PERFORMANCE AUDIT OF

Okaloosa County

Final Report

August 25, 2026

McConnell Jones

Overview of Performance Audit Findings

Okaloosa County
August 25, 2026

OKALOOSA COUNTY REPORT DIGEST

Overall, Across 24 Areas, the County Met Expectations in 14 Areas, Partially Met Expectations in 7 Areas, and Did Not Meet Expectations in 3 Areas.

Issue Area (Number of Subtasks Examined)	Overall Conclusion	Did the County Meet Subtask Expectations?		
		Yes	Partially	No
Economy, efficiency, or effectiveness of the program (6)	Partially Met	4	2	0
Structure or design of the program (2)	Met	2	0	0
Alternative methods of providing program services or products (3)	Partially Met	1	1	1
Goals, objectives, and performance measures (4)	Partially Met	0	2	2
Accuracy or adequacy of public documents, reports, and requests prepared by the County (5)	Met	5	0	0
Compliance with appropriate policies, rules, and laws (4)	Partially Met	2	2	0
All Areas (24)		**14**	**7**	**3**

Results in Brief---------------------------

In accordance with s. 212.055(11), *Florida Statutes,* and Government Auditing Standards, the certified public accountant must conduct a performance audit of the Okaloosa County program areas within the administrative unit(s) that will receive funds through the referendum. The performance audit must include a review of program areas for Okaloosa County related to law enforcement/public safety facilities; land acquisition; public facility improvement; transportation, including traffic control and road, bridge, and sidewalk construction and repair; flood control and water quality improvement; debt service; and citizen committee oversight. Audit fieldwork must include interviews with program administrators, review of relevant documentation, and other applicable methods to complete the assessment of the six (6) research tasks.

- The economy, efficiency, or effectiveness of the program.
- The structure or design of the program to accomplish its goals and objectives.
- Alternative methods of providing program services or products.
- Goals, objectives, and performance measures used by the program to monitor and report program accomplishments.
- The accuracy or adequacy of public documents, reports, and requests prepared by the County, or which relate to the program.
- Compliance of the program with appropriate policies, rules, and laws.

Findings for each of the six (6) issue areas were based on the extent to which the program met expectations established by audit subtasks. Overall, the audit found that Okaloosa County met expectations in two (2) of the six (6) areas and partially met expectations in four (4) areas.

A summary of audit findings by issue area is presented below. A more detailed overview of the findings can be found in the Executive Summary.

Findings by Issue Area ----------------

Economy, Efficiency, or Effectiveness of the Program

Overall, Okaloosa County meets Research Task 1. The Public Works Surtax Management Division maintains many of the management reports/data that program administrators use on a regular basis to monitor program performance and cost. Programs are periodically evaluated through bridge inspections, pavement condition assessments, accreditation reviews, jail inspections, appraisals, and other external evaluations. The County provided examples of corrective actions taken in response to deficiencies identified through inspections and audits, including bridge repairs, jail safety corrections, and debt management improvements. However, the audit could not consistently verify the timeliness or completion of all corrective actions, particularly within the debt service function based on the draft debt policy in progress. The County evaluates performance and costs using industry standards, professional guidance, asset management tools, accreditation requirements, condition assessments, and recognized best practices. The MJ Team reviewed a sample of projects across all program areas and determined they were partially completed well, at a reasonable cost, on time and all within budget. Finally, all program areas have written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

The structure or design of the program to accomplish its goals and objectives

Overall, Okaloosa County meets Research Task 2. The MJ Team compared Okaloosa County's organizational structure with those of peer counties, Santa Rosa and Walton counties, which were selected by County leadership. The assessment found that the surtax program is supported by a clearly defined organizational structure characterized by limited administrative layers, minimal overlap in responsibilities, and direct lines of authority that promote efficient and cost-effective program administration. Additionally, staffing levels were found to be appropriate for current workloads, supported by experienced leadership, low vacancy and turnover rates, formal workload analyses, and a documented process for requesting additional resources as project demands increase.

Alternative methods of providing services or products

Overall, Okaloosa County partially meets Research Task 3. While the County has not consistently conducted formal evaluations of in-house versus outsourced service delivery or assessed the effectiveness and cost savings of contracted services, these limitations are largely attributable to workforce recruitment and retention challenges and the County's reliance on outsourcing. The County has established sound procurement and competitive bidding practices to help ensure cost-effective service delivery and responsible use of public resources. Additionally, the County has demonstrated a commitment to continuous improvement through recognized best practices, operational assessments, and strong regional partnerships that enhance service quality, efficiency, and emergency preparedness.

Goals, objectives, and performance measures used by the program to monitor and report program accomplishments

Overall, Okaloosa County partially meets Research Task 4. Although most program-level goals and objectives are clearly stated, they are not always measurable or address key aspects of the program's performance and cost. The County's 2018 strategic plan is outdated and thus not a valid document to compare for program goals and objectives. Program performance measures and standards do not sufficiently evaluate program cost and performance to assess program progress toward meeting its stated goals and objectives. Internal controls are in place to provide reasonable assurance that program goals and objectives will be met; however, some policies and procedures are not sufficiently documented or consistently enforced during the project close out phase.

The accuracy or adequacy of public documents, reports, and requests prepared by the County which relate to the program

Overall, Okaloosa County meets the objectives for Task 5. The County demonstrated comprehensive processes, systems, and controls that ensure accurate, timely, transparent, and publicly accessible program information. The County provides extensive financial and non-financial information through public reports, project portals, GIS tools, meeting records, and dedicated surtax reporting platforms. Performance and cost information is readily available through Power BI dashboards, annual reports, project updates, and public communications, with engagement metrics used to assess effectiveness. A multi-level review process involving Finance, Budget, program staff, department leadership, and the Public Information Office helps ensure the accuracy and completeness of information before release. Formal procedures are in place to promptly identify and correct inaccurate or incomplete information, supported by documented review and correction protocols.

Compliance of the program with appropriate policies, rules, and laws

Overall, Okaloosa County partially meets Research Task 6. The County has processes to assess its compliance with applicable (i.e., relating to the program's operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies. Program internal controls are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures. However, some policies and procedures require timely updates. In most cases, program administrators have not consistently taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means. The County has processes in place to determine whether planned uses of the surtax were in compliance with applicable state laws, rules, and regulations.

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McConnell Jones

TRANSMITTAL LETTER

August 25, 2026

Mr. John Hofstad, County Administrator
Okaloosa County, Florida
1250 North Eglin Parkway
Shalimar, FL 32579

Dear Mr. Hofstad:

McConnell & Jones LLP (the "MJ Team") is pleased to submit our final report of the performance audit of Okaloosa County. Pursuant to s. 212.055(11), *Florida Statutes,* the Office of Program Policy Analysis and Government Accountability (OPPAGA) selected the MJ Team to conduct a performance audit of the program areas related to Law Enforcement/ Public Safety Facilities, Land Acquisition, Public Facility Improvement, Transportation (including Traffic Control and Road, Bridge, and Sidewalk Construction and Repair), Flood Control and Water Quality Improvement, Debt Service, and Citizen Committee Oversight programs associated with the discretionary sales surtax.

Phil Dover, PE, Dover Engineering, PLLC, based in Tequesta, Florida, served as technical advisor for the project.

We conducted this performance audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.

