1,896,311	(688,477)	323,806
TOTAL NET POSITION - BEGINNING	<u>(1,255,398)</u>	<u>(2,304,969)</u>	<u>100,000</u>
TOTAL NET POSITION (DEFICIT) - ENDING	<u>\$ 640,913</u>	<u>\$ (2,993,446)</u>	<u>\$ 423,806</u>

**OKALOOSA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	Sheriff Compensated Absences	Sheriff Health Benefits Self Insurance	Total Internal Service Funds
OPERATING REVENUES			
Charges for services	\$ -	\$ 7,508,243	\$ 18,139,456
Miscellaneous	-	-	1,377,202
Total operating revenues	-	7,508,243	19,516,658
OPERATING EXPENSES			
Personal services	-	130,901	2,825,307
Contractual services	-	-	241,341
Supplies	-	-	3,718,496
Insurance premiums and claims	-	6,064,790	9,428,749
Utilities	-	-	5,040
Other operating expenses	-	425,670	830,328
Depreciation/ amortization	-	-	75,078
Total operating expenses	-	6,621,361	17,124,339
Operating income (loss)	-	886,882	2,392,319
NONOPERATING REVENUES (EXPENSES)			
Investment Income (loss)		-	(26,588)
Gain/loss on disposal of capital assets		-	52,791
Total nonoperating revenues (expenses)	-	-	26,203
Income (loss) before contributions and transfers	-	886,882	2,418,522
CHANGES IN NET POSITION	-	886,882	2,418,522
TOTAL NET POSITION - BEGINNING	-	(3,261,354)	(6,721,721)
TOTAL NET POSITION (DEFICIT) - ENDING	\$ -	\$ (2,374,472)	\$ (4,303,199)

**OKALOOSA COUNTY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<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>
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 6,223,320	\$ 4,949,450	\$ -	\$ 115,711	\$ -	\$ 11,288,481
Receipt from users	-	-	948,473	-	7,514,193	8,462,666
Transfers of cash to others for benefits	-	-	(457,753)	-	(4,307,747)	(4,765,500)
Receipts from interfund services provided	(2,849,656)	(4,070,262)	-	-	-	(6,919,918)
Payments to suppliers	(1,185,729)	(1,435,698)	(590,720)	-	(6,653,898)	(9,866,045)
Net cash provided by (used in) operating activities	<u>2,187,935</u>	<u>(556,510)</u>	<u>(100,000)</u>	<u>115,711</u>	<u>(3,447,452)</u>	<u>(1,800,316)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES						
Net interfund activity	(1,000,000)	501,711	-	-	-	(498,289)
Net cash provided by (used in) non-capital financing activities	<u>(1,000,000)</u>	<u>501,711</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(498,289)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of Capital Assets	-	(69,044)	-	-	-	(69,044)
Proceeds from Disposal of Capital Assets	-	78,234	-	-	-	78,234
Net cash used in capital and related financing activities	<u>-</u>	<u>9,190</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,190</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases on investments	(1,973,171)	-	-	-	-	(1,973,171)
Interest income (loss)	(26,587)	-	-	-	-	(26,587)
Net cash used in investing activities	<u>(1,999,758)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,999,758)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(811,823)	(45,609)	(100,000)	115,711	(3,447,452)	(4,289,173)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	1,105,115	46,388	100,000	1,549,317	3,447,452	6,248,272
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 293,292</u>	<u>\$ 779</u>	<u>\$ -</u>	<u>\$ 1,665,028</u>	<u>\$ -</u>	<u>\$ 1,959,099</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR CONSIST OF:						
Current assets	\$ 293,292	\$ 779	\$ -	\$ 1,665,028	\$ -	\$ 1,959,099
Total	<u>\$ 293,292</u>	<u>\$ 779</u>	<u>\$ -</u>	<u>\$ 1,665,028</u>	<u>\$ -</u>	<u>\$ 1,959,099</u>

**OKALOOSA COUNTY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<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)	\$ 1,922,899	\$ (741,268)	\$ 323,806	\$ -	\$ 886,882	\$ 2,392,319
Adjustments to reconcile operating income to net cash provided by (used in) operating activities						
Depreciation/ amortization	333	74,745	-	-	-	75,078
Decrease (increase) in assets						
Accounts receivable	27,328	90,644	-	-	50,450	168,422
Amounts held by others for benefits	-	-	(457,753)	-	(4,307,747)	(4,765,500)
Due from other governments	(5,773)	4,388	-	-	-	(1,385)
Inventories	-	(80,184)	-	-	-	(80,184)
Due from other funds	-	-	-	101,888	(44,500)	57,388
Prepaid expenses	(7,379)	-	-	-	-	(7,379)
Deferred outflows	(27,437)	(92,205)	-	-	(1,197,116)	(1,316,758)
Increase (decrease) in liabilities						
Accounts payable	16,900	(93,134)	-	-	250,000	173,766
Contracts payable	(16,830)	171,812	-	-	-	154,982
Due to elected officials	120	-	-	-	-	120
Accrued liabilities	183	(6,827)	-	-	-	(6,644)
Compensated absences	3,110	(6,316)	-	13,823	-	10,617
Claims and judgements payable	242,000	-	-	-	(413,438)	(171,438)
Claims incurred but not reported	-	-	33,947	-	-	33,947
Other post employment benefits	(1,812)	(11,551)	-	-	1,376,176	1,362,813
Deferred revenue	(2,724)	-	-	-	-	(2,724)
Customer deposits	(1,035)	-	-	-	-	(1,035)
Net pension liability	291,927	973,092	-	-	-	1,265,019
Deferred inflows	(253,875)	(839,706)	-	-	(48,159)	(1,141,740)
Net cash provided by (used in) operating activities	<u>\$ 2,187,935</u>	<u>\$ (556,510)</u>	<u>\$ (100,000)</u>	<u>\$ 115,711</u>	<u>\$ (3,447,452)</u>	<u>\$ (1,800,316)</u>

**OKALOOSA COUNTY
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2022**

	<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>
ASSETS						
Cash and cash equivalents	\$ 100,139	\$ 29,282	\$ 444,520	\$ 60,934	\$ 18,959,318	\$ 36,808
Investments	285,000	-	710,000	-	-	-
Accounts receivable	-	-	-	7,328	6,667	-
Due from other governments	-	-	-	24,651	-	-
Total assets	<u>385,139</u>	<u>29,282</u>	<u>1,154,520</u>	<u>92,913</u>	<u>18,965,985</u>	<u>36,808</u>
LIABILITIES						
Due to other funds	-	-	-	-	-	-
Due to other elected officials	89,299	-	-	-	-	36,808
Due to other governments	295,840	5	6,059	459	4,593	-
Due to depositors	-	29,277	-	92,454	-	-
Taxes collected in advance for other governments	-	-	-	-	-	-
Total liabilities	<u>385,139</u>	<u>29,282</u>	<u>6,059</u>	<u>92,913</u>	<u>4,593</u>	<u>36,808</u>
NET POSITION						
Restricted for individuals, organizations, and other governments	-	-	1,148,461	-	18,961,392	-
TOTAL NET POSITION	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,148,461</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 18,961,392</u></u>	<u><u>\$ -</u></u>

**OKALOOSA COUNTY
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	<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	\$ 423,728	\$ -	\$ 27,070	\$ 2,050	\$ 861,890	\$ 500,623
Investments	430,000	-	150,000	-	459,000	275,000
Accounts receivable	-	150	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total assets	<u>853,728</u>	<u>150</u>	<u>177,070</u>	<u>2,050</u>	<u>1,320,890</u>	<u>775,623</u>
LIABILITIES						
Due to other funds	-	150	-	-	-	-
Due to other elected officials	-	-	-	-	-	-
Due to other governments	853,728	-	16,361	2,050	-	69,815
Due to depositors	-	-	-	-	-	-
Taxes collected in advance for other governments	-	-	-	-	-	-
Total liabilities	<u>853,728</u>	<u>150</u>	<u>16,361</u>	<u>2,050</u>	<u>-</u>	<u>69,815</u>
NET POSITION						
Restricted for individuals, organizations, and other governments	-	-	160,709	-	1,320,890	705,808
TOTAL NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 160,709</u>	<u>\$ -</u>	<u>\$ 1,320,890</u>	<u>\$ 705,808</u>

**OKALOOSA COUNTY
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
SEPTEMBER 30, 2022**

	<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	\$ 3,970	\$ 5,207	\$ 3,003,382	\$ 4,331,230	\$ 2,133,792	\$ 30,923,943
Investments	-	-	-	-	-	2,309,000
Accounts receivable	-	-	19,046	-	-	33,191
Due from other governments	-	-	-	-	-	24,651
Total assets	<u>3,970</u>	<u>5,207</u>	<u>3,022,428</u>	<u>4,331,230</u>	<u>2,133,792</u>	<u>33,290,785</u>
LIABILITIES						
Due to other funds	-	-	32,008	-	-	32,158
Due to other elected officials	-	-	76,185	-	-	202,292
Due to other governments	-	-	48,633	-	-	1,297,543
Due to depositors	-	-	33,490	-	-	155,221
Taxes collected in advance for other governments	-	-	2,803,395	-	-	2,803,395
Total liabilities	<u>-</u>	<u>-</u>	<u>2,993,711</u>	<u>-</u>	<u>-</u>	<u>4,490,609</u>
NET POSITION						
Restricted for individuals, organizations, and other governments	<u>3,970</u>	<u>5,207</u>	<u>28,717</u>	<u>4,331,230</u>	<u>2,133,792</u>	<u>28,800,176</u>
TOTAL NET POSITION	<u>\$ 3,970</u>	<u>\$ 5,207</u>	<u>\$ 28,717</u>	<u>\$ 4,331,230</u>	<u>\$ 2,133,792</u>	<u>\$ 28,800,176</u>

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**OKALOOSA COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<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	4,724,672	-	-	-	-	-
Witness advanced funding	-	6,403	-	-	-	-
Tax deeds and fees collected	-	-	1,007,471	-	-	-
Child support collected	-	-	-	1,703,133	-	-
Registry of the court and fees collected	-	-	-	-	53,238,202	-
Recording fees collected	-	-	-	-	-	573,458
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>4,724,672</u>	<u>6,403</u>	<u>1,007,471</u>	<u>1,703,133</u>	<u>53,238,202</u>	<u>573,458</u>

**OKALOOSA COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<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	60,023,884	-	-	-	-	-
Probation fees collected	-	679	-	-	-	-
Restitution and escrow funds collected	-	-	363,557	-	-	-
Juvenile restitution collected	-	-	-	21,119	-	-
Online foreclosure funds collected	-	-	-	-	2,477,994	-
Cash bonds collected	-	-	-	-	-	613,391
County related taxes and fees	-	-	-	-	-	-
State related licenses and fees	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total additions	<u>60,023,884</u>	<u>679</u>	<u>363,557</u>	<u>21,119</u>	<u>2,477,994</u>	<u>613,391</u>

OKALOOSA COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<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	\$ -	\$ 2,860	\$ -	\$ -	\$ -	\$ 2,860
Fines and forfeitures and fees collected	-	-	-	-	-	4,724,672
Witness advanced funding	-	-	-	-	-	6,403
Tax deeds and fees collected	-	-	-	-	-	1,007,471
Child support collected	-	-	-	-	-	1,703,133
Registry of the court and fees collected	-	-	-	-	-	53,238,202
Recording fees collected	-	-	-	-	-	573,458
Documentary stamps and intangible tax collected	-	-	-	-	-	60,023,884
Probation fees collected	-	-	-	-	-	679
Restitution and escrow funds collected	-	-	-	-	-	363,557
Juvenile restitution collected	-	-	-	-	-	21,119
Online foreclosure funds collected	-	-	-	-	-	2,477,994
Cash bonds collected	-	-	-	-	-	613,391
County related taxes and fees	-	-	382,569,263	-	-	382,569,263
State related licenses and fees	-	-	33,635,041	-	-	33,635,041
Other	-	-	750,469	526,559	445,349	1,722,377
	<u>-</u>	<u>2,860</u>	<u>416,954,773</u>	<u>526,559</u>	<u>445,349</u>	<u>542,683,504</u>
Total additions	-	2,860	416,954,773	526,559	445,349	542,683,504

**OKALOOSA COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<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>
DEDUCTIONS						
Distributions to individuals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures and fees disbursed	4,724,672	-	-	-	-	-
Witness advanced funding	-	6,403	-	-	-	-
Tax deeds and fees disbursed	-	-	1,141,069	-	-	-
Child support collected	-	-	-	1,703,133	-	-
Registry of the court and fees disbursed	-	-	-	-	36,125,867	-
Recording fees disbursed	-	-	-	-	-	573,458
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	<u>4,724,672</u>	<u>6,403</u>	<u>1,141,069</u>	<u>1,703,133</u>	<u>36,125,867</u>	<u>573,458</u>
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-	-	(133,598)	-	17,112,335	-
TOTAL NET POSITION - BEGINNING, AS RESTATED	<u>-</u>	<u>-</u>	<u>1,282,059</u>	<u>-</u>	<u>1,849,057</u>	<u>-</u>
TOTAL NET POSITION - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,148,461</u>	<u>\$ -</u>	<u>\$ 18,961,392</u>	<u>\$ -</u>

OKALOOSA COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	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 collected	-	-	-	-	-	-
Registry of the court and fees disbursed	-	-	-	-	-	-
Recording fees disbursed	-	-	-	-	-	-
Documentary stamps and intangible tax disbursed	60,023,884	-	-	-	-	-
Probation fees disbursed	-	679	-	-	-	-
Restitution and escrow funds disbursed	-	-	369,543	-	-	-
Juvenile restitution disbursed	-	-	-	21,119	-	-
Online foreclosure funds disbursed	-	-	-	-	2,215,960	-
Cash bonds disbursed	-	-	-	-	-	511,825
County related taxes and fees	-	-	-	-	-	-
State related licenses and fees	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total deductions	<u>60,023,884</u>	<u>679</u>	<u>369,543</u>	<u>21,119</u>	<u>2,215,960</u>	<u>511,825</u>
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-	-	(5,986)	-	262,034	101,566
TOTAL NET POSITION - BEGINNING, AS RESTATED	<u>-</u>	<u>-</u>	<u>166,695</u>	<u>-</u>	<u>1,058,856</u>	<u>604,242</u>
TOTAL NET POSITION - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 160,709</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,320,890</u></u>	<u><u>\$ 705,808</u></u>