The objective of the audit was to fulfill the requirements of s. 212.055(11), *Florida Statutes*. This statute requires that Florida local governments with a referendum on the discretionary sales surtax undergo a performance audit conducted of the program associated with the proposed sales surtax adoption. The audit must be conducted at least 60 days before the referendum is held. OPPAGA is charged with procuring and overseeing the audit. County departments that expend Local Option Sales Tax funds, which are the subject of this performance audit, are the Okaloosa County Law Enforcement/ Public Safety Facilities, Land Acquisition, Public Facility Improvement, Transportation (including Traffic Control and Road, Bridge, and Sidewalk Construction and Repair), Flood Control and Water Quality Improvement, Debt Service, and Citizen Committee Oversight, and supporting divisions.

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The objectives of the audit are consistent with the requirements of the statute, which are to evaluate the programs associated with the proposed sales surtax adoption based on the following criteria:

1. The economy, efficiency, or effectiveness of the program
2. The structure or design of the program to accomplish its goals and objectives
3. Alternative methods of providing services or products
4. Goals, objectives, and performance measures used by the program to monitor and report program accomplishments
5. The accuracy or adequacy of public documents, reports, and requests prepared by the County which relate to the program
6. Compliance of the program with appropriate policies, rules, and laws

We developed a work plan outlining the procedures to be performed to achieve the above audit objectives. Those procedures and the results of our work are summarized in the Executive Summary and discussed in detail in the body of the report.

Based upon the procedures performed and the results obtained, the audit objectives have been met. Overall, the audit found that Okaloosa County met expectations in two (2) of the six (6) areas and partially met expectations in four (4) areas. We conclude that, except for the findings discussed in the report and based upon the work performed, the departments that expend funds have sufficient policies and procedures in place, supported by appropriate documentation, reports, monitoring tools, and personnel to address the statutory criteria defined in s. 212.055(11), *Florida Statutes*.

McConnell + Jones LLP

McConnell & Jones LLP
Houston, Texas

EXECUTIVE SUMMARY

OKALOOSA COUNTY OVERVIEW

Okaloosa County, located in the Florida Panhandle, had a 2020 Census population of 211,668. The County was created in 1915 after State Representative William Mapoles introduced legislation to form a new county from portions of Walton and Santa Rosa Counties. Mapoles named it after "The Okaloosa," a steamboat named from a Choctaw word meaning black water. Milligan served as the temporary county seat until Crestview was selected by special election in 1917. Okaloosa County serves as the home of Eglin Air Force Base, extending for a total of 640 square miles.

Okaloosa County is governed by the Board of County Commissioners (BOCC), five (5) elected commissioners who are elected at-large to serve and represent one (1) of five (5) districts and the County as a whole. Each member must reside within the district for the seat that is held. The BOCC also serves as the legislative and policy setting body of Okaloosa County as established under Section 125 of the *Florida Statutes*. Under Florida law, the County Commission is responsible for funding the budgets of all Okaloosa County Government, including the independently elected Constitutional Officers and Judicial Officers, as well as the Commission's own departments. Additionally, the BOCC appoints a County Administrator who is responsible for preparing an annual budget and monitoring the effectiveness of County services.

OKALOOSA BUDGET SUMMARY

Each year, the County develops a budget in accordance with Chapters 129, and 200 of the *Florida Statutes*. Chapter 129 guides overall budget development and administration, while Chapter 200 provides specific directions for the annual levy of property taxes and the corresponding budget adoption timeline. The County operates on an October 1 to September 30 Fiscal Year.

The General Fund is the primary operating fund and is the default fund used to account for and report all financial resources not required to be accounted for and reported in another fund. There is only one General Fund, and it makes up 27 percent of all funds.

General Fund Revenues

Figure ES-1 presents the County's Fiscal Year 2026 budgeted General Fund revenue. Miscellaneous revenue includes interest, judgments and fines, donations, and other revenue sources.

Category	Amount	Percentage
Ad Valorem Taxes	$ 107,475,686	59%
Intergovernmental Revenue	30,269,474	17%
Cash Carry Forward	28,953,079	16%
Charges for Services	5,933,716	3%
Transfers In	5,326,528	3%
Miscellaneous Revenue	2,592,517	1%
Other Taxes	1,629,706	<1%
Licenses & Permits	44,500	<1%
Fines & Forfeitures	21,100	<1%
Total	**$ 182,246,306**	**100%**

FIGURE ES-1: *Property taxes comprise the majority of Okaloosa County's General Fund revenue.*
SOURCE: *Okaloosa County's Fiscal Year 2026 Budget.*

All Fund Expenditures

Figure ES-2 presents the County's Fiscal Year 2026 budgeted expenditures for all funds.

Fund	Amount	Percentage
General	$ 182,246,306	27%
Special Revenue	133,413,827	20%
Enterprise	221,794,281	32%
Capital	126,101,273	18%
Debt Service	8,999,747	1%
Internal Service	14,693,994	2%
Total	**$ 687,249,428**	**100%**

FIGURE ES-2: *Okaloosa County's Fiscal Year 2026 budgeted revenue from all sources totals $687 million.*
SOURCE: *Okaloosa County's Fiscal Year 2026 Approved Budget Summary Revenue Overview by Fund.*

General Fund Expenditures by Function

Figure ES-3 presents Okaloosa County's Fiscal Year 2026 budgeted expenditures by category. Transfers to elected officials comprise 44 percent of the $177.5 million expenditure budget while general government and public safety comprise 16 and 15 percent, respectively.

Fund	Expenditures	Percentage
Transfers to Elected Officials	$ 79,659,068	44%
General Government	29,828,819	16%
Public Safety	27,383,976	15%
Reserves	15,003,575	8%
Interfund Transfer	11,815,496	7%
Economic Environment	6,121,912	4%
Human Services	5,099,657	3%
Physical Environment	1,313,040	1%
Court-Related	1,206,611	1%
Transportation	88,694	<1%
Total General Fund Expenditures	**$ 177,520,848**	**100%**

FIGURE ES-3: *Transfers to elected officials (Sheriff, Property Appraiser, Supervisor of Elections and Clerk to the Board), general government and public safety costs make up three-quarters of the County's Fiscal Year 2026 General Fund expenditures.*
SOURCE: *Okaloosa County Fiscal Year 2026 Adopted Budget Expenditure Overview by Fund.*

DISCRETIONARY SALES SURTAX

According to the State of Florida Department of Revenue website, a half-cent infrastructure tax program funded by a discretionary sales surtax (DSS) is imposed by most Florida counties and applies to most transactions subject to sales tax. The State of Florida Department of Revenue collects and distributes the sales surtax to counties and municipalities based on the state's sales tax formula.

Each county is responsible for administering the funds it receives. On March 3, 2026, the BOCC adopted Ordinance No. 2026-03, placing a referendum on the November 3, 2026, ballot. This referendum seeks voter approval to extend the County's one-half cent Local Government Infrastructure Surtax for an additional ten-year period beginning January 1, 2029.

Figure ES-4 identifies the County departments that will engage with surtax fund programs and how the funds will be used.

Report Program Sections	Program Areas	Responsible Departments	Surtax Uses
Transportation / Public Works	***Transportation (including Traffic Control and Road, Bridge and Sidewalk Construction and Repair)***	• County Administration • Public Works Administration (PWA) • Engineering Division • Office of Management and Budget (OMB)	Building, constructing, and maintaining roads and bridges and associated infrastructure; acquiring associated equipment to build and maintain the aforementioned.
	Flood Control and Water Quality Improvement	• County Administration • Public Works Administration (PWA) • Office of Management and Budget (OMB) • Engineering Division • Office of Emergency Management	Construct, enhance, repair, and/or improve stormwater infrastructure.
	Public Facility Improvement	• County Administration • Public Works Administration (PWA) • Facilities & Parks • Office of Management and Budget (OMB) • Engineering Division	Fund various capital projects to construct, enhance, and/or improve public facilities.
Law Enforcement / Public Safety	***Law Enforcement / Public Safety***	• Public Works Administration (PWA) • Purchasing • Engineering & Operations Department • Sheriff's Department • Office of Management and Budget (OMB)	Purchase or construct equipment or infrastructure related to jails, criminal justice computer systems, and emergency management resources.
Land	***Land Acquisition***	• Public Works Administration (PWA) • Purchasing • Engineering Division • Office of Management and Budget (OMB) • Office of Emergency Management	Purchase land needed for the completion of surtax-funded projects.
Indebtedness	***Debt Service***	• County Administration • Public Works Administration (PWA) • Office of Management and Budget (OMB) • Clerk of Courts	Finance and repay debt obligations issued to fund eligible capital infrastructure projects.

Report Program Sections	Program Areas	Responsible Departments	Surtax Uses
Citizen Committee Oversight	***Citizen Committee Oversight***	• Infrastructure Surtax Advisory Committee • County Attorney's Office	

FIGURE ES-4: *Uses of the sales surtax and administering department.*
SOURCE: *Surtax Ordinance No. 26-03 and the MJ Team interviews.*

GOVERNANCE IMPLICATIONS OF SURTAX PASSAGE

Under Florida law, Okaloosa County's BOCC is responsible for administration of the surtax funds.

Various Assistant County Administrators who report to the county administrator oversee the Public Works Administration, Engineering, Facility & Parks and Office of Emergency Management, which are the primary beneficiaries of the surtax. The Sheriff is an elected official responsible for law enforcement within the County and will also be a beneficiary of the surtax funds. The Okaloosa County Clerk of Courts will receive the surtax funds from the state while the Office of Management and Budget (OMB), which reports to the OMB Director, will oversee and control surtax expenditures.

AUDIT OBJECTIVE

In accordance with s. 212.055(11), *Florida Statutes*, and Government Auditing Standards, the certified public accountant must conduct a performance audit of the Okaloosa County program areas within the administrative unit(s) that will receive funds through the referendum.

The performance audit must include a review of program areas for Okaloosa County related to law enforcement/public safety facilities; land acquisition; public facility improvement; transportation, including traffic control and road, bridge, and sidewalk construction and repair; flood control and water quality improvement; debt service; and citizen committee oversight.

Audit fieldwork must include interviews with program administrators, review of relevant documentation, and other applicable methods to complete the assessment of the six (6) research tasks.

PROJECT SCOPE

Figure ES-4 (which is presented on the previous page), provides an overview of the County departments that were included in the audit scope as well as surtax fund uses. The performance audit was conducted in accordance with *Generally Accepted* Government *Auditing Standards (GAGAS)*. Those standards require that the audit be conducted in a manner to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. The MJ Team believes that the evidence obtained provides a reasonable basis for our observations and conclusions.

METHODOLOGY

The MJ Team began fieldwork with a kickoff meeting on May 20, 2026, where the MJ Team discussed the project scope, process, timeline, and priorities. Audit team members conducted individual interviews with management and executive-level staff during the fieldwork period. Each of the group interviews had management team members in attendance depending on their involvement with a particular research task.

During interviews, management team members' roles were discussed along with processes and procedures the County follows to address the six (6) research tasks and underlying subtasks. The MJ Team initiated multiple follow-up contacts with nearly all County management team members to clarify information outlined in processes, procedures, and management reports the County provided to address the research tasks. Performance audit team members reviewed and analyzed extensive, relevant operational and financial data to document and report findings and conclusions.

RESEARCH TASK 1

SCOPE

All surtax projects are managed by in-house staff members in Public Works's Surtax Department. Project updates, site inspections (at varying levels), progress payments, easement/land acquisitions and all other aspects of project administration are completed by in-house staff. From this perspective every surtax project has at least an administrative level of in-house staff. Whether or not the work is outsourced is usually a factor of available capacity within Public Works' staff. Because surtax projects are "in excess" of Public Works' daily functions, the majority of the work effort is outsourced.

For purposes of the analyses in this section, the Transportation service area includes road and bridge, sidewalks, drainage and flood control, water quality, public facility improvement, and land acquisition. The Okaloosa County organizational leadership that administers the Surtax funds works within the purview of the Public Works Department. In addition to the Transportation/Public Works areas, the scope consists of the Law Enforcement/Public Safety Facilities, Land Acquisition, Debt Service and the Citizen Oversight Committee program areas. Land acquisition is separate as it is more of a hybrid program area. Public Works initiates the appraisal process, and an outside legal firm manages the acquisition process through completion of the purchase contract. Indebtedness and the Citizen Committee Oversight differ from public works programs that involve ongoing management decisions, service delivery, and measurable operational inputs and outputs. These activities do not lend themselves to evaluations of performance and cost in the same way as operational programs. Accordingly, the MJ Team reviewed indebtedness and Citizen Committee Oversight only in Subtask 1.1.

FINDING SUMMARY

THE ECONOMY, EFFICIENCY, OR EFFECTIVENESS OF THE PROGRAM.

Overall, Okaloosa County partially meets Research Task 1.

The Public Works Surtax Management Division maintains many of the management reports/data that program administrators use on a regular basis to monitor program performance and cost. Programs are periodically evaluated through bridge inspections, pavement condition assessments, accreditation reviews, jail inspections, appraisals, and other external evaluations. The County provided examples of corrective actions taken in response to deficiencies identified through inspections and audits, including bridge repairs, jail safety corrections, and debt management improvements. However, the audit could not consistently verify the timeliness or completion of all corrective actions, particularly within the debt service function based on the draft debt policy in progress.

THE ECONOMY, EFFICIENCY, OR EFFECTIVENESS OF THE PROGRAM. CONT'D

The County evaluates performance and costs using industry standards, professional guidance, asset management tools, accreditation requirements, condition assessments, and recognized best practices. The MJ Team reviewed a sample of projects across all program areas and determined they were partially completed well, at a reasonable cost, on time and all within budget. Finally, all program areas have written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 1.1 – Review any management reports/data that program administrators use on a regular basis and determine whether this information is adequate to monitor program performance and cost.

OVERALL CONCLUSION

Overall, Okaloosa County meets expectations for Subtask 1.1. To reach this conclusion, the MJ Team conducted interviews and examined requested data. The MJ Team assessed relevant areas of the County that will administer and/or benefit from the sales surtax. Each relevant area is discussed separately below.

The County maintains multiple management reports and monitoring tools, including project budget-to-actual reports, project status reports, invoice tracking systems, construction inspection reports, and committee oversight reports. These reports provide management with timely information on cost, schedule, progress, and project status, allowing administrators to adequately monitor program performance and expenditures.