OKALOOSA COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Individual Depositors</u>	<u>Suspense (Levies)</u>	<u>Disbursements</u>	<u>Airport Escrow</u>	<u>Water and Sewer Escrow</u>	<u>Total</u>
DEDUCTIONS						
Distributions to individuals	\$ 300	\$ -	\$ -	\$ -	\$ -	\$ 300
Fines and forfeitures and fees collected	-	-	-	-	-	4,724,672
Witness advanced funding	-	-	-	-	-	6,403
Tax deeds and fees collected	-	-	-	-	-	1,141,069
Child support collected	-	-	-	-	-	1,703,133
Registry of the court and fees collected	-	-	-	-	-	36,125,867
Recording fees collected	-	-	-	-	-	573,458
Documentary stamps and intangible tax collected	-	-	-	-	-	60,023,884
Probation fees disbursed	-	-	-	-	-	679
Restitution and escrow funds collected	-	-	-	-	-	369,543
Juvenile restitution collected	-	-	-	-	-	21,119
Online foreclosure funds collected	-	-	-	-	-	2,215,960
Cash bonds collected	-	-	-	-	-	511,825
County related taxes and fees	-	-	382,560,400	-	-	382,560,400
State related licenses and fees	-	-	33,635,041	-	-	33,635,041
Other	-	-	745,061	508,002	1,200	1,254,263
	<u>300</u>	<u>-</u>	<u>416,940,502</u>	<u>508,002</u>	<u>1,200</u>	<u>524,867,616</u>
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	(300)	2,860	14,271	18,557	444,149	17,815,888
TOTAL NET POSITION - BEGINNING, AS RESTATED	<u>4,270</u>	<u>2,347</u>	<u>14,446</u>	<u>4,312,673</u>	<u>1,689,643</u>	<u>10,984,288</u>
TOTAL NET POSITION - ENDING	<u>\$ 3,970</u>	<u>\$ 5,207</u>	<u>\$ 28,717</u>	<u>\$ 4,331,230</u>	<u>\$ 2,133,792</u>	<u>\$ 28,800,176</u>

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III. STATISTICAL SECTION (UNAUDITED)

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OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022

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, 2022**

UNAUDITED

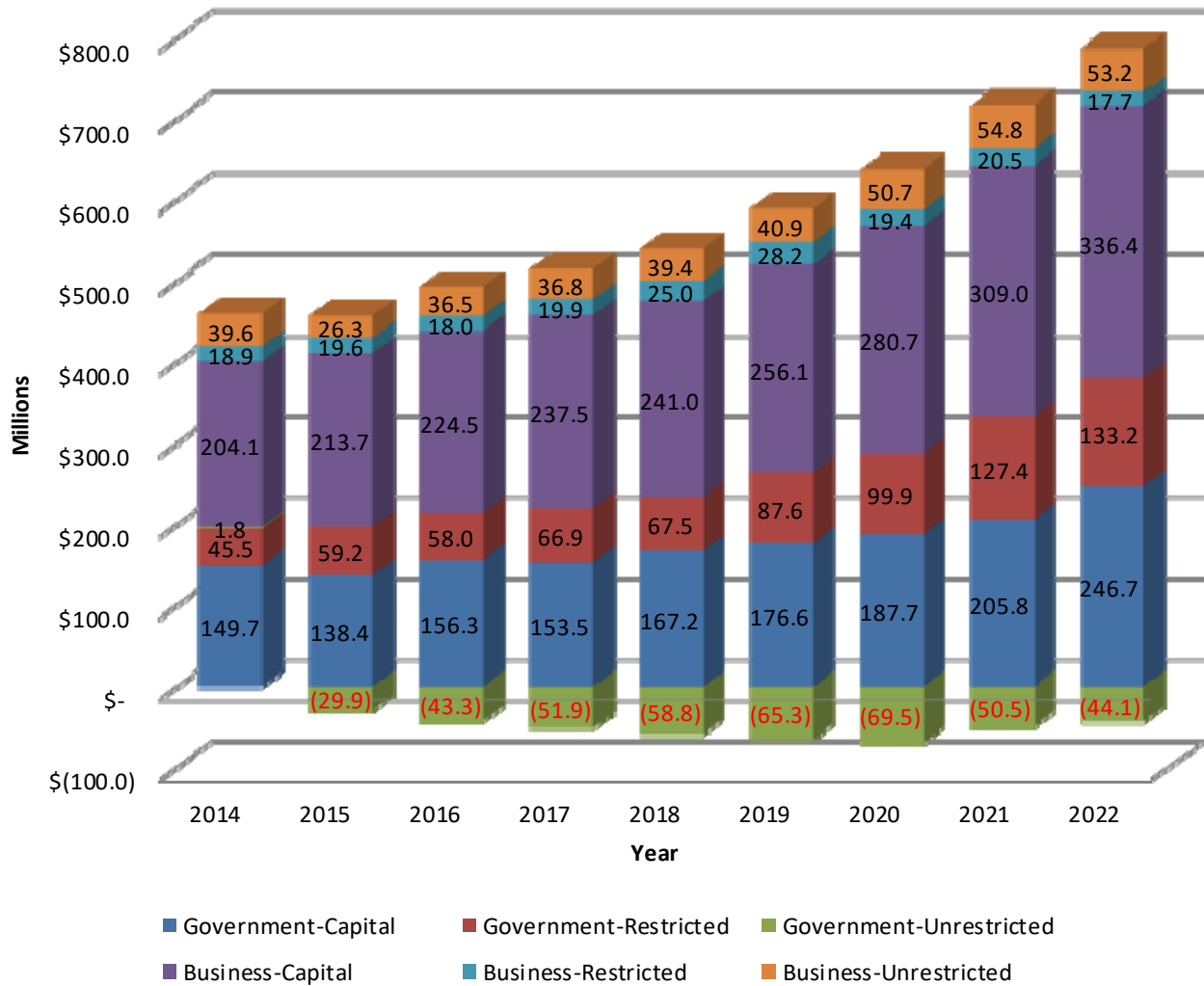
Schedule 1

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

(amounts in thousands)	2014	2015	2016	2017	2018	2019	2020	2021	2022
GOVERNMENTAL ACTIVITIES:									
NET INVESTMENT IN CAPITAL ASSETS	\$ 149,700	\$ 138,402	\$ 156,262	\$ 153,520	\$ 167,159	\$ 176,565	\$ 187,707	\$ 205,802	\$ 246,725
RESTRICTED:									
DEBT SERVICE	504	1,039	-	435	467	563	706	324	-
OTHER PURPOSES	45,004	58,132	57,959	66,498	67,034	86,997	99,174	127,051	133,154
UNRESTRICTED (DEFICIT)	1,846	(29,906)	(43,267)	(51,926)	(58,761)	(65,276)	(69,511)	(50,498)	(44,140)
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	197,054	167,667	170,954	168,527	175,899	198,849	218,076	282,679	335,739
BUSINESS-TYPE ACTIVITIES									
NET INVESTMENT IN CAPITAL ASSETS	204,110	213,694	224,457	237,458	241,039	256,056	280,690	309,029	336,353
RESTRICTED:									
DEBT SERVICE	9,964	8,643	5,837	5,150	4,156	4,200	4,276	4,797	4,837
OTHER PURPOSES	8,956	10,969	12,194	14,778	20,843	24,019	15,117	15,664	12,887
UNRESTRICTED	39,603	26,319	36,495	36,799	39,410	40,876	50,723	54,750	53,246
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	262,633	259,625	278,983	294,185	305,449	325,151	350,806	384,240	407,323
PRIMARY GOVERNMENT									
NET INVESTMENT IN CAPITAL ASSETS	353,810	352,096	380,719	390,978	408,199	432,621	468,397	514,831	583,078
RESTRICTED:									
DEBT SERVICE	10,468	9,682	5,837	5,585	4,623	4,764	4,982	5,121	4,837
OTHER PURPOSES	53,960	69,101	70,153	81,276	87,876	111,015	114,291	142,715	146,041
UNRESTRICTED	41,449	(3,587)	(6,772)	(15,127)	(19,350)	(24,400)	(18,788)	4,252	9,106
TOTAL PRIMARY GOVERNMENT NET POSITION	\$ 459,687	\$ 427,292	\$ 449,937	\$ 462,712	\$ 481,348	\$ 524,000	\$ 568,882	\$ 666,919	\$ 743,062

**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

**Net Position by Category
Last Nine Fiscal Years**



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

SCHEDULE 2

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

(amounts in thousands)	2014	2015	2016	2017	2018	2019	2020	2021	2022
EXPENSES									
GOVERNMENTAL ACTIVITIES:									
GENERAL GOVERNMENT	\$ 29,543	\$ 30,449	\$ 33,975	\$ 33,691	\$ 33,716	\$ 35,902	\$ 43,513	\$ 39,954	\$ 44,214
PUBLIC SAFETY	47,804	49,096	52,621	59,924	62,277	68,591	81,394	93,551	90,904
PHYSICAL ENVIRONMENT	1,178	1,139	1,376	1,864	1,993	2,176	2,221	2,303	2,451
TRANSPORTATION	13,712	14,349	17,224	17,788	17,752	18,747	25,703	20,148	20,083
ECONOMIC ENVIRONMENT	6,174	6,432	8,501	10,730	10,333	7,616	10,772	19,043	20,824
HUMAN SERVICES	4,277	4,535	4,931	5,325	5,011	5,318	6,383	5,894	6,089
CULTURE AND RECREATION	7,521	7,317	8,238	9,480	10,488	16,834	20,679	15,109	12,144
COURT-RELATED	7,406	8,154	8,147	9,135	9,405	9,242	9,625	9,443	9,970
INTEREST AND FISCAL CHARGES	1,526	2,659	2,471	2,595	2,716	2,786	2,414	2,366	2,370
TOTAL GOVERNMENTAL EXPENSES	119,141	124,130	137,484	150,532	153,691	167,212	202,704	207,811	209,049
BUSINESS-TYPE ACTIVITIES:									
WATER AND SEWER	25,122	26,444	26,004	26,832	29,224	29,359	30,291	31,106	31,578
AIRPORT	13,223	12,415	13,966	13,134	14,618	15,775	14,986	15,291	19,983
SOLID WASTE	8,566	7,155	7,913	9,053	9,907	10,417	10,971	11,818	13,087
INSPECTIONS	1,541	1,678	1,671	1,975	1,917	2,032	2,199	9,260	11,704
EMERGENCY MEDICAL SERVICES	7,587	7,440	8,553	9,292	10,876	11,513	11,611	2,015	2,659
TOTAL BUSINESS-TYPE EXPENSES	56,039	55,132	58,107	60,286	66,542	69,096	70,058	69,490	79,011
TOTAL PRIMARY GOVERNMENT EXPENSES	175,180	179,262	195,591	210,818	220,233	236,308	272,762	277,301	288,060
PROGRAM REVENUES - GOVERNMENTAL ACTIVITIES:									
CHARGES FOR SERVICES									
GENERAL GOVERNMENTAL	11,482	12,538	12,124	22,252	19,914	13,405	21,976	16,802	25,513
OTHER	11,829	13,423	13,338	3,874	5,897	15,788	24,035	33,644	25,274
OPERATING GRANTS AND CONTRIBUTIONS	7,379	6,738	8,959	15,761	9,173	7,738	16,884	32,536	11,026
CAPITAL GRANTS AND CONTRIBUTIONS	1,716	1,393	984	1,047	3,288	9,969	10,957	14,883	15,119
TOTAL GOVERNMENT PROGRAM REVENUE	32,406	34,092	35,405	42,934	38,271	46,899	73,852	97,865	76,932

**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

SCHEDULE 2

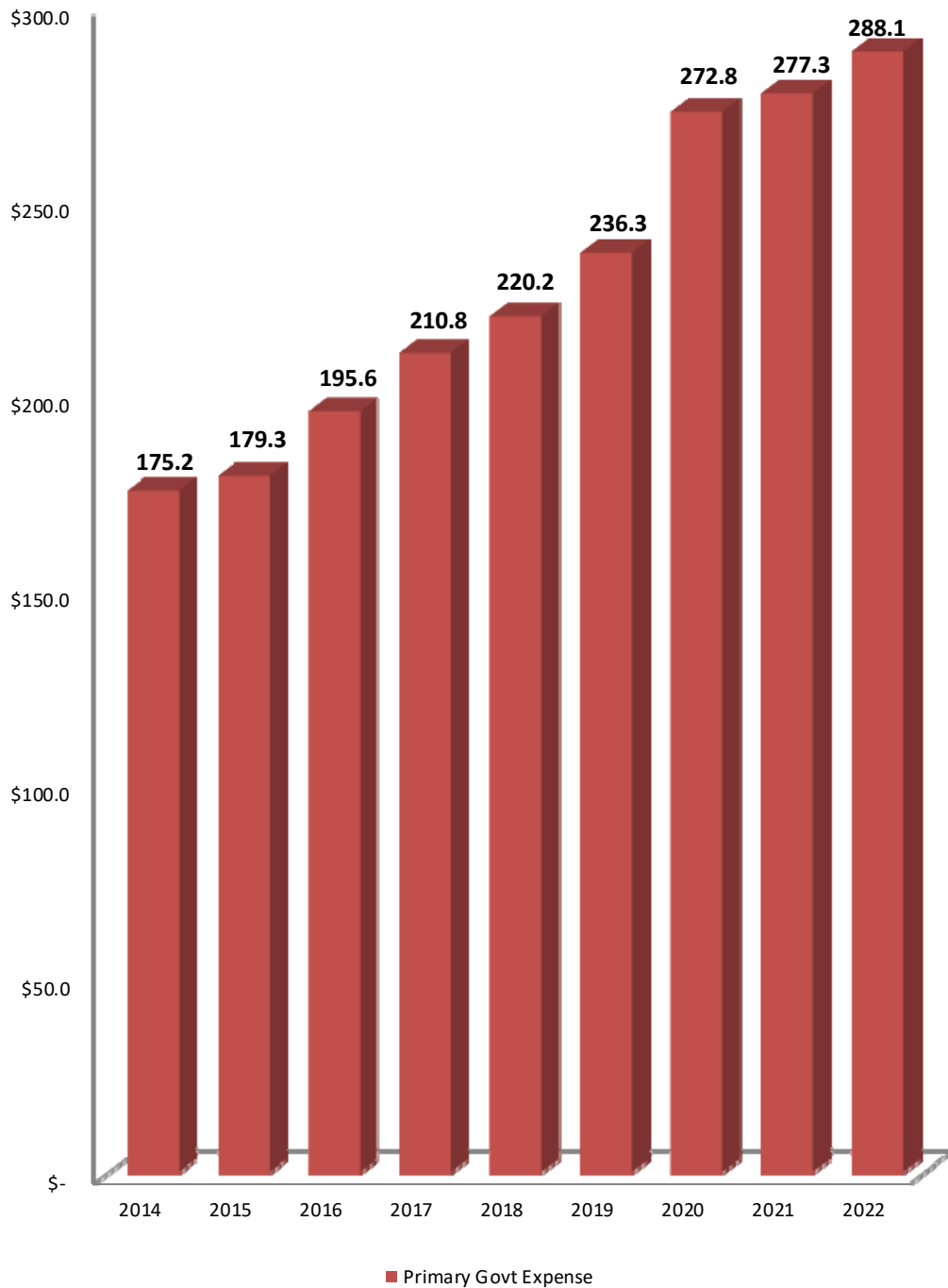
CHANGES IN NET POSITION - LAST NINE FISCAL YEARS * - (ACCRUAL BASIS OF ACCOUNTING)

	2014	2015	2016	2017	2018	2019	2020	2021	2022
BUSINESS-TYPE ACTIVITIES:									
CHARGES FOR SERVICES									
WATER & SEWER	\$ 28,746	\$ 28,239	\$ 33,038	\$ 34,063	\$ 33,819	\$ 37,015	\$ 37,134	\$ 38,784	\$ 40,978
OTHER	25,461	25,255	29,401	30,898	36,678	38,252	34,743	42,858	48,651
OPERATING GRANTS AND CONTRIBUTIONS	264	272	455	893	628	408	7,684	4,913	1,471
CAPITAL GRANTS AND CONTRIBUTIONS	18,962	10,860	11,697	9,059	7,737	11,299	16,664	17,901	10,020
TOTAL BUSINESS-TYPE PROGRAM REVENUE	73,433	64,626	74,591	74,913	78,862	86,974	96,225	104,456	101,120
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	105,839	98,718	109,996	117,847	117,133	133,872	170,077	202,321	178,052
NET (EXPENSE)/REVENUE									
GOVERNMENT ACTIVITIES	(86,735)	(90,038)	(102,079)	(107,598)	(115,419)	(120,313)	(128,852)	(109,946)	(132,117)
BUSINESS-TYPE ACTIVITIES	17,394	9,494	16,484	14,627	12,319	17,877	26,167	34,966	22,109
TOTAL PRIMARY GOVERNMENT NET EXPENSE	(69,341)	(80,544)	(85,595)	(92,971)	(103,100)	(102,436)	(102,685)	(74,980)	(110,008)
GENERAL REVENUES									
GOVERNMENTAL ACTIVITIES:									
TAXES	68,740	73,101	77,192	82,104	92,802	107,468	114,110	137,729	148,859
STATE SHARED REVENUE	22,673	23,228	24,643	17,977	25,795	28,978	27,314	32,076	36,999
GRANT AND CONTRIBUTIONS NOT RESTRICTED	146	3	3	-	-	-	-	-	-
OTHER	2,951	5,831	3,527	5,090	6,378	6,817	6,654	4,745	(680)
TOTAL GOVERNMENTAL ACTIVITIES	94,510	102,163	105,365	105,171	124,975	143,263	148,078	174,550	185,178
BUSINESS-TYPE ACTIVITIES:									
TAXES	1,111	1,504	1,122	2	1	1,247	668	-	-
OTHER	927	3,641	1,752	572	(209)	578	(1,180)	(1,532)	972
TOTAL BUSINESS-TYPE ACTIVITIES	2,038	5,145	2,874	574	(208)	1,825	(512)	(1,532)	972
CHANGES IN NET POSITION									
GOVERNMENTAL ACTIVITIES	7,775	12,125	3,286	(2,427)	9,556	22,950	19,226	64,604	53,060
BUSINESS-TYPE ACTIVITIES	19,432	14,639	19,358	15,201	12,111	19,702	25,655	33,434	23,083
TOTAL PRIMARY GOVERNMENT	\$ 27,207	\$ 26,764	\$ 22,644	\$ 12,774	\$ 21,667	\$ 42,652	\$ 44,881	\$ 98,038	\$ 76,143

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OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022

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



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

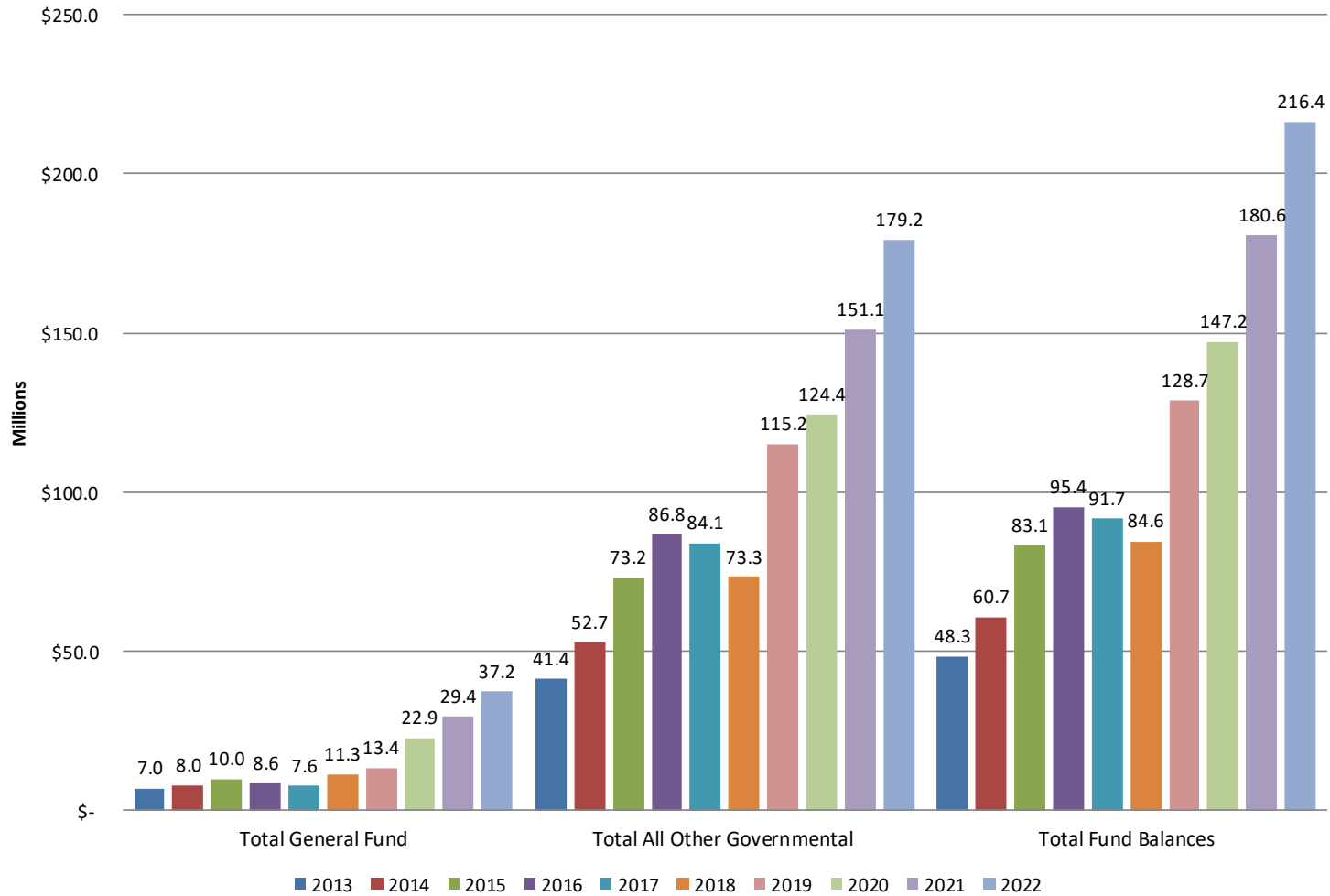
SCHEDULE 3

FUND BALANCES - GOVERNMENTAL FUNDS - LAST TEN FISCAL YEARS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GENERAL FUND										
NONSPENDABLE:										
NONSPENDABLE	\$ 346,136	\$ 288,101	\$ 380,834	\$ 439,248	\$ 244,992	\$ 684,298	\$ 670,484	\$ 693,021	\$ 1,590,994	\$ 847,274
SPENDABLE:										
RESTRICTED	-	-	-	-	-	-	-	174,672	-	-
COMMITTED	26,808	28,271	32,811	32,229	35,829	33,732	35,455	135,455	190,777	234,173
ASSIGNED	-	-	4,269,298	3,739,233	1,074,730	-	-	8,100,000	2,014,940	4,108,600
UNASSIGNED	6,595,043	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
TOTAL GENERAL FUND	6,967,987	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
ALL OTHER GOVERNMENTAL FUNDS										
NONSPENDABLE:										
NONSPENDABLE	89,494	50,299	63,714	150,989	123,806	823,802	713,878	555,052	814,997	542,933
SPENDABLE:										
RESTRICTED	37,677,535	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
COMMITTED	562,599	519,514	556,145	584,502	525,437	486,014	548,332	678,155	716,840	761,875
ASSIGNED	3,103,981	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
UNASSIGNED	(68,114)	(833,541)	(63,714)	(2,794,019)	(123,806)	-	(5,678)	(23,496)	(1,446,531)	(640,483)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	41,365,495	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
TOTAL FUND BALANCES	\$ 48,333,482	\$ 60,732,116	\$ 83,149,549	\$ 95,384,914	\$ 91,691,426	\$ 84,577,812	\$ 128,658,037	\$ 147,242,742	\$ 180,573,079	\$ 216,443,785

**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

**Fund Balances - Governmental Funds
Last Ten Fiscal Years**



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

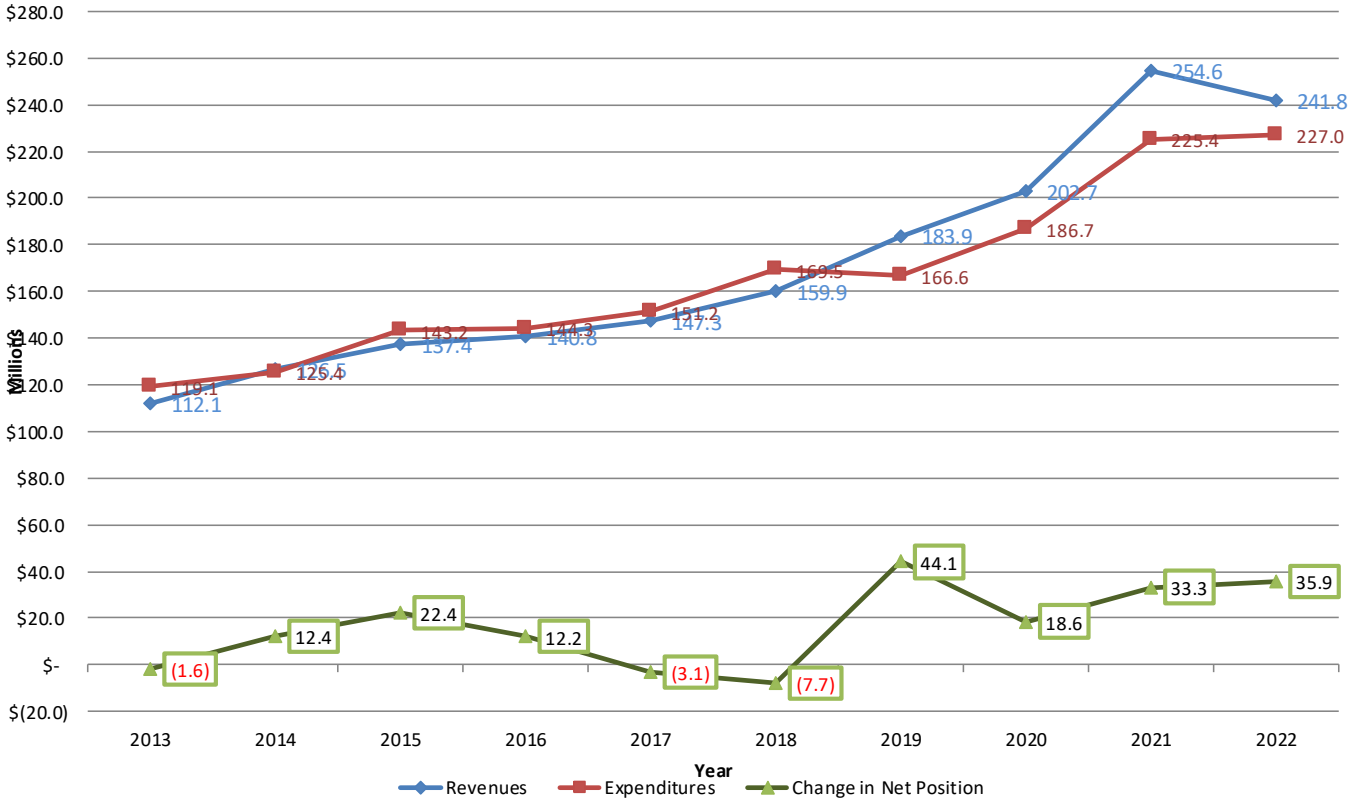
SCHEDULE 4

CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS-LAST TEN FISCAL YEARS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
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
LICENSES & PERMITS	816,294	822,400	848,363	865,485	462,139	514,511	561,794	577,186	617,238	631,480
INTERGOVERNMENTAL	30,863,164	30,120,652	31,928,295	33,791,368	34,785,503	38,255,522	40,162,037	50,899,401	75,476,389	48,930,859
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
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
MISCELLANEOUS	3,307,732	4,307,247	7,076,827	3,616,291	4,282,219	4,634,083	6,858,396	10,011,406	8,906,911	12,910,731
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
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
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
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
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
ECONOMIC ENVIRONMENT	4,941,758	6,336,515	6,408,961	8,466,893	9,948,113	9,800,565	6,985,903	8,805,421	18,107,279	19,327,648
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
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
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	9,370,006	9,316,740
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
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
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
OTHER CHARGES	41,210	13,101	212,836	150,124	3,622	1,305	185,877	500	98,804	1,913
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
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
OTHER FINANCING SOURCES (USES)										
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
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)
BUDGET TRANSFERS AMONG										
CONSTITUTIONAL OFFICERS	-	825,000	-	-	-	-	-	-	-	-
ISSUANCE OF DEBT	5,000,000	1,650,000	27,472,889	13,584,438	-	-	17,160,000	-	2,565,595	20,367,400
ORIGINAL ISSUE PREMIUM	-	-	-	1,200,121	-	-	8,024,842	-	-	-
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
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
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%