TRANSPORTATION/PUBLIC WORKS

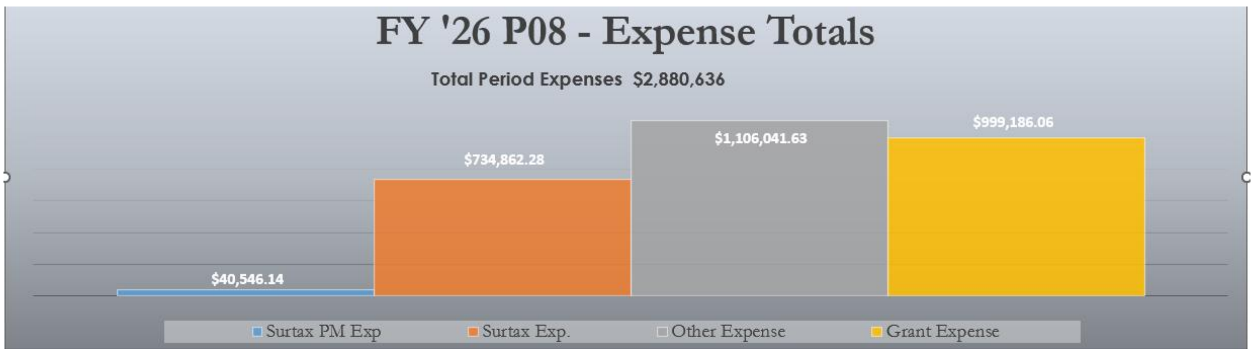
To address the requirements of all subtasks related to Transportation/Public Works, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Deputy County Administrator
- Public Works Director
- County Engineer

Figure 1-1 presents an example of the project reconciliation spreadsheet. It shows the project budget versus actual expenditures and percent spent versus percent complete.

COMPLETED SURTAX PROJECTS

Title	Project	Category	Surtax	Other	Grant	* PM Exp.	Actuals	Balance	% Spent	Complete
6th Street Area Stormwater	ST000001	Stormwater	$ 3,127,171	$ 201,910	$ -	$ 40,681	$ 3,270,612	$ 58,469	98%	100%
Commons Drive Intersection Improvements	ST000003	Transportation Capacity	$ 857,029	$ 600,000	$ -	$ 15,154	$ 1,457,029	$ 0	100%	100%
Redwood Avenue Sidewalks & Intersection	ST000005	Transportation Capacity	$ 1,350,000	$ 22,000	$ -	$ 25,522	$ 1,267,622	$ 104,378	92%	100%
Santa Rosa Boulevard Crosswalks	ST000006	Transportation Capacity	$ 214,500	$ -	$ -	$ 7,149	$ 214,500	$ -	100%	100%
Standish Court Stormwater	ST000007	Stormwater	$ 682,901	$ -	$ 420,432	$ 21,620	$ 1,103,599	$ (266)	100%	100%
Sheriff's Office Training Facility	ST000008	Public Safety	$ 3,100,000	$ -	$ -	$ 33,116	$ 3,089,240	$ 10,760	100%	100%
Highway 2 Bridge and Roadway Improvements	ST000014	Transportation Capacity	$ 12,700,000	$ 200,375	$3,000,000	$ 56,256	$ 14,609,447	$ 1,290,928	92%	100%
Fleet Improvements	ST000016	Public Safety	$ 44,965	$ -	$ -	$ 2,407	$ 44,965	$ -	100%	100%
School Resource Officer Support	ST000017	Public Safety	$ 1,918,093	$ -	$ -	$ 15,235	$ 1,856,800	$ 61,293	97%	100%
Meigs Drive Stormwater Improvements	ST000019	Stormwater	$ 287,851	$ 450,000	$ -	$ 6,508	$ 737,851	$ -	100%	100%
Commons Drive Sidewalk Connection	ST000020	Transportation Safety	$ 205,724	$ 59,281	$ -	$ 11,885	$ 245,005	$ 20,000	92%	100%
Lake Lorraine Stormwater Improvements	ST000022	Stormwater	$ 2,560,734	$ 90,850	$ -	$ 33,217	$ 2,468,239	$ 183,345	93%	100%
Hospital Drive/Lewis Turner Blvd.	ST000023	Transportation Safety	$ 431,618	$ -	$ -	$ 5,281	$ 431,618	$ -	100%	100%
Bluewater Bay MSBU Stormwater Improvements	ST000026	Stormwater	$ 200,000	$ 47,967	$ 255,037	$ 24,263	$ 600,951	$ 189,546.25	68%	100%
Old Bethel Road Sidewalk Improvements	ST000027	Transportation Capacity	$ 1,500,000	$ -	$ -	$ 13,128	$ 1,238,737	$ 261,263	83%	100%
Live Oak Church Road & Bridge Improvements	ST000028	Transportation Capacity	$ 3,400,000	$ 1,206,354	$1,500,000	$ 47,192	$ 5,821,158	$ 285,196	95%	100%
EOC Technology Upgrades	ST000037	Public Safety	$ 650,000	$ -	$ -	$ 8,609	$ 601,041	$ 48,959	92%	100%
		Surtax Project Totals:	**$ 32,580,586**	**$ 2,878,736**	**$5,175,469**	**$ 358,615**	**$ 38,457,372**	**$ 2,464,912**	94%	



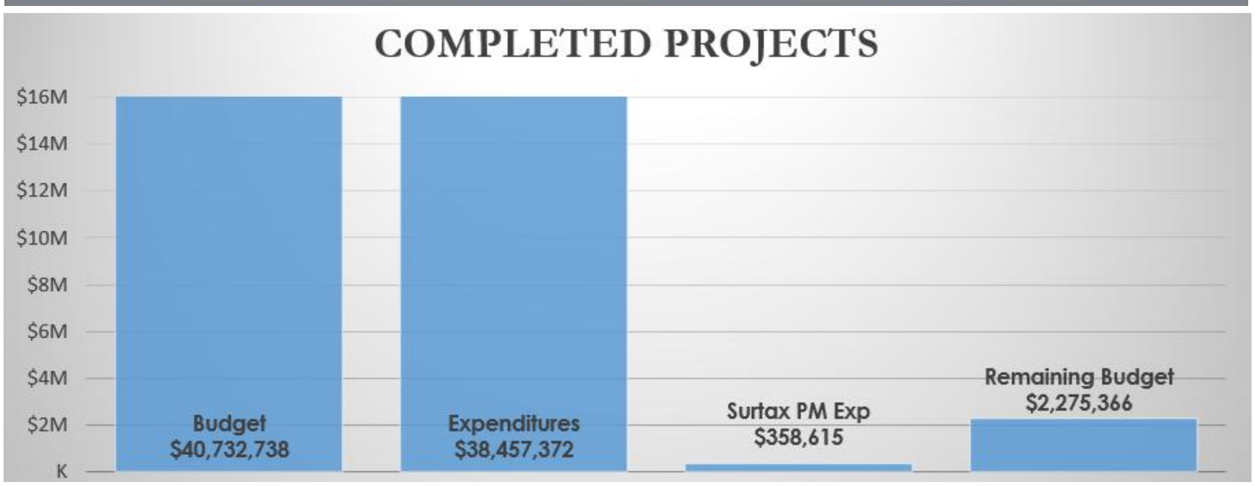


FIGURE 1-1: *Budget vs Actual Expenditures.*
SOURCE: *Okaloosa Public Works Department.*

Figure 1-2 presents an excerpt of the project status including notes and the status of the pre-design, design, right-of-way acquisition, and construction.