**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

**Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years**



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

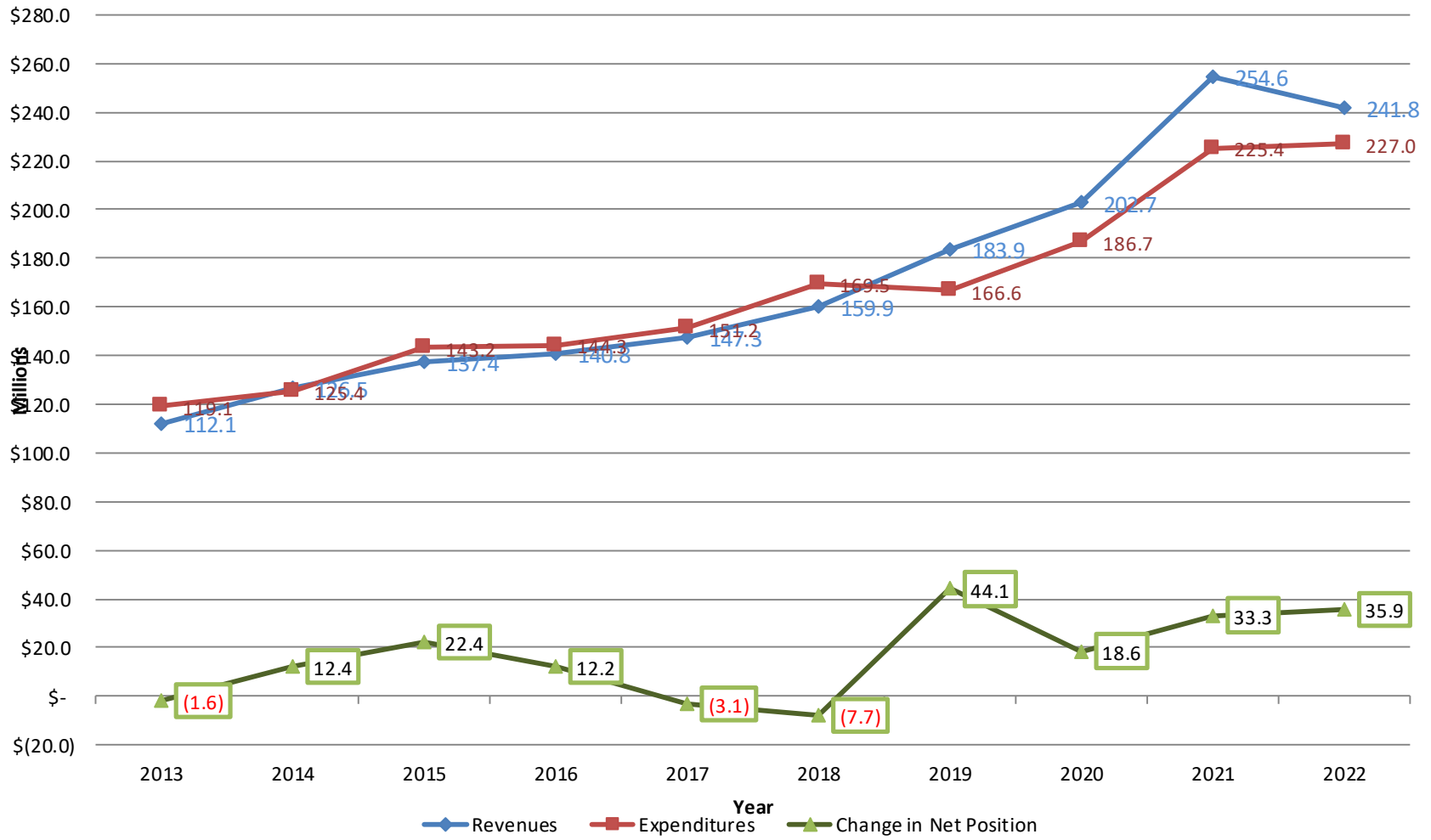
SCHEDULE 5

GOVERNMENTAL TAX REVENUES BY SOURCE - LAST TEN FISCAL YEARS

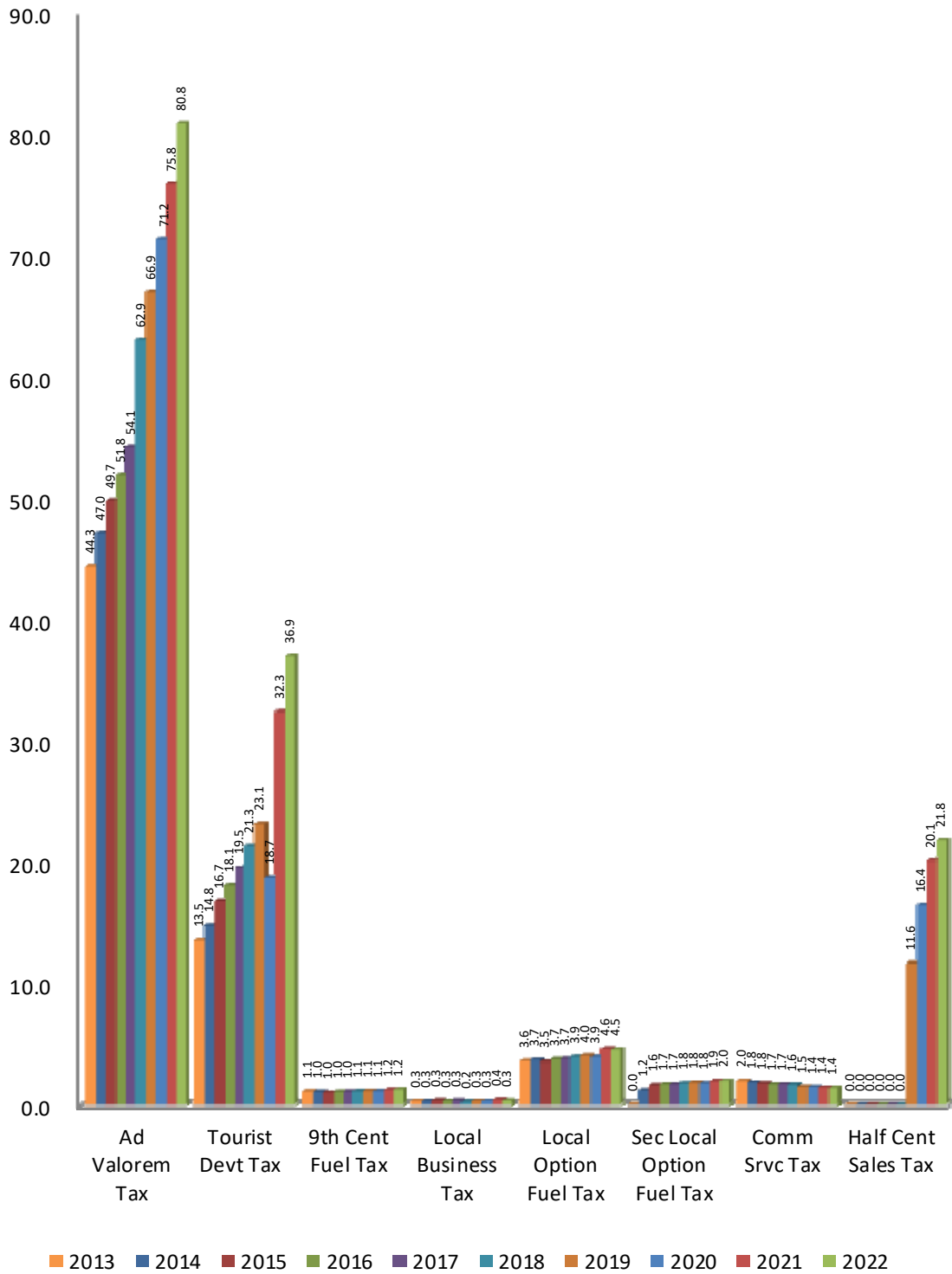
FISCAL YEAR	AD VALOREM TAX	TOURIST DEVELOPMENT TAX	9TH CENT VOTED FUEL TAX	LOCAL BUSINESS TAX	LOCAL OPTION FUEL TAX	SECOND LOCAL OPTION FUEL TAX	COMMUNICATION SERVICE TAX	HALF CENT SALES TAX	TOTAL TAXES
2013	\$ 44,348,020	\$ 13,520,017	\$ 1,066,902	\$ 268,190	\$ 3,559,220	\$ -	\$ 1,956,905	\$ -	\$ 64,719,254
2014	\$ 47,044,564	\$ 14,780,313	\$ 1,038,703	\$ 276,084	\$ 3,694,824	\$ 1,167,117	\$ 1,848,458	\$ -	\$ 69,850,063
2015	\$ 49,668,734	\$ 16,713,548	\$ 992,766	\$ 324,402	\$ 3,533,694	\$ 1,604,709	\$ 1,766,987	\$ -	\$ 74,604,840
2016	\$ 51,839,796	\$ 18,078,186	\$ 1,039,247	\$ 283,877	\$ 3,699,205	\$ 1,680,999	\$ 1,692,888	\$ -	\$ 78,314,199
2017	\$ 54,096,832	\$ 19,534,276	\$ 1,049,857	\$ 304,577	\$ 3,737,446	\$ 1,682,579	\$ 1,700,212	\$ -	\$ 82,105,778
2018	\$ 62,942,101	\$ 21,252,688	\$ 1,093,007	\$ 215,021	\$ 3,891,258	\$ 1,762,082	\$ 1,646,991	\$ -	\$ 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

OKALOOSA COUNTY, FLORIDA
 STATISTICAL SECTION
 SEPTEMBER 30, 2022

Changes in Fund Balances - Governmental Funds
 Last Ten Fiscal Years

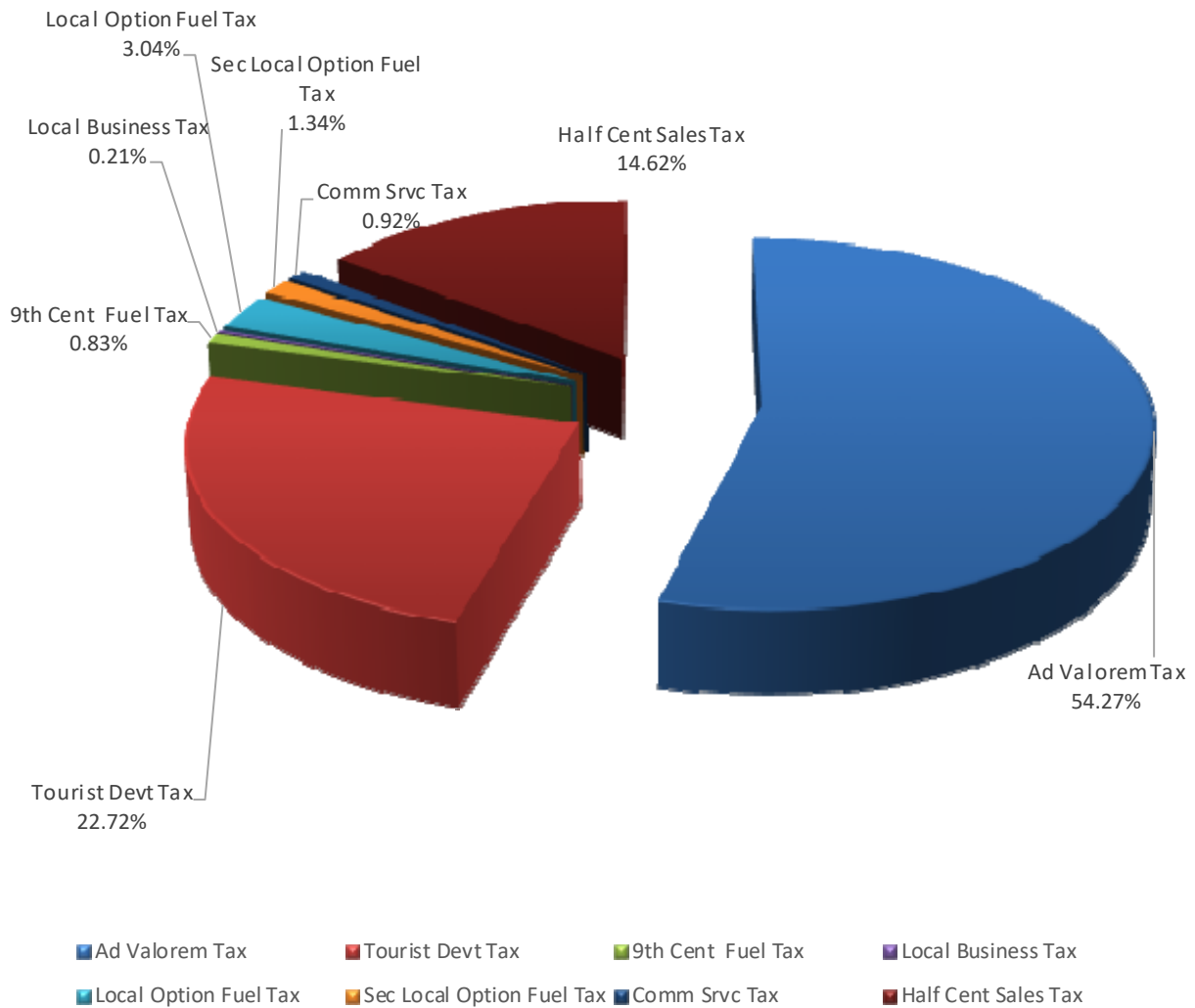


**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

**Governmental Tax Revenues by Source
Fiscal Year 2022**



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

SCHEDULE 6

TAXABLE ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF PROPERTY - LAST TEN FISCAL YEARS

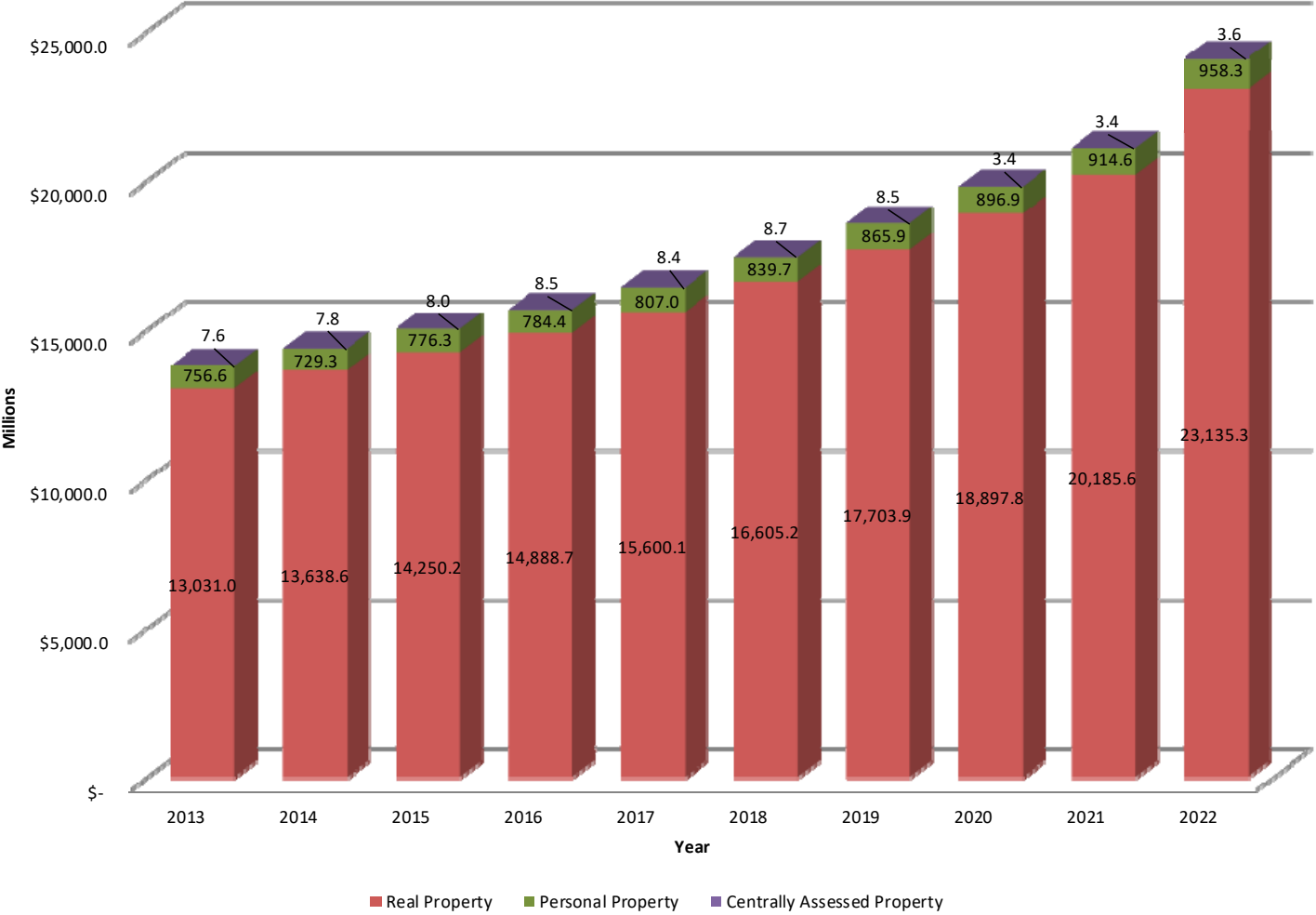
FISCAL YEAR	ASSESSED VALUE			TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE	ESTIMATED ACTUAL VALUE (1)	ASSESSED TO ESTIMATED ACTUAL
	REAL PROPERTY	PERSONAL PROPERTY	CENTRALLY ASSESSED PROPERTY				
2014	\$ 13,638,594,459	\$ 729,296,565	\$ 7,839,711	\$ 14,375,730,735	11.0088	\$ 16,912,624,394	85.00%
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%

(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, 2022**

**Taxable Assessed Value
Last Ten Fiscal Years**



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

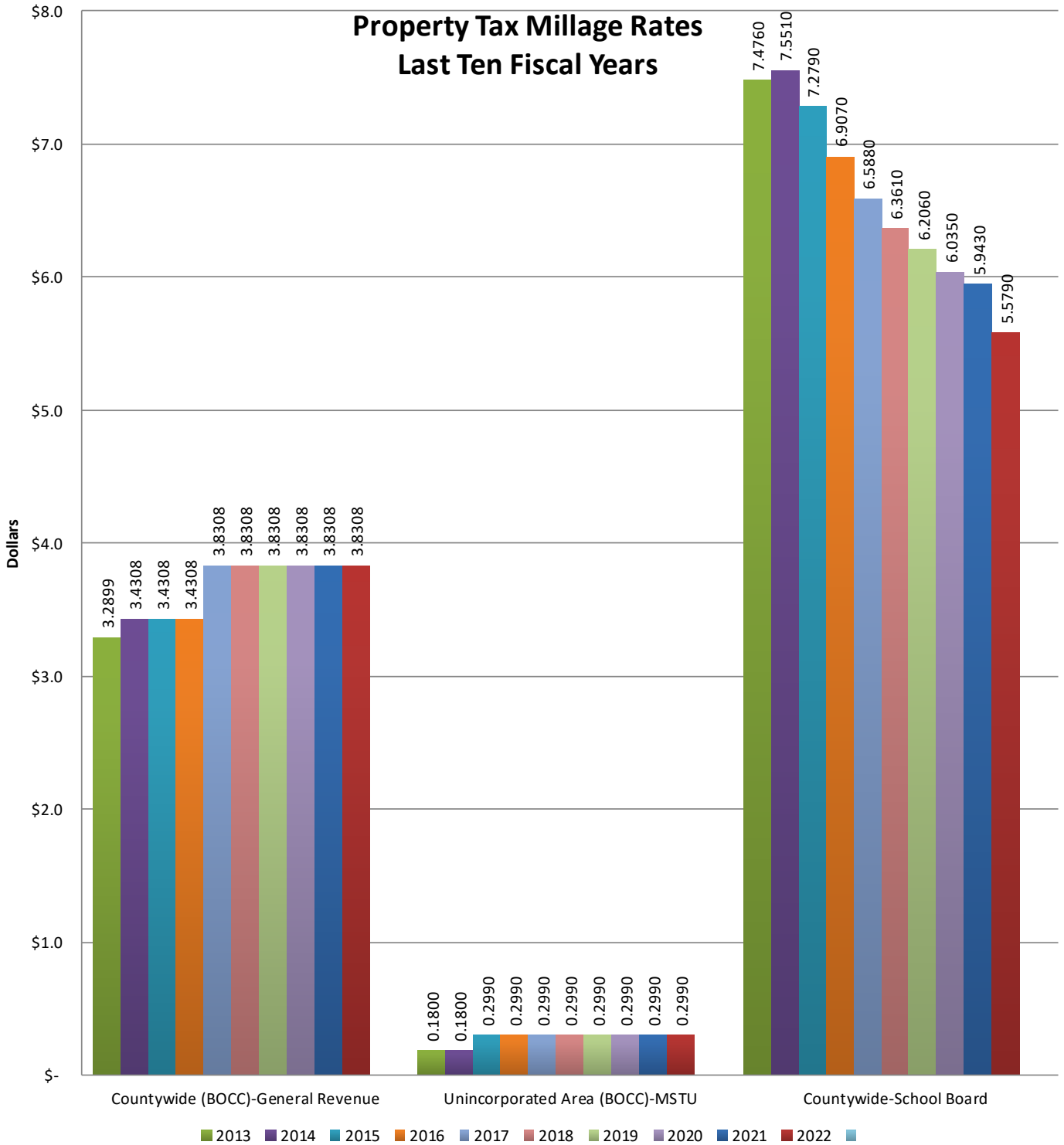
SCHEDULE 7

PROPERTY TAX MILLAGE RATES FOR DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN FISCAL YEARS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
COUNTYWIDE (BOCC)										
GENERAL REVENUE	3.2899	3.4308	3.4308	3.4308	3.8308	3.8308	3.8308	3.8308	3.8308	3.8308
UNINCORPORATED AREA (BOCC)										
MUNICIPAL SERVICE TAXING UNIT (MSTU)	0.1800	0.1800	0.2990	0.2990	0.2990	0.2990	0.2990	0.2990	0.2990	0.2990
COUNTYWIDE (OTHER)										
SCHOOL BOARD	7.4760	7.5510	7.2790	6.9070	6.5880	6.3610	6.2060	6.0350	5.9430	5.5790
TOTAL MILLAGES	10.9459	11.1618	11.0088	10.6368	10.7178	10.4908	10.3358	10.1648	10.0728	9.7088
MUNICIPALITIES										
CINCO BAYOU	2.3500	2.3500	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
CRESTVIEW	5.5966	5.8466	6.9466	6.9466	6.9466	6.9466	6.9466	6.9466	6.9466	6.8466
DESTIN	1.4550	1.5000	1.5000	1.6150	1.6150	1.6150	1.6150	1.6150	1.6150	1.6150
FORT WALTON BEACH	4.5383	5.7697	5.7697	5.7697	5.7697	5.7697	5.6395	5.3293	5.3293	4.9999
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	2.6435	3.5000	3.8880	4.2347	4.2347	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	3.7000
SHALIMAR	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	1.8000	1.8000	1.8000
VALPARAISO	4.5240	4.5240	5.0240	5.0240	5.0240	5.0240	5.0240	5.0240	5.0240	5.0240
SPECIAL DISTRICTS										
NW FLORIDA WATER MANAGEMENT	0.0400	0.0400	0.0378	0.0366	0.0353	0.0338	0.0327	0.0311	0.0294	0.0261
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	2.3700	2.7000	3.0176	3.0176	3.0176	3.0176	3.0176	3.0176	3.4000
FLOROSA FIRE	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.5000	1.7500	2.2500	2.2500
NORTH BAY FIRE	2.3500	2.3500	2.3500	2.3500	2.3500	2.3500	2.3500	2.3500	2.2700	2.2700
OCEAN CITY-WRIGHT FIRE	2.0000	2.2500	2.4000	2.5800	2.5800	2.7500	2.7500	2.7500	2.7500	2.7500
OKALOOSA ISLAND FIRE	3.1154	3.5550	3.4500	3.3699	3.6000	3.4308	3.2033	3.0498	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, 2022**



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

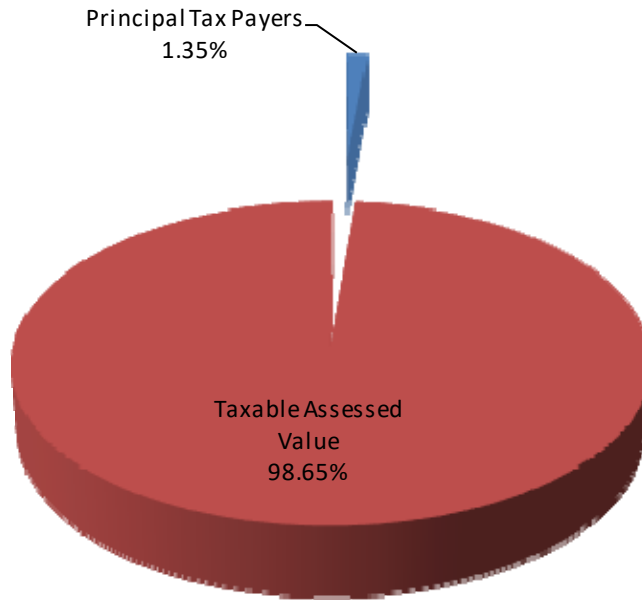
SCHEDULE 8

PRINCIPAL PROPERTY TAX PAYERS - LAST FISCAL YEAR COMPARED TO THE FISCAL YEAR NINE YEARS EARLIER

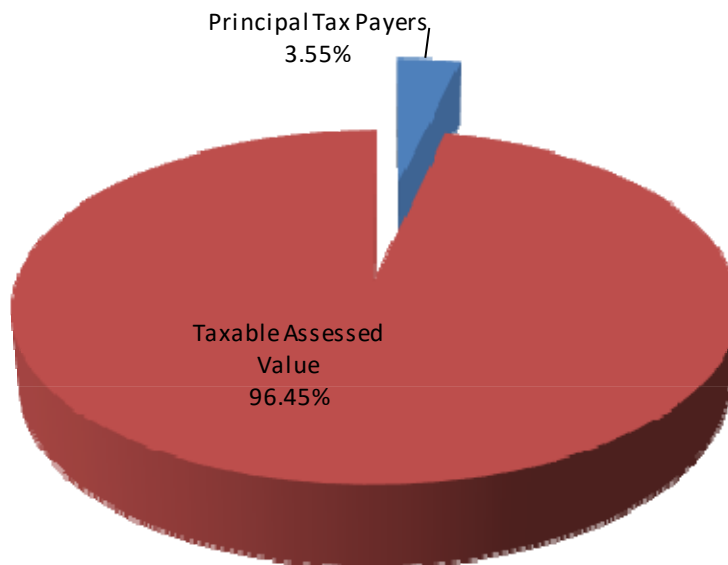
TAXPAYER	2022		2013	
	TAXABLE ASSESSED VALUE	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE
FLORIDA POWER & LIGHT CO	\$ 122,112,444	1 0.51%	\$ 145,159,830	1.05%
FLORIDA GAS TRANSMISSION CO	63,494,057	2 0.26%	74,695,618	0.54%
CHOCTAWHATCHEE ELECTRIC CO	40,419,127	3 0.17%	31,553,084	0.23%
EMERALD GRANDE INC			54,227,300	0.39%
LURIN REAL ESTATE HOLDINGS VI	25,079,807	4 0.10%		
EMBARQ CORP	14,209,914	6 0.06%	45,790,554	0.33%
DESTIN COMMONS LTD			34,562,451	0.25%
SRM-SPE LLC			27,517,960	
BEACH RESORT INVESTMENTS LLC			22,140,373	
FORT WALTON BEACH MEDICAL CENTER	17,112,518	5 0.07%		0.00%
UNITI FIBER HOLDINGS INC	14,081,102	7 0.06%		
JRW INVESTMENTS LLC	9,536,055	8 0.04%		
GULF COAST SOLAR CENTER I LLC	9,393,667	9 0.04%		
Prime Storage Crestview LLC	8,746,294	# 0.04%		
FT WALTON DEFENSE HOUSING LTD				0.00%
L-3 COMMUNICATIONS CRESTVIEW				0.00%
COX COM INC			29,024,958	0.21%
WAL-MART STORES, INC			24,944,494	
L-3 COMMUNICATIONS INTEGRATED				0.00%
POWERSOUTH ENERGY COOPERATIVE				0.00%
TOTAL PRINCIPAL TAXPAYER VALUE	324,184,985	1.35%	489,616,622	3.55%
TOTAL OTHER TAXPAYER VALUE	23,773,078,222	98.65%	13,307,128,915	96.45%
TOTAL TAXABLE ASSESSED VALUE	\$ 24,097,263,207	100.0%	\$ 13,796,745,537	100.0%

SOURCE: OKALOOSA COUNTY PROPERTY APPRAISER

Principal Property Tax Payers Current Year 2022



Principal Property Tax Payers Year 2013



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

SCHEDULE 9

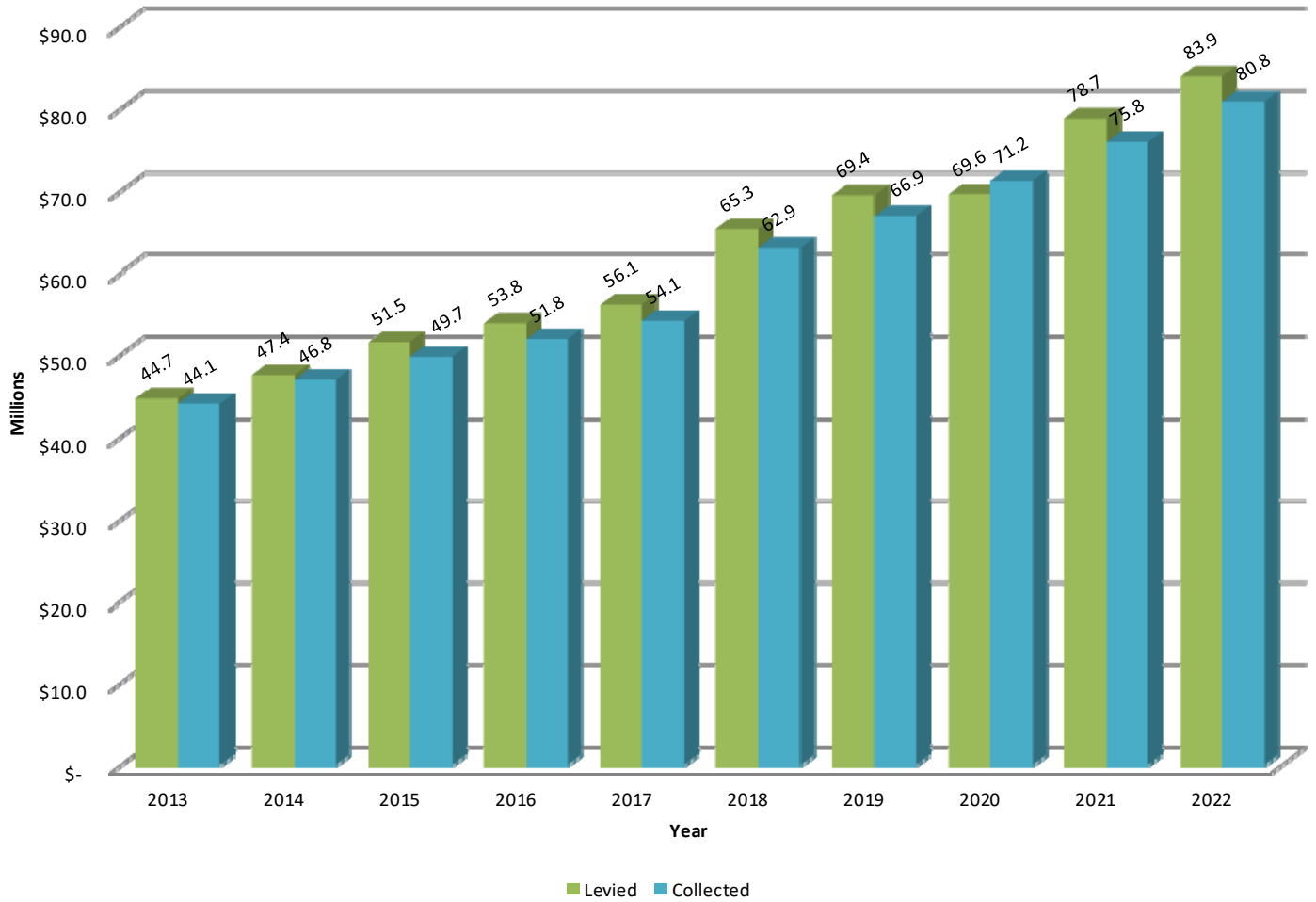
PROPERTY TAX LEVIES AND COLLECTIONS - LAST TEN FISCAL YEARS

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
2013	\$ 44,715,750	\$ 43,934,031	98.3%	\$ 168,991	\$ 44,103,022	98.6%
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%