Period:	9 (June)	Current Date:	7/28/2026				Update Log		Period Project Completion Percentages / Status Report
Project #	Active / Comple	Project Title	Pre-Design %	Design %	ROW %	Const %	Date Update	Initials	Project Status
ST000002	Active	Beachview Drive [	100%	60%	0%	0%	07/13/26	DS	5/1/23: The Simpsons own two properties that would allow routing the outfall line from Beachview to Choctawhatchee Bay. A tour was made with them and their attorney across their properties to discuss the routing. They are considering possible grant of an easement. First, the Simpsons will solicit the County for rezoning the properties to mix residential and commercial as they wish to build/sell residences on the properties as well as maintain commercial capabilities. Their rezoning plan would influence the routing of the outfall across the properties. 07/31/23 Project is on-hold pending resolution of said rezoning. 06/26/23. Project on hold pending the Simpsons' request to request & receive rezoning request to the Board. Indication is the Simpsons will agree to a easement if they can rezone the property. 08/01/23 - 9/30/24. No change in status. 02/9/24. Project re-design needed for outfall at County park by bridge. No property owners will provide easement. 1/30/25 - Project on hold. Will move forward with re-design under new consultant agreement. Must use RESTORE funding for design. TO2 with Hanson Prof Services for CIGP Grant application signed. NTP issued. 10/16/25-RESTORE funding approved at 10/7/25 BOCC meeting. Consultant received NTP 10/10/25. Design underway. 2/24/26 - Design firm has begun meeting with FDOT for project coordination 4/10/26 - 60% plans in PE review. 7/13/26 - Easement title search received. Documents sent to residents
ST000009	Active	Southwest Crestvi	100%	100%	100%	91%	07/13/26	DS	6/30/24: Phase V and East-West Connector – The work on Phase V and East-West Connector stands at 59% of the contract budget expensed vs. 77% of the contract time. Right-of-way acquisition has been completed. The roadwork is ahead of schedule. The bridge construction is proceeding albeit at a slower pace than the roadwork. Nonetheless, the project is expected to end on time in early 2025. Forecast spending remains within budget. PJ Adams Widening Phases 1-4 – The work is underway with approximately 98% of the time used and 92% of the contract budget expensed. Roadway for Phases 1 and 2 (Hwy 85 to Ashley Drive) are open in both directions All new lanes for Segment 3 and part of Segment 4 will be opened this month and the balance of Segment 4 open in June. Completion of punch list work and late added work will occur throughout the summer months. PJ Adams at Hwy 85 Turn Lanes - This project is in the right-of-way acquisition phase funded by an FDOT TRIP grant and County TIF (Tax Increment Financing) revenue. Purchase agreements for the parcel acquisitions have been negotiated, approved by the BCC, and should close within about a month. Negotiations continue for a single temporary construction easement required to construct the project. Project is ready to go out to bid

FIGURE 1-2: *Project Status Summary.*
SOURCE: *Okaloosa Public Works Department.*

Figure 1-3 presents an excerpt from the Public Works Surtax Projects presentation which shows the original contract amount, amendments, expenses, and the remaining budget balance.

ST000014
Hwy 2 Widening & Resurfacing

DESCRIPTION	TO / CO	ORIGINAL CONTRACT	CO / AMENDMENT AMOUNT	BUDGET ACCOUNT TITLE	FUND / ACCOUNT#	CONTRACT TO DATE	EXPENSES	BALANCE	% SPENT
Pre-Design	TO 1	$ 161,543.79	$ -	R/B Const. Gas Tax	3201-563195	$ 161,543.79	$ (161,543.79)	$ -	100%
Design	TO 1	$ 593,216.80	$ -	Surtax	3301-563001	$ 554,386.01	$ (553,886.01)	$ 500.00	100%
Design	TO 1	-	$ -	Other Funding	3201-563139	$ 38,830.79	$ (38,830.79)	$ -	100%
Design-Pipe Inspc	TO 2	$ 69,800.00	$ -	Surtax	3301-563001	$ 69,800.00	$ (48,400.00)	$ 21,400.00	69%
Design-Cult Surve	TO 3	$ 18,835.93	$ -	Surtax	3301-563001	$ 18,835.93	$ (18,835.93)	$ -	100%
Construction		$ 12,703,527.26	$ -	FDOT Rd Safety Grant	732343-563014	$ 3,000,000.00	$ (3,000,000.00)	$ -	100%
Construction			$ -	Grant Match-Surtax	3301-563001	$ 4,000,000.00	$ (4,000,000.00)	$ -	100%
Construction			$ -	Surtax	3301-563001	$ 6,172,741.36	$ (6,172,741.33)	$ 0.03	100%
Bridge Repair	TO NA/Bridg	$ 192,084.00	$ -	Surtax	3301-563001	$ 192,084.00	$ (192,084.00)	$ -	100%
Post Design	TO 4	$ 125,090.00	$ -	Surtax	3301-563001	$ 125,090.00	$ (26,450.00)	$ 98,640.00	21%
CEI	TO N/A	$ 623,793.61	$ -	Surtax	3301-563001	$ 623,793.61	$ (369,031.22)	$ 254,762.39	59%
Misc. Fees		$ 912.32	$ -	Surtax	3301-563001	$ 701.52	$ (701.52)	$ -	100%
	TOTAL	$ 14,488,803.71	$ -		TOTAL	$ 14,957,807.01	$ (14,582,504.59)	$ 375,302.42	

FIGURE 1-3: *Invoice Tracking Spreadsheet.*
SOURCE: *Okaloosa Public Works Department.*

Figure 1-4 presents an example of the project status report prepared by the contract engineering firm to identify if the project is on schedule and within budget and if there are project issues.

FLORIDA DEPARTMENT OF TRANSPORTATION

COLLEGE BLVD/FOREST RD MUP PROJECT
PROJECT STATUS REPORT
WEEK ENDING: 5/10/2026

FINANCIAL PROJECT NO.:	450925-1-54-01	SR PROJECT ENGINEER	CRAIG WYATT, P.E.
CONTRACT NO.:	C24-3972-PW	PROJECT ADMINISTRATOR:	JARROD BATSON
FEDERAL AID NO.:	N/A	CONTRACTOR:	C.W. ROBERTS CONTRACTING, INC.
DESIGNER OF RECORD	MATTHEW HORNE, P.E., HDR		

CONTRACT TIME SUMMARY		CONTRACT MONEY SUMMARY	
ORIGINAL CONTRACT DAYS:	330	ORIGINAL CONTRACT AMOUNT:	$1,720,830.92
WEATHER DAYS:	3	CHANGE ORDERS AMOUNT:	$120,579.64
GRANTED DAYS (C.O..):	37	CURRENT CONTRACT AMOUNT:	$1,841,410.56
GRANTED DAYS (Holidays):	6	CURRENT AMOUNT % USED:	45.71%
GRANTED DAYS (T.E.):	0		
TOTAL CONTRACT DAYS:	376	PREVIOUS PAID:	$536,851.89
CONTRACT DAYS USED:	214	CURRENT TOTAL AMOUNT PAID:	$841,745.37
TOTAL DAYS REMAINING- SUBSTANTIAL:	132		
TOTAL DAYS REMAINING- FINAL:	162		
PENDING DAYS :	0		

DATE SUMMARY	
CONTRACT EXECUTED:	4/30/2024
NOTICE TO PROCEED:	10/9/2025
CONTRACT START DATE:	10/9/2025
DATE WORK STARTED:	10/9/2025
ANTICIPATED SUBSTANTIAL ACCEPTANCE:	8/20/2026
ANTICIPATED FINAL ACCEPTANCE:	10/19/2026