SOURCE: OKALOOSA COUNTY TAX COLLECTOR RECAPITULATION OF THE TAX ROLL

OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022

Property Tax Levies and Collections
Last Ten Fiscal Years



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

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)	FINANCED PURCHASES (3)	COMMERCIAL PAPER, NOTES, AND LOANS (4)	WATER BONDS, NOTES, AND LOANS (5)	AIRPORT BONDS, NOTES, AND LOANS (6)	SOLID WASTE BONDS (7)	CONFERENCE CENTER BONDS (8)	CAPITAL LEASES			
2013	\$ -	\$ 28,510,203	\$ -	\$ 4,973,393	\$ 84,863,512	\$ 22,235,623	\$ -	\$ 155,000	\$ -	\$ 137,070,512	\$ -	\$ 772
2014	\$ -	\$ 28,290,659	\$ -	\$ 6,059,000	\$ 88,566,870	\$ 20,249,582	\$ -	\$ -	\$ -	\$ 143,166,111	\$ -	\$ 732
2015	\$ -	\$ 52,719,870	\$ -	\$ 6,022,211	\$ 81,984,312	\$ 19,235,035	\$ -	\$ -	\$ -	\$ 159,961,428	\$ -	\$ 771
2016	\$ -	\$ 63,899,514	\$ 416,292	\$ 4,490,979	\$ 79,094,314	\$ 19,515,143	\$ -	\$ -	\$ -	\$ 167,416,242	\$ -	\$ 697
2017	\$ -	\$ 63,368,537	\$ 208,146	\$ 4,340,756	\$ 75,459,990	\$ 18,698,323	\$ -	\$ -	\$ -	\$ 162,075,753	\$ -	\$ 728
2018	\$ -	\$ 61,187,380	\$ -	\$ 1,957,000	\$ 71,789,364	\$ 17,839,765	\$ -	\$ -	\$ -	\$ 152,773,509	\$ -	\$ 796
2019	\$ -	\$ 84,293,639	\$ -	\$ 2,222,403	\$ 67,991,638	\$ 13,439,518	\$ -	\$ -	\$ -	\$ 157,520,559	\$ -	\$ 822
2020	\$ -	\$ 81,221,478	\$ -	\$ 1,148,506	\$ 64,068,792	\$ 5,915,000	\$ -	\$ -	\$ -	\$ 143,022,298	\$ -	\$ 722
2021	\$ -	\$ 78,098,486	\$ 67,908	\$ 2,480,000	\$ 59,978,869	\$ 5,335,000	\$ -	\$ -	\$ -	\$ 145,960,263	\$ -	\$ 685
2022	\$ -	\$ 74,950,367	\$ 285,908	\$ 22,320,000	\$ 55,711,531	\$ -	\$ -	\$ -	\$ -	\$ 153,267,806	\$ -	\$ 710

(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

(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)

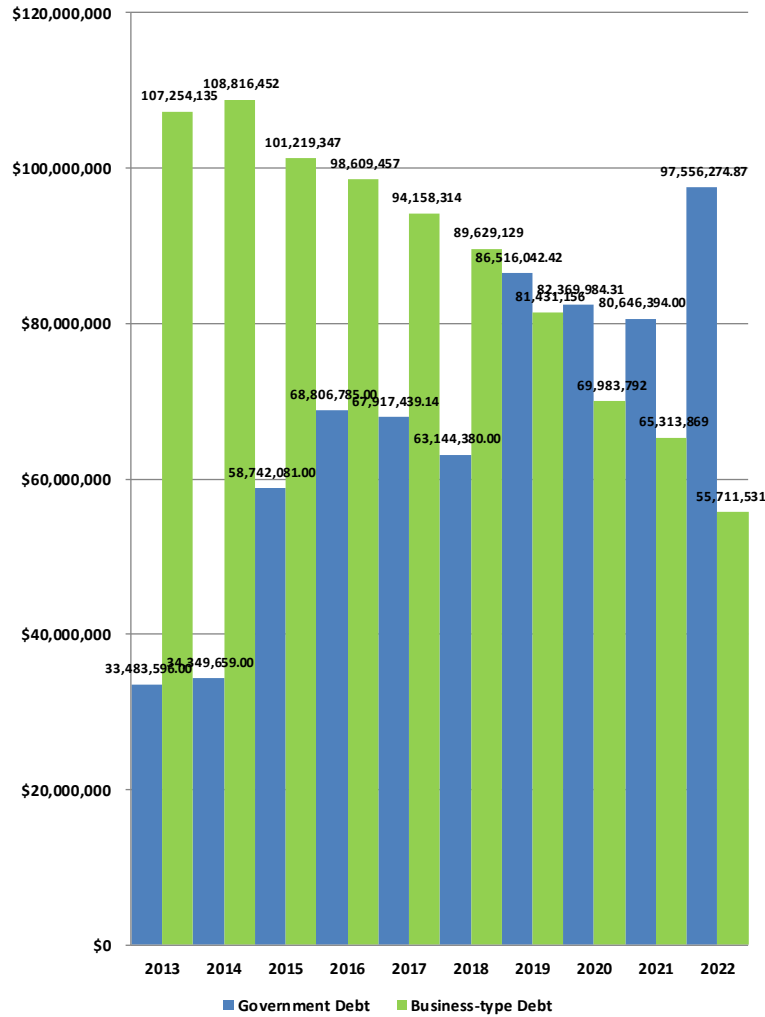
(6) Includes Revenue Bonds 2007 (Net issuance discount) and 2014, State Infrastructure Bank Loans, and 2015 Commercial Paper Loan- debt defeased in FY21

(7) Includes Capital Improvement Bonds, 1991

(8) Includes Fourth Cent Tourist Development Tax Revenue Bonds, 2000

**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

**Debt by Type
Last Ten Fiscal Years**



**Per Capita Debt
Last Ten Fiscal Years**



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

SCHEDULE 11

PLEGDED-REVENUE BOND COVERAGE

FISCAL YEAR	Gross Operating Revenue	Direct Operating Expense	Net Revenue Avail -Debt Serv	WATER REVENUE BONDS AND NOTES (PRINCIPAL + INTEREST)							TOTAL	COVERAGE
				1985	1992	2004	2006	2012	2015			
2006	\$ 23,719,695	\$ 15,272,060	\$ 8,447,635	\$ 68,680	\$ 331,924	\$ 3,422,370	\$ -	\$ -	\$ -	\$ 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	\$ -	\$ -	\$ 4,402,238	2.45	
2008	\$ 24,694,611	\$ 16,827,092	\$ 7,867,519	\$ 67,831	\$ -	\$ 2,964,695	\$ 1,900,194	\$ -	\$ -	\$ 4,932,720	1.59	
2009	\$ 23,481,347	\$ 16,371,638	\$ 7,109,709	\$ 67,743	\$ -	\$ 2,976,286	\$ 509,283	\$ -	\$ -	\$ 3,553,312	2.00	
2010	\$ 24,831,872	\$ 15,267,581	\$ 9,564,291	\$ 67,648	\$ -	\$ 801,210	\$ 5,171,437	\$ -	\$ -	\$ 6,040,295	1.58	
2011	\$ 25,895,709	\$ 16,650,924	\$ 9,244,785	\$ 67,542	\$ -	\$ 982,850	\$ 4,989,988	\$ -	\$ -	\$ 6,040,380	1.53	
2012	\$ 26,581,965	\$ 15,571,980	\$ 11,009,985	\$ 67,426	\$ -	\$ 3,728,770	\$ -	\$ 533,531	\$ -	\$ 4,329,727	2.54	
2013	\$ 26,685,108	\$ 15,295,914	\$ 11,389,194	\$ 68,003	\$ -	\$ 3,754,732	\$ 2,837,287	\$ 489,839	\$ -	\$ 7,149,861	1.59	
2014	\$ 29,122,953	\$ 14,809,770	\$ 14,313,183	\$ 66,451	\$ -	\$ 3,790,065	\$ -	\$ 536,674	\$ -	\$ 4,393,190	3.26	
2015	\$ 33,938,933	\$ 15,992,250	\$ 17,946,683	\$ 33,520	\$ -	\$ 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,899,300	\$ 4,899,300	3.70	
2017	\$ 34,491,900	\$ 16,807,625	\$ 17,684,275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,807,763	\$ 5,807,763	3.04	
2018	\$ 34,473,966	\$ 19,128,076	\$ 15,345,890	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,799,050	\$ 5,799,050	2.65	
2019	\$ 38,369,807	\$ 18,314,645	\$ 20,055,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,794,585	\$ 5,794,585	3.46	
2020	\$ 37,845,933	\$ 19,083,690	\$ 18,762,243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,820,800	\$ 5,820,800	3.22	
2021	\$ 38,829,006	\$ 19,745,082	\$ 19,083,924	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,744,000	\$ 5,744,000	3.32	
2022	\$ 40,770,515	\$ 19,470,790	\$ 21,299,725	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,829,250	\$ 5,829,250	3.65	

**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

PLEDGED-REVENUE BOND COVERAGE

SCHEDULE 11

FISCAL YEAR	Gross Operating Revenue	Passenger Facility Charges	Direct Operating Expense	Net Revenue Avail -Debt Serv	AIRPORT REVENUE BONDS (PRINCIPAL + INTEREST)				COVERAGE
					2003	2007	2014	TOTAL	
2009	\$ 8,557,210	\$ 1,378,312	\$ 5,674,469	\$ 4,261,053	\$ 789,413	\$ 208,221	\$ -	\$ 997,634	4.27
2010	\$ 9,118,672	\$ 1,466,902	\$ 6,036,864	\$ 4,548,710	\$ 799,213	\$ 891,775	\$ -	\$ 1,690,988	2.69
2011	\$ 9,602,757	\$ 1,732,199	\$ 7,893,609	\$ 3,441,347	\$ 797,950	\$ 887,675	\$ -	\$ 1,685,625	2.04
2012	\$ 9,502,093	\$ 1,451,015	\$ 8,056,047	\$ 2,897,061	\$ 795,575	\$ 892,975	\$ -	\$ 1,688,550	1.72
2013	\$ 9,334,305	\$ 1,384,486	\$ 7,117,500	\$ 3,601,291	\$ 797,393	\$ 887,075	\$ -	\$ 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	\$ -	\$ 300,087	\$ 269,150	\$ 569,237	3.50
2016	\$ 10,073,560	\$ 1,756,663	\$ 8,554,275	\$ 3,275,948	\$ -	\$ 1,160,662	\$ 894,380	\$ 2,055,042	1.59
2017	\$ 12,013,833	\$ 2,243,640	\$ 7,991,528	\$ 6,265,945	\$ -	\$ 866,938	\$ 747,825	\$ 1,614,763	3.88
2018	\$ 14,165,274	\$ 2,776,566	\$ 9,235,558	\$ 7,706,282	\$ -	\$ 864,906	\$ 751,130	\$ 1,616,036	4.77
2019	\$ 16,263,239	\$ 3,392,550	\$ 10,251,267	\$ 9,404,522	\$ -	\$ 878,969	\$ 748,963	\$ 1,627,931	5.78
2020	\$ 13,004,521	\$ 2,199,401	\$ 9,441,390	\$ 5,762,532	\$ -	\$ 7,409,863	\$ 746,323	\$ 8,156,185	0.71
2021	\$ 16,675,750	\$ 3,822,857	\$ 9,671,311	\$ 10,827,296	\$ -	\$ 100	\$ 748,053	\$ 748,153	14.47
2022	\$ 20,318,557	\$ 3,833,214	\$ 14,445,986	\$ 9,705,785	\$ -	\$ -	\$ -	\$ -	0.00

**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

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
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

SCHEDULE 12

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AND COMPUTATION

DIRECT:	DEBT OUTSTANDING	PERCENT APPLICABLE TO THIS GOVERNMENTAL UNIT
OKALOOSA COUNTY - REVENUE BONDS	\$ 74,950,367	100%
OKALOOSA COUNTY - PRIVATE BANK NOTES	\$ 22,320,000	100%
OKALOOSA COUNTY - CAPITAL LEASE	\$ 285,908	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, 2022**

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
2013	187,486	0.1%	\$8,775,211	2.7%	\$45,277	0.8%	5.70%
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%	\$11,626,309	3.7%	\$54,630	1.4%	4.10%
2021	213,204	4.5%	\$11,985,990	3.1%	\$55,335	1.3%	2.80%
2022	215,751	1.2%	\$12,322,347 (1)	2.8%	\$56,069 (1)	1.3%	1.90%

(1) Estimated income figures based upon average percent in prior years.

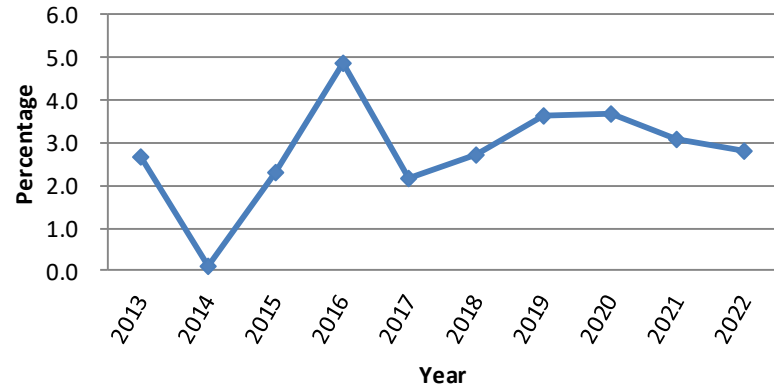
SOURCE: FLORIDA RESEARCH AND ECONOMIC DATABASE

**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

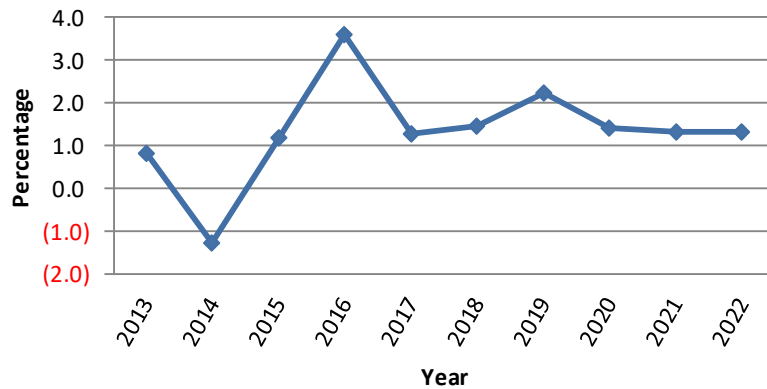
**Population
Last Ten Fiscal Years**



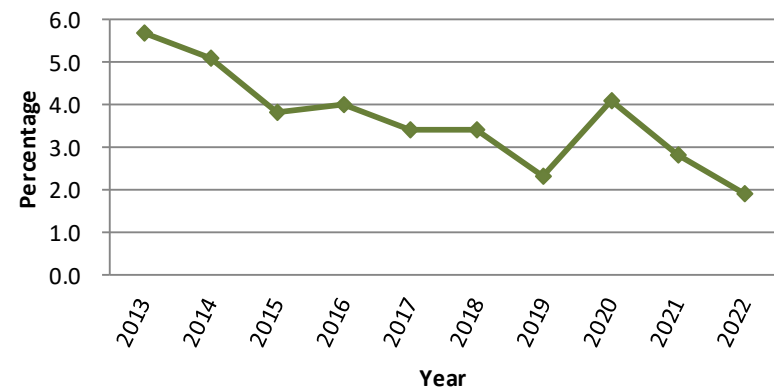
**Personal Income
Last Ten Fiscal Years**



**Per Capita Income
Last Ten Fiscal Years**



**Unemployment Rate
Last Ten Fiscal Years**



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

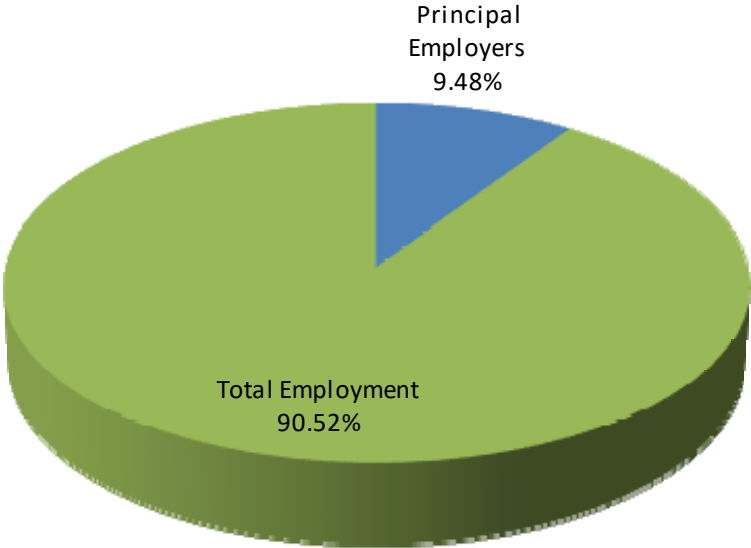
SCHEDULE 14

PRINCIPAL EMPLOYERS - CURRENT YEAR AND NINE YEARS AGO

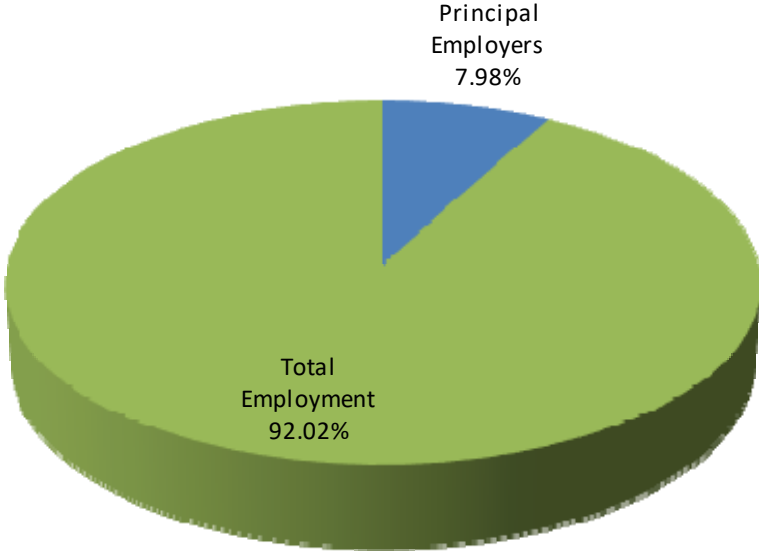
EMPLOYER	2023		2013	
	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
UNITED STATES DEPT OF AIR FORCE	5965	5.99%		
UNITED STATES DEPT OF ARMY	857	0.86%		
LOCKHEED MARTIN CORPORATION	465	0.47%	800	0.82%
NORTHWEST FLORIDA STATE COLLEGE	396	0.40%		
WAL-MART INC	355	0.36%		
OKALOOSA COUNTY SCHOOL DISTRICT	353	0.35%		
JACOBS ENGINEERING GROUP INC	270	0.27%		
BOEING	269	0.27%	419	0.43%
UNITED STATES DEPT OF DEFENSE	259	0.26%		
LAUREL TECHNOLOGIES PARTNERSHIP	257	0.26%		
UNITED STATES DEPT OF NAVY				
KELLER WILLIAMS REALTY INC				
FT WALTON BEACH MEDICAL CENTER			1250	1.28%
L-3 CRESTVIEW AEROSPACE			1064	1.09%
DRS TRAINING & CONTROL SYSTEMS			454	0.46%
INDYNE, INC			800	0.82%
NORTH OKALOOSA MEDICAL CENTER			678	0.69%
RESORT QUEST				
JACOBS TEAS			1483	1.52%
BAE SYSTEMS TECHNICAL SERVICES			410	0.42%
NATIONAL ELECTRONICS WARRANTY			450	0.46%
TOTAL	9,446	9.48%	7,808	7.98%
TOTAL COUNTY EMPLOYMENT	99,643		97,841	

SOURCE: Office of Economic Development and Engagement of UWF

**Principal Employers
Current Year
2023**



**Principal Employers
Nine Years Ago
2013**



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

SCHEDULE 15

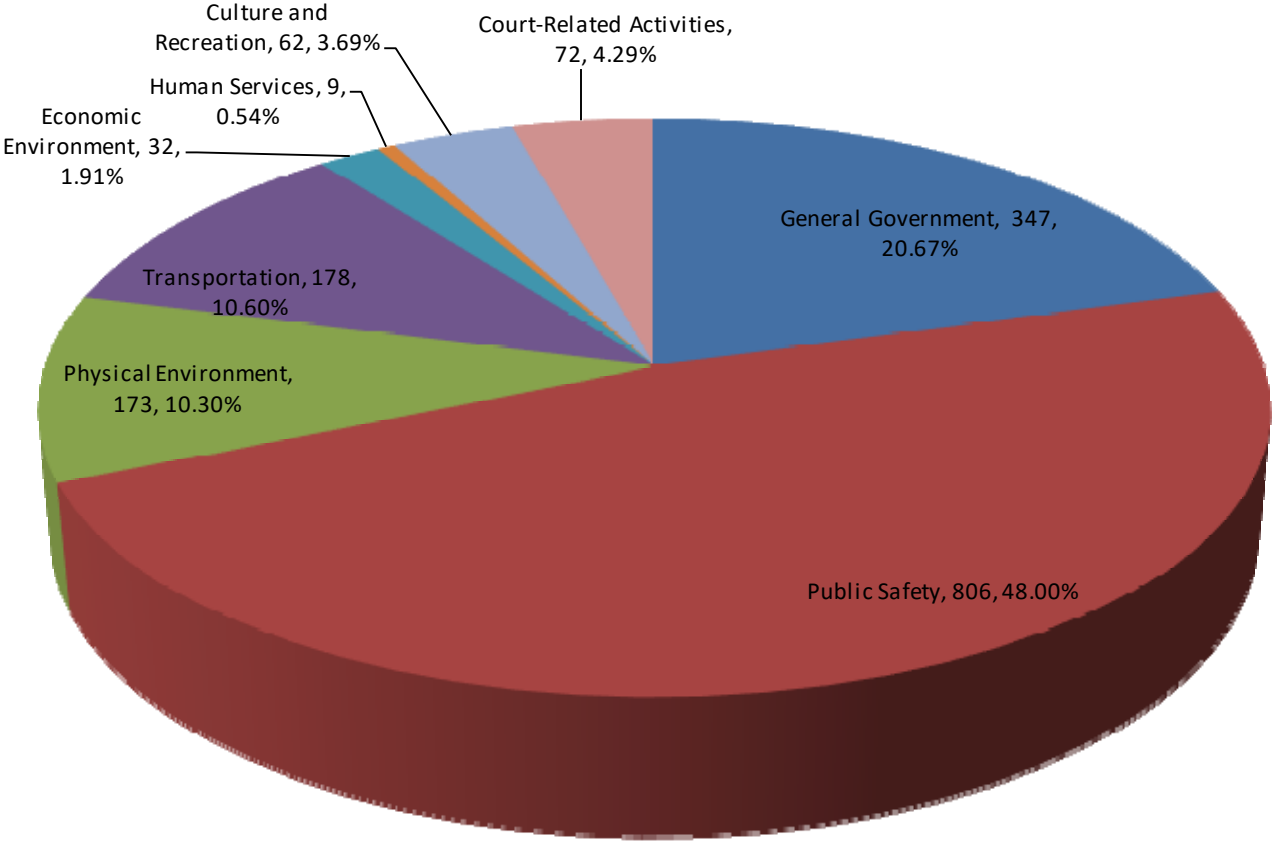
FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION - LAST TEN YEARS

FUNCTION	FULL-TIME EQUIVALENT EMPLOYEES AS OF OCTOBER 1									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GENERAL GOVERNMENT	309	314	315	325	308	355	355	325	321	347
PUBLIC SAFETY	649	649	669	701	706	745	773	809	808	806
PHYSICAL ENVIRONMENT	144	146	151	164	155	145	147	156	167	173
TRANSPORTATION	156	166	167	162	138	157	163	159	166	178
ECONOMIC ENVIRONMENT	14	14	14	15	15	22	26	31	30	32
HUMAN SERVICES	8	8	8	8	8	8	7	9	9	9
CULTURE AND RECREATION	42	47	53	54	44	59	60	66	60	62
COURT-RELATED ACTIVITIES	86	85	89	78	76	74	70	64	76	72
TOTAL	1,408	1,429	1,465	1,507	1,450	1,565	1,601	1,619	1,637	1,679

SOURCE: BUDGET OFFICE

OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022

**FTE by Function
Fiscal Year 2022**



**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

SCHEDULE 16

OPERATING INDICATORS BY FUNCTION/PROGRAM - LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
TRANSIT										
TOTAL ROUTE MILES	215	215	215	220	220	220	220	220	227	229
PASSENGERS	182,584	161,878	139,389	137,644	123,473	119,761	119,658	64,385	53,071	61,913
LIBRARY										
CIRCULATION	696,234	736,264	739,882	762,052	764,595	768,370	787,847	601,970	662,561	739,488
REGISTERED BORROWERS	70,908	70,739	71,322	72,555	73,401	73,883	72,711	63,491	29,430	35,269
PUBLIC WORKS										
ASPHALT OVERLAY (SQUARE YARDS)	42,280	61,219	57,523	78,044	90,624	218,500	218,496	153,915	231,673	213,389
BRIDGES REPAIRED/REPLACED	1	-	1	15	1	10	5	4	1	1
WATER										
NEW CONNECTIONS	140	119	169	189	179	182	190	338	280	212
WATER MAINS REPAIRED	63	124	32	36	28	24	34	56	77	32
ANNUAL WATER UNITS BILLED	444,340	451,427	456,066	423,601	469,014	476,239	480,260	484,811	489,272	487,213
SEWER										
ANNUAL SEWER UNITS BILLED	414,612	414,188	418,921	424,767	432,917	438,480	443,196	447,838	450,564	454,850
AIRPORTS										
ENPLANEMENTS	374,431	373,143	385,109	436,410	566,212	680,151	820,940	523,624	908,631	1,020,252
DEPLANEMENTS	379,194	372,268	385,936	437,957	567,997	681,597	826,290	525,456	909,042	1,010,233
GROWTH MANAGEMENT										
DEVELOPMENT PERMITS ISSUED	908	837	965	998	1,105	1,053	1,158	1,196	1,409	1,378
HOME OCCUPATIONS	463	440	456	521	515	476	447	349	269	83
REFUSE COLLECTION										
TRANSFER STATION TONNAGE	125,755	118,022	117,689	132,475	142,104	150,105	147,917	155,517	179,983	175,834
RECYCLING TONNAGE	6,196	7,278	8,700	8,922	9,391	12,567	13,681	14,353	15,252	14,232
PUBLIC SAFETY										
EMERGENCY CALLS (EMS)	23,986	25,105	25,973	27,139	29,127	31,101	32,301	30,659	33,857	33,566
SYSTEM CALLS (9-1-1)	131,147	103,320	101,451	188,631	130,395	209,675	393,408	100,812	138,099	114,612

SOURCE: COUNTY ADMINISTRATOR'S OFFICE

**OKALOOSA COUNTY, FLORIDA
STATISTICAL SECTION
SEPTEMBER 30, 2022**

UNAUDITED

SCHEDULE 17

CAPITAL INDICATORS BY FUNCTION/PROGRAM - LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
PARKS AND RECREATION										
COUNTY PARKS	18	19	19	19	19	18	18	18	18	18
UNINCORPORATED PARKS	33	35	35	36	37	38	39	39	40	40
TRANSIT										
BUSES/PASSENGER VAN	17	11	11	11	13	14	14	17	17	17
LIBRARY										
COLLECTION	310,302	309,368	320,095	316,684	327,913	331,790	330,790	325,474	307,744	270,970
PUBLIC WORKS										
PAVED ROADS MAINTAINED (MILES)	670	674	670	678	682	682	705	713	805	809
DIRT ROADS MAINTAINED (MILES)	199	198	199	196	196	185	171	171	200	96
COLD MIX ROADS MAINTAINED (MILES)	72	70	74	71	67	60	53	45	32	28
TRAFFIC SIGNALS	13	13	13	10	10	11	11	12	12	12
WATER										
WATER MAINS (MILES)	726	741	466	513	486	493	501	518	518	520
FIRE HYDRANTS	5,546	5,777	3,980	4,138	3,332	3,232	2,930	2,463	2,496	2,504
ANNUAL AVERAGE DAILY WITHDRAWAL CAPACITY (THOUSANDS OF GALLONS)	17,200	17,200	17,200	10,620	10,620	10,620	10,620	10,620	10,620	10,620
SEWER										
SANITARY SEWERS (MILES)	561	593	448	521	499	479	473	483	445	448
ANNUAL AVERAGE DAILY FLOW CAPACITY (THOUSANDS OF GALLONS)	13,206	13,206	11,980	11,980	11,980	16,980	16,980	16,980	16,980	16,980

SOURCE: COUNTY ADMINISTRATOR'S OFFICE

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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, 2022, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 29, 2023.