DAILY SUMMARY OF CONTRACTOR ACTIVITIES

5/4/2026	MONDAY	CWR CONTINUED TO CUT THE MULTI-USE PATH TO GRADE WEST OF 285 TO GET IT READY FOR LIMEROCK
5/5/2026	TUESDAY	CWR CONTINUED TO CUT THE MULTI-USE PATH TO GRADE WEST OF 285 TO GET IT READT FOR LIME ROCK AND THEY ALSO BEGAN CUTTING A STRAIGHT EDGE ON THE GUARDRAIL PADS THE PAVED
5/6/2026	WEDNESDAY	CWR WASHED ALL THEIR EQUIPMENT AND CONTINUED TO CUT THE MULTI-USE PATH TO GRADE FROM STATION 31+50 TO STATION 26+80
5/7/2026	THURSDAY	CWR CONTINUED TO CUT THE MULTI-USE PATH TO GRADE UNTIL THE RAIN STARTED
5/8/2026	FRIDAY	CWR CONTINUED TO CUT THE MULTI-USE PATH TO GRADE UP TO HICKORY AVE UNTIL THEY RAN INTO CONFLICT WITH PIPE THAT THEY PLACED AND THEY WORKED UNTIL THE RAIN SET IN.
5/9/2026	SATURDAY	NO WORK DUE TO WEEKEND
5/10/2026	SUNDAY	NO WORK DUE TO WEEKEND

CONTRACT TIME GRANTED (WEATHER)

STATUS	REASON	NUMBER OF DAYS
Approved	RAIN EVENT (3 days)	3
TOTAL NUMBER OF DAYS (WEATHER)		3

CONTRACT TIME GRANTED (HOLIDAY)

STATUS	REASON	NUMBER OF DAYS
Approved	THANKSGIVING DAY OBSERVED (11.27.25- 11.30.25) 4 DAYS	4
Approved	CHRISTMAS DAY OBSERVED (12.25.25) 1DAY	1

COLLEGE BLVD/FOREST RD MUP PROJECT
PROJECT STATUS REPORT
WEEK ENDING: 5/10/2026

COMMENTS / EXPLANATION / REMARKS

NOTE 1: Claim Information

Note 2 Liquid Damages and Retainage Withheld

Liquid Damages:
Rate Per Day: $1,685.00
Current LD Days: 0

Retainage Withheld

$0.00 Total Amount Retainage Withheld To Date

Note 3 Pending Days

Weather	0	days
Holiday	0	days
Time Extension	0	days
Total Pending Days	**0**	**days**

CEI INFORMATION

WORK PERFORMED	NEEL-SCHAFFER CORDINATED WITH PIKE FPL'S SUB CONTRACTOR ON STAYIG UPDATED WHEN THEY THOUGHT THEY WOULD BE FINISHED SETTING NEW POLES ALONG FOREST RD
	NEEL-SCHAFFER CORDINATED WITH CWR ABOUT THE UPCOMING WEEKS SHECUDLE
	NEEL-SCHAFFER MONITORED CWR'S CREW AS THEY SPEADED LIME ROCK
	NEEL-SCHAFFER HAS TOOK ACTIONS ON STAYING UPDATED ON POSSIBLE UTILITY CONFLICTS AND EXISTING UTILITY CONFLICTS

FIGURE 1-4: *Weekly Status Report.*
SOURCE: *Okaloosa Public Works Department.*

Figure 1-5 presents an example of periodic project progress meeting minutes.

NEEL-SCHAFFER CWR CONTRACTING, INC.

Progress Meeting Minutes #7
Wednesday, May 20, 2026, at 9:00 am

College Boulevard/Forest Road Multi-Use Path	
FIN No. 450925-1-54-01	Project Manager: Carisse LeJeune
Contract No. C25-4187-PW / ITB: PW 64-25	Project Administrator: Jarrod Batson
FAP No. N/A	Contractor: C.W. Roberts Contracting, Inc.
Original Contract Amount: $1,720,830.92	Projected Contract Amount: $1,841,410.56
Calculating %:	100%
Contract Time Summary as of May 20, 2026	
Original Days:	270 to substantial, 330 to final acceptance
Weather Days (granted and pending):	Granted: 3 | Pending: 0
Days Granted by SA:	Granted: 0 | Pending: 0
Days Granted by Work Order:	0
Days Granted by Other (Holiday):	6
Days Granted by Time Extension:	37 (Utility delays)
Total Contract Days:	SC: 316 | FA: 376
Days Pending (SA):	0
Days Used:	223
Days Remaining:	SC: 93 | FA: 153
Date of Notice to Proceed:	10/9/2025
Contract Start Date:	10/9/2025
Substantial Completion:	8/20/2026 (316 calendar days)
Current Contract Completion Date:	9/19/2026 (376 calendar days)
Estimated Completion Date (holidays, special events):	9/19/2026
Contract Time Used:	SC: 70.56 % | FA: 59.31%
Current Total: $886,047.73 48.12%	Previous Total: $536,851.89 29.15%

(Note: This meeting is being audio recorded and will become part of the construction project records.)

1. **Review of previous meeting's minutes –** *Previous meeting minutes were reviewed. No comments or revisions were noted. CWR confirmed agreement with the project status data presented.*
2. **Discussion of Work in Progress –**
   a. Recent job progress: *CWR reported the following: Limerock import was ongoing and anticipated to be substantially complete soon. Remaining tie-in areas include locations near guardrail pads and concrete sections. One curb area was identified where the curb was not cut back far enough; CWR will cut back and extend the curb and sidewalk in that area. A second crew was onsite at the south end of Forest Rd, working north to continue clipping and balancing operations throughout the project limits. Concrete sidewalk placement has begun, including work near the lake area*

FIGURE 1-5: *Progress Meeting Minutes.*
SOURCE: *Okaloosa Public Works Department.*

In addition to monitoring costs, when the County has a construction project, they hire a Construction Engineer Inspector (CEI). The CEI is an on-site quality assurance professional who ensures projects are built according to approved plans and specifications. The CEI acts as the County's representative by monitoring contractor work, testing materials, and documenting daily progress. The CEI provides monthly progress reports which monitor the project timeline including contractual days scheduled versus the days worked, percentage of budget spent, and other metrics.

Based on an analysis of the management reports and data used on a regular basis, as documented above, program administrators are receiving information on project budget versus actual expenditures, percent spent versus percent complete, detailed project information including the status of pre-design, design, right-of-way acquisition, and construction phases, and monthly progress reports from an on-site quality assurance professional. This information is adequate to monitor program performance and cost and therefore Subtask 1.1 is met.

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

To address the requirements of all subtasks related to Law Enforcement, the MJ Team interviewed individuals in the following positions:

- OCSO Major
- Deputy County Administrator – OPS

The same type of documentation is maintained in the project files as for Transportation/Public Works. This information is adequate to monitor program performance and cost and therefore Subtask 1.1 is met. See the Transportation/Public Works analysis.

LAND ACQUISITION

To address the requirements of all subtasks related to Land Acquisition, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Property & Finance Manager

The same type of documentation is maintained in the project files as for Transportation/Public Works. This information is adequate to monitor program performance and cost and therefore Subtask 1.1 is met. See the Transportation/Public Works analysis.

DEBT SERVICE

To address the requirements of all subtasks related to Debt Service, the MJ Team interviewed individuals in the following positions:

- OMB Director
- Clerk of the Court & Comptroller
- Accounting Director, Okaloosa County Clerk of Court

Debt-related information is reported in the annual audit reports. The County provided debt service spreadsheets used to monitor program performance and cost. The County uses an external financial advisor who presents alternative debt solutions to the BOCC and other recommendations. The County also provided examples of the quarterly financial reports on the website which include debt information. This information is adequate to monitor program performance and cost and therefore the Debt Service program component meets Subtask 1.1.

CITIZEN COMMITTEE OVERSIGHT

Okaloosa County (website) currently has an Infrastructure Surtax Advisory Committee. It is a citizen oversight board that reviews financial reports, monitors project spending, and recommends infrastructure allocations to the Board of County Commissioners for the county's current voter-approved half-cent sales surtax. To address the requirements of all subtasks related to Committee Oversight, the MJ Team interviewed individuals in the following positions:

- Committee Chairman

The MJ Team reviewed examples of board agenda packets, meeting minutes, ordinance, resolutions, and the annual report required by the County's ordinance. Documentation reviewed complied with the requirements. These reports comply with the committee's responsibilities established in the County's ordinance and document that ongoing monitoring and oversight occur.

The MJ Team virtually attended a Surtax Advisory Committee meeting and observed compliance with how the meeting should be administered.

The committee generates an annual report listing project status. See an excerpt in **Figure 1-6**.

Highlights and Summary of Action Items
(Excerpts from meeting minutes)

October 16, 2024

- The Committee heard updates on the Project Reconciliation report, Annualized Funding Projection report, Southwest Crestview Bypass Funding Summary and Surtax Webpage Dashboard, together with the Clerk and OMB financial reports.
- The Committee voted unanimously to recommend allocation of Surtax funds in the amount of $400,000 for the Hill Avenue and Lovejoy Road Intersection Improvements Project (ST000044) for traffic study, design, and signal and striping adjustments.
- The Committee voted unanimously to recommend allocation of Surtax funds in the amount of $1,118,000 for Ellis Road (ST000045) and West Dodson Road (ST000046) Improvements Projects. Ellis Road improvements include reshaping/repairing/stabilizing road and paving, and the West Dodson Road improvements include stabilizing. Remaining funds will be used to continue the county's Dirt to Pave program, allowing for additional paving on stabilized roads.

FIGURE 1-6: *Excerpt from Annual Report.*
SOURCE: *Okaloosa Oversight Committee.*

The Committee routinely reviews financial reports, project status reports, agenda materials, annual reports, and meeting records to monitor surtax-funded project expenditures and progress. These reports provide sufficient information to evaluate project status, spending, and funding allocations and support the Committee's oversight responsibilities. The MJ Team's review of documentation and observation of Committee meetings confirmed that this information is regularly used to monitor program performance and cost; therefore, the subtask is met.

SUBTASK 1.2 – Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost.

OVERALL CONCLUSION

Overall, Okaloosa County meets Subtask 1.2. To reach this conclusion, the MJ Team conducted interviews and examined data. The County demonstrated that programs are periodically evaluated through bridge inspections, pavement condition assessments, accreditation reviews, jail inspections, appraisals, and other external evaluations. These reviews provide management with performance and cost information that can be used to assess operational effectiveness and identify areas requiring attention.

The interviews and data demonstrate that all program administrators periodically evaluate operations using performance information and other criteria to assess program performance and cost. This information is outlined and discussed by program in the following sections.

TRANSPORTATION/PUBLIC WORKS

The Transportation/Public Works program meets Subtask 1.2. To address the requirements of all subtasks related to Transportation/Public Works, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Deputy County Administrator
- Public Works Director
- County Engineer

The reports that the MJ team reviewed to demonstrate that Transportation/Public Works program administrators meet this subtask are discussed below.

Florida Department of Transportation Bridge Assessment

The Florida Department of Transportation (FDOT) is responsible for inspecting and evaluating public highway bridges in Florida, including bridges reported to the National Bridge Inventory (NBI). The Federal Highway Administration (FHWA) maintains and publishes NBI data submitted by states, federal agencies, and tribal governments. NBI bridges are subject to periodic safety inspections, although inspection intervals may vary based on bridge characteristics, condition, and applicable inspection requirements. Accordingly, Okaloosa County bridges included in the NBI are subject to periodic inspection under federal and state bridge inspection requirements. FDOT performed the County's most recent bridge inspection in December 2023.

Beginning with 2025 data extracts, each bridge includes a performance categorization based on the following NBI scores:

Excellent: NBI Rating of 8 or 9

Good: NBI Rating of 6 or 7

Fair: NBI Rating of 5

Poor: NBI Rating of 4 or below

According to the most recent FDOT quarterly bridge report, most of the County's bridges were rated in favorable condition. Of the County's 186 bridges, 153 bridges, or 83 percent, were rated either Good or Excellent. Another 24 bridges, or 13 percent, were rated Fair, indicating that these bridges may warrant continued monitoring to identify potential maintenance needs. As in the FDOT quarter 3 report which lists bridges within the County's area of responsibility, the County is responsible for maintaining 70 of these 186 bridges.

Nine bridges, or 5 percent, were rated Poor, representing the smallest substantive condition category but also the group most likely to require prioritized review, repair, or replacement planning. Overall, the data shows that most bridges are in Good condition; however, the bridges rated Fair or Poor suggest a need for ongoing condition monitoring and capital planning.

Figure 1-7 provides an overview of the condition of all bridges in the County and the bridges maintained by the County.

Condition	Bridge Count	Percentage	County's Bridge Count	County's Percentage
Excellent	3	2%	1	1%
Good	150	81%	51	73%
Fair	24	13%	12	17%
Poor	9	5%	6	9%
Total	**186**	**100%**	**70**	**100%**

FIGURE 1-7: *Most of the County's bridges are in good condition.*
SOURCE: *FDOT Florida Bridge Information, 2026 3rd Quarter.*

FDOT's bridge age data indicate that the County's bridge inventory is evenly split between newer structures and a substantial group of older bridges. Of the 186 bridges, 93 bridges, or 50 percent, are 30 years old or less. The remaining 93 bridges, or 50 percent, are older than 30 years. The percentage of bridges older than 50 years represents the largest single age category and indicates that a meaningful portion of the bridge inventory may require continued monitoring, maintenance planning, and consideration in future capital improvement priorities.

Figure 1-8 provides an overview of the age of the County's bridges.

Age Range	Bridge Count	Percentage
0-10 Years	21	11%
11-20 Years	40	22%
21-30 Years	32	17%
31-40 Years	22	12%
41-50 Years	15	8%
>50 Years	56	30%
Total	**186**	**100%**

FIGURE 1-8: *The ages of the County's bridges are evenly split with half being thirty years old or less and half being more than 30 years old.*
SOURCE: *FDOT Florida Bridge Information, 2026 3rd Quarter.*

FDOT inspection-year data show that all 186 bridges in the County's bridge inventory had a recorded FDOT inspection between 2024 and 2026. Most inspections occurred in 2025, when 76 bridges, or 41 percent, were inspected. Another 65 bridges, or 35 percent, were inspected in 2024, and 45 bridges, or 24 percent, were inspected in 2026.

Overall, the data show that the County's bridge inventory has recent inspection activity, with 121 bridges, or 65 percent, inspected in 2025 or 2026. This data supports periodic, ongoing evaluation of bridge conditions.

Figure 1-9 provides an overview of the date of last inspection of the County's bridges.

Year of Last FDOT Inspection	Bridge Count	Percentage
2024	65	35%
2025	76	41%
2026	45	24%
Total	**186**	**100%**

FIGURE 1-9: *Most of the County's bridges were last inspected in 2025.*
SOURCE: *FDOT Florida Bridge Information, 2026 3rd Quarter.*

Pavement Condition Assessment

The County has a network of paved and unpaved roadways comprising 1,390 miles. FDOT's public road mileage data identify roads by roadway system and jurisdiction. Accordingly, roads reported under the County Road System represent roads under county jurisdiction; however, not all roads located within the county are county-maintained, as some could be maintained by the state, municipalities, or federal agencies.