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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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.



Fort Walton Beach, Florida
March 29, 2023

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**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, 2022:

- (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 Board'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, 2022.

Warren Averett, LLC

Fort Walton Beach, Florida
March 29, 2023

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**OKALOOSA COUNTY, FLORIDA
SCHEDULE OF RECEIPTS AND EXPENDITURES OF
FUNDS RELATED TO THE DEEPWATER HORIZONS OIL SPILL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Source	Received in Fiscal Year 2022	Expended in Fiscal Year 2022
U.S. Department of Treasury		
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States (RDCGR 180120-01-01)	\$ -	\$ 451,062
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States (RDCGR 180149-01-00)	25,933	123,475
Total U.S. Department of Treasury	<u>25,933</u>	<u>574,537</u>
Gulf Coast Ecosystem Restoration Council		
Passed Through Gulf Consortium, Inc.		
RESTORE Council Oil Spill Impact Program (200090033)	151,900	154,121
Total Gulf Consortium, Inc.	<u>151,900</u>	<u>154,121</u>
Triumph Gulf Coast, Inc.		
Okaloosa County - Crestview Bypass / Project #46	-	12,535,978
Total Triumph Gulf Coast, Inc.	<u>-</u>	<u>12,535,978</u>
TOTAL	<u><u>\$ 177,833</u></u>	<u><u>\$ 13,264,636</u></u>

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 2022.

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 2022.

The schedule of receipts and expenditures of funds related to the Deepwater Horizon Oil Spill 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, 2022, and the related notes to the financial statements, and have issued our report thereon dated March 29, 2023.

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 of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Florida Auditor General*;

Disclosures in those reports which are dated March 29, 2023, 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, 2022, 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 29, 2023

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, 2022. 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, 2022.

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*, and the 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*, and the Uniform Guidance, 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.

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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.

Warren Averett, LLC

Fort Walton Beach, Florida
March 29, 2023

**OKALOOSA COUNTY, FLORIDA
AIRPORTS ENTERPRISE FUND
SCHEDULE OF EXPENDITURES OF PASSENGER FACILITY CHARGES
FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Date Approved	Amount Approved For Use	Cumulative Total - September 30, 2021	Quarter Ended December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	Year Ended September 30, 2022	Cumulative Total - September 30, 2022
Revenues									
Passenger facility charge revenues received			\$ 36,456,548	\$ 671,308	\$ 1,242,945	\$ 1,205,396	\$ 713,566	\$ 3,833,215	\$ 40,289,763
Interest earned			2,460,052	2,968	(701)	9,699	28,168	40,134	2,500,186
Total passenger facility charge revenue received			<u>\$ 38,916,600</u>	<u>\$ 674,276</u>	<u>\$ 1,242,244</u>	<u>\$ 1,215,095</u>	<u>\$ 741,734</u>	<u>\$ 3,873,349</u>	<u>\$ 42,789,949</u>
Expenditures									
Application 00-01-C-01-VPS	October 2000	\$ 16,080,970	\$ 11,156,795	\$ 541,884	\$ 60,126	\$ -	\$ -	\$ 602,010	\$ 11,758,805
Application 03-02-C-00-VPS	July 2003	1,349,009	939,471	46,417	5,150	-	-	51,567	991,038
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	8,756,299	2,233,565	1,459,758	89,407	2,991,294	6,774,024	15,530,323
Application 22-08-C-00-VPS	August 2022	7,567,262	-	-	-	-	103,165	103,165	103,165
Total passenger facility charge revenue expended			<u>\$ 51,778,480</u>	<u>\$ 28,517,348</u>	<u>\$ 2,821,866</u>	<u>\$ 1,525,034</u>	<u>\$ 3,094,459</u>	<u>\$ 7,530,766</u>	<u>\$ 36,048,114</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, 2022. 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, 2022

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 Agriculture & Consumer Services				
Child Nutrition Cluster				
School Breakfast Program	10.553	01-0303	\$ 54,318	\$ -
National School Lunch Program	10.555	01-0303	105,275	-
Total Child Nutrition Cluster			159,593	-
Passed Through Florida Department of Financial Services				
Forest Service Schools and Roads Cluster				
Schools and Roads - Grants to States	10.665	N/A	11,783	-
Total U.S. Department of Agriculture			171,376	-
<u>U.S. Department of Commerce</u>				
<u>National Oceanic and Atmospheric Administration</u>				
Passed Through National Fish and Wildlife Foundation				
Office for Coastal Management	11.473	0318.19.066930	53,147	-
<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	638,298	-
Community Development Block Grants	14.228	10DB-4X-01-56-01-F18	26,984	-
Total U.S. Department of Housing and Urban Development			665,282	-
<u>U.S. Department of the Interior</u>				
Direct Program				
Payments in Lieu of Taxes	15.226	N/A	11,460	-
Total U.S. Department of the Interior			11,460	-
<u>U.S. Department of Justice</u>				
Direct Programs				
Justice Systems Response to Families	16.021	2016-FJ-AX-0016	167,184	165,527
State Criminal Alien Assistance Program	16.606	15PBJA-20RR-00563-CSAA	22,743	-
Passed Through Florida Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-0670	3,958	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0806	7,895	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0768	19,450	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-01370-JAGX	39,593	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-JAGC-OKAL-5-5R-016	10,640	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2021-JAGC-OKAL-4-3B-062	11,901	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2021-JAGC-OKAL-3-3B-125	21,819	-
			115,256	-
Total U.S. Department of Justice			305,183	165,527
<u>U.S. Department of Transportation</u>				
Direct Programs				
<u>Federal Aviation Administration</u>				
COVID-19 - Airport Improvement Program	20.106	3-12-0081-032-2020	271,103	-
Airport Improvement Program	20.106	3-12-0081-031-2020	803,555	-
COVID-19 - Airport Improvement Program	20.106	3-12-0020-021-2021	9,670	-
COVID-19 - Airport Improvement Program	20.106	3-12-0081-035-2021	174,252	-
COVID-19 - Airport Improvement Program	20.106	3-12-0081-037-2022	697,008	-
			1,955,588	-

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2022

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-X716-00	\$ 1,942	\$ -
Federal Transit Formula Grants	20.507	FL-90-X867-00	67,425	-
Federal Transit Formula Grants	20.507	FL-90-X761-00	168,539	-
Federal Transit Formula Grants	20.507	FL-90-X795-00	202,830	-
Federal Transit Formula Grants	20.507	FL-90-X815-00	18,279	-
Federal Transit Formula Grants	20.507	FL-2017-064-00	12,006	-
Federal Transit Formula Grants	20.507	FL-2018-093-00	6,666	-
Federal Transit Formula Grants	20.507	FL-2019-017-00	1,237	-
Federal Transit Formula Grants	20.507	FL-2019-021-00	351,922	-
Federal Transit Formula Grants	20.507	FL-2020-058-00	415,040	-
COVID-19 - Federal Transit Formula Grants	20.507	FL-2020-073-00	113,813	-
COVID-19 - Federal Transit Formula Grants	20.507	FL-2022-010-00	590,750	-
Federal Transit Formula Grants	20.507	FL-2022-019-00	2,667	-
Passed Through Florida Department of Transportation				
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	439255-3-94-17	195,222	-
Total Federal Transit Cluster			2,148,338	-
Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205	G1892 , 421997-8-A8-01	530,111	-
Total Highway Planning and Construction Cluster			530,111	-
COVID-19 - Formula Grants for Rural Areas	20.509	G1M18; 44749918401	411,520	-
Passed Through Florida Department of Management Services				
E-911 Grant Program	20.615	S18-21-05-10	348,309	-
E-911 Grant Program	20.615	S18-21-05-11	102,336	-
			450,645	-
Total U.S. Department of Transportation			5,496,202	-
<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	450,962	450,962
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	RDCGR180149-01-00	123,475	123,475
			574,437	574,437
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	SLT-0786	2,015,136	-
Passed Through Florida Housing Finance Corporation				
COVID-19 - Coronavirus Relief Fund	21.019	080-2020	5,594	-
Total U.S. Department of Treasury			2,595,167	574,437
<u>National Endowment for the Humanities</u>				
Passed Through Florida Department of State				
COVID-19 - Grants to States	45.310	21-ARPA-29	50,000	-
<u>Consumer Product Safety Commission</u>				
Passed Through Gulf Consortium, Inc				
Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program	87.052	200090033	158,808	-
Total Consumer Product Safety Commission			158,808	-
<u>Election Assistance Commission</u>				
Passed Through Florida Department of State				
HAVA Election Security Grants	90.404	21.e.es.000.059	3,990	-
Total Election Assistance Commission			3,990	-

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2022

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>				
Passed Through Florida Department of Revenue				
Child Support Enforcement	93.563	N/A	\$ 3,060	\$ -
Child Support Enforcement	93.563	COC46	279,656	-
Total U.S. Department of Health and Human Services			282,716	-
<u>U.S. Department of Homeland Security</u>				
Direct Programs				
Law Enforcement Officer Reimbursement Program	97.U01	70T02021T6114N272	138,660	-
Passed Through Florida Division of Emergency Management				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	DR-4564 FL	276,109	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	DR-4564 FL	(270,280)	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Z2645	35,601	-
			41,430	-
Hazard Mitigation Grant	97.039	18HM-H4-01-56-01-388; 4177-06-A	52,352	-
Emergency Management Performance Grants	97.042	G0224	87,298	-
Emergency Management Performance Grants	97.042	G0214	13,926	-
			101,224	-
Homeland Security Grant Program	97.067	R0430	38,626	-
Homeland Security Grant Program	97.067	R0037	316,968	-
			355,594	-
Total U.S. Department of Homeland Security			689,260	-
TOTAL FEDERAL AWARDS			\$ 10,482,591	\$ 739,964
<u>STATE FINANCIAL ASSISTANCE</u>				
<u>Executive Office of the Governor</u>				
Direct Projects				
<u>Florida Division of Emergency Management</u>				
Emergency Management Programs	31.063	A0261	\$ 23,338	\$ -
Emergency Management Programs	31.063	A0168	79,051	-
			102,389	-
Emergency Management Projects	31.067	T0094	262	-
Emergency Management Projects	31.067	T0159	9,576	-
			9,838	-
Total Executive Office of the Governor			112,227	-
<u>Florida Department of Environmental Protection</u>				
Direct Projects				
Cooperative Collection Center Grant	37.007	HW305	35,525	-
Cooperative Collection Center Grant	37.007	HW205	181,579	-
			217,104	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP46043	30,886	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP46041	110,817	-
			141,703	-
Alternative Water Supply	37.100	20-023	232,451	-
Total Florida Department of Environmental Protection			591,258	-

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2022

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	2018/2019	\$ 115,390	\$ -
State Housing Initiative Partnership (SHIP)	40.901	2019/2020	152,924	-
State Housing Initiative Partnership (SHIP)	40.901	2020/2021	580	-
State Housing Initiative Partnership (SHIP)	40.901	2021/2022	792	-
State Housing Initiative Partnership (SHIP)	40.901	2022/2023	51	-
Total Florida Housing Finance Corporation			269,737	-
<u>Florida Department of Agriculture and Consumer Services</u>				
Direct Projects				
Mosquito Control - FY 21	42.003	027454	34,966	-
Agriculture Education and Promotional Facility	42.047	27944	35,600	-
Total Florida Department of Agriculture and Consumer Services			70,566	-
<u>Florida Department of State</u>				
Direct Projects				
State Aid to Libraries	45.030	18-ST-45	11,984	-
State Aid to Libraries	45.030	19-ST-45	51,498	-
Total Florida Department of State			63,482	-
<u>Florida Department of Transportation</u>				
Direct Projects				
Computerized Traffic Signal System	55.U01	ASI26; 409797-3-88-01	218,163	-
Traffic Management Control Project	55.U02	ARW77; 22023948801	57,097	-
Landscaping of SR20 from Lancaster Drive to Bay Drive	55.U03	ASB65, 44382215801	59,865	-
Commission for the Transportation Disadvantaged Trip and Equipment Grant Program	55.001	G1Y01	400,758	-
Commission for the Transportation Disadvantaged Trip and Equipment Grant Program	55.001	G2A32	148,791	-
			549,549	-
Aviation Development Grant	55.004	G1798; 42230389401	336,741	-
Aviation Development Grant	55.004	G1H42; 42561659401	155,377	-
Aviation Development Grant	55.004	G1K02; 42561549401	24,480	-
Aviation Development Grant	55.004	G1J22; 42230349401	483,520	-
Aviation Development Grant	55.004	G1Z31; 42561479401	51,662	-
Aviation Development Grant	55.004	G1800; 42561449401	1,032,268	-
			2,084,048	-
Public Transit Block Grant Program	55.010	G2398; 42225318404	218,187	-
Transit Corridor Program	55.013	G2394; 42225618404	225,000	-
Transportation Regional Incentive Program (TRIP)	55.026	G1H69; 43818912401	94,745	-
Total Florida Department of Transportation			3,506,654	-
<u>Florida Department of Education</u>				
Direct Projects				
Okaloosa County Sheriff's Office Guardian	48.140	97J-90210-2D001	25,386	-
Total Florida Department of State			25,386	-
<u>Florida Department of Children and Families</u>				
Direct Projects				
Substance Abuse and Mental Health - Community Services	60.153	A0280	248,369	-
SAMH ME State Funded Federal Excluded Services	60.190	AH105	188,971	-
Total Florida Department of Children and Families			437,340	-

OKALOOSA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2022

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	C0046	\$ 39,391	\$ -
Total Florida Department of Health			<u>39,391</u>	<u>-</u>
<u>Florida Department of Management Services</u>				
Direct Projects				
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S21-22-05-02	218,735	-
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S18-21-05-50	58,550	-
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S18-21-05-51	51,168	-
Total Florida Department of Management Services			<u>328,453</u>	<u>-</u>
<u>Fish and Wildlife Conservation Agency</u>				
Direct Projects				
Derelect Vessel Removal Program	77.005	FWC 21184	15,000	-
Derelect Vessel Removal Program	77.005	FWC 21271	17,380	-
Total Fish and Wildlife Conservation Agency			<u>32,380</u>	<u>-</u>
TOTAL STATE FINANCIAL ASSISTANCE			<u>\$ 5,476,874</u>	<u>\$ -</u>
TOTAL FEDERAL AND STATE FINANCIAL ASSISTANCE			<u>\$ 15,959,465</u>	<u>\$ 739,964</u>

OKALOOSA COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2022

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, 2022. 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 not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

BCC - NOTE 4. EXPENDITURES INCURRED IN THE PRIOR FISCAL YEAR

A total of \$270,280 were incurred in a prior fiscal year and obligated by FEMA in the current fiscal year. These funds were expended under contract DR-4564 FL of the assistance listing number 97.036.

**OKALOOSA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

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:

Assistance Listing Number	Name of Federal Program or Cluster
20.507 20.526	Federal Transit Cluster
20.106	Airport Improvement Program
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, 2022**

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>
37.100	Alternative Water Supply
55.001	Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program
55.004	Aviation Development Grant

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.

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*.