To ensure roadways are maintained at optimal functionality and safety, a pavement contractor inspects the County's roads and assigns a pavement condition ranking based on identified defects. Informed decisions about essential repairs and maintenance are then made to preserve the integrity of the road network.

Figure 1-10 provides an overview of the road network in the County by jurisdiction. The table shows that County-jurisdiction roads account for most reported public road miles, while City-jurisdiction roads are more likely to be paved. Of the 1,390.2 total road miles reported, 915.4 miles, or 66 percent, are under County jurisdiction, compared to 474.8 miles, or 34 percent, under City jurisdiction.

Within County jurisdiction, 740.3 miles, or 81 percent, are paved and 175.1 miles, or 19 percent, are unpaved. In comparison, City-jurisdiction roads are more heavily paved, with 449.8 of 474.8 miles, or 95 percent, paved and 25.0 miles, or 5 percent, unpaved.

Overall, the data indicate that the County is responsible for most of the reported road miles and that nearly one-fifth of County-jurisdiction road miles are unpaved, which may have implications for maintenance planning, resurfacing priorities, and future capital improvement needs.

Jurisdiction	Miles	Percent Paved/Unpaved	Percent by Jurisdiction
County			
Paved	740.3	81%	
Unpaved	175.1	19%	
Total County	**915.4**	**100%**	**66%**
City			
Paved	449.8	95%	
Unpaved	25.	5%	
Total City	**474.8**	**100%**	**34%**
Total Miles	**1,390.2**		**100%**

FIGURE 1-10: *County-jurisdiction roads account for most reported public road miles, while City-jurisdiction roads are more likely to be paved.*
SOURCE: *FDOT Reports of Highway Mileage and Travel.*

The County's pavement management program incorporates a pavement condition index (PCI) to rate the condition of its road system. The PCI helps the County execute optimum, effective strategies to cost effectively maintain its road network in a safe and serviceable condition over time.

The PCI is a numerical index between 0 and 100. Many municipalities use it to measure the condition of their road infrastructure thereby reaping the benefits of leveraging limited financial resources while improving overall road conditions.

Originally developed by the Army Corps of Engineers to rate the condition of airfield pavement, the PCI was later modified by the American Society for Testing and Material (ASTM), which is an international standards organization that develops technical standards for a wide range of materials, products, systems, and services.

Figure 1-11 provides road condition categories by PCI rating that the County uses to assess road pavement conditions.

Simplified Definition	Simplified PCI Color Legend	Full PCI Color Legend	PCI Range	PCI Ratings and Definition
GOOD			86 - 100	GOOD: Pavement has minor or no distresses and should require only routine maintenance.
			71 - 85	SATISFACTORY: Pavement has scattered low-severity distresses that should require only routine maintenance.
FAIR			56 - 70	FAIR: Pavement has a combination of generally low- and medium-severity distresses. Near-term maintenance and repair needs may range from routine to major.
POOR			41 - 55	POOR: Pavement has low-, medium-, and high-severity distresses that probably cause some operational problems. Near-term M&R needs ranges from routine to major.
			26 - 40	VERY POOR: Pavement has predominantly medium- and high-severity distresses that cause considerable maintenance and operational problems. Near-term M&R needs will be major.
			11 - 25	SERIOUS: Pavement has mainly high-severity distresses that cause operational restrictions. Immediate repairs are needed.
			0 - 10	FAILED: Pavement deterioration has progressed to the point that safe operations are no longer possible. Complete reconstruction is required.

FIGURE 1-11: *The pavement condition index (PCI) enables PWA program administrators to rate pavement conditions and maintain roads in optimum condition.*
SOURCE: *Hillsborough County Fiscal Year 2023 Pavement Inspection Report, April 2024.*

Figure 1-12 provides an overview of County conditions. The data shows a strong overall condition profile, with 80 of 82 collected road segments (97.6 percent) falling in PCI ranges of 71 or above. This indicates that the sampled network is predominantly in good to satisfactory condition, with the largest concentration of segments in the 71–85 range (44 segments) and 36 segments in the 86–100 range. Only 2 collected segments fell in the 56–70 range, and none were below 56, suggesting limited representation of poorer-condition roads.

PCI Range	Road Segments	Percent
86-100	36	44%
71-85	44	54%
56-70	2	2%
Below 56	0	-
Total	**82**	**100%**

FIGURE 1-12: *The County's roads show a strong overall condition profile, 97.6 percent falling in PCI ranges of 71 or above.*
SOURCE: *Pavement Condition Report provided by the County.*

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

The Law Enforcement/Public Safety Facilities program meets Subtask 1.2. To address the requirements of all subtasks related to this program, the MJ Team interviewed individuals in the following positions:

- OCSO Major
- Deputy County Administrator – OPS

Reports that the MJ team reviewed to demonstrate that Law Enforcement/Public Safety Facilities program administrators meet this subtask are discussed below.

Fire Emergency Plan

A city-operated fire department located in north Okaloosa County conducted an annual review of the County's Department of Corrections' emergency preparedness and fire-safety compliance during 2025. The next inspection is to be conducted sometime after May 2026.

The fire marshal determined that the Emergency Plan and fire-safety equipment met applicable standards. The inspection report identified the following deficiencies:

- A fire door to the administrative office had been propped open, contrary to fire code requirements requiring fire doors to remain self-closing and unobstructed.
- Multiple ceiling tiles were missing, damaged, or improperly seated.
- Certain emergency lighting units were inoperable.
- Electrical panels contained unused openings that required protective plugs.
- A standpipe/fire protection system inspection was past due, and a sprinkler riser located in the bus sally port had been yellow-tagged pending evaluation and repair by the sprinkler contractor.

The fire inspector from the fire department and a County representative signed the report. Accordingly, the evidence indicates that fire safety is periodically evaluated using performance information and other reasonable criteria to assess the County's fire safety program.

Sheriff Accreditation Assessment

The Commission for Florida Law Enforcement Accreditation (CFA) conducted an accreditation assessment of the Okaloosa County Sheriff's Office (OCSO) between March 25 and March 27, 2025, and issued its Final Assessment Report on April 2, 2025. The assessment evaluated compliance with 235 accreditation standards through file reviews, interviews with agency personnel, facility observations, ride-along, and reviews of operational systems and procedures.

The assessment team found OCSO in compliance with 218 standards and out of compliance with one mandatory standard and unanimously recommended the agency for reaccreditation. The assessments are conducted every three years. Previous assessments were performed during the summers of 2010, 2013, 2016, 2019, and 2022.

The assessment provides evidence that OCSO is periodically evaluated using established accreditation standards and other operational criteria, including reviews of records management, investigations, communications operations, training, evidence management, detention operations, personnel practices, and compliance processes.

Florida Model Jail Standards Assessment

On May 11, 2026, a Florida Model Jail Standards (FMJS) inspection team composed of sergeants from two Florida county sheriff's offices conducted the annual inspection of the Okaloosa County Jail. The team assessed compliance with FMJS requirements through facility observations, policy and documentation reviews, staff and inmate interviews, and compliance testing covering jail operations, inmate housing and classification, food service, safety, security, sanitation, discipline, programs, records, and physical plant standards.

The inspection found the jail to be 100 percent compliant, with no serious or notable violations observed. The report provides strong evidence that jail operations are periodically evaluated against established performance criteria through recurring FMJS inspections and documented compliance review procedures.

LAND ACQUISITION

The Land Acquisition program meets Subtask 1.2. To address the requirements of this subtask as it relates to Land Acquisition, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Property & Finance Manager

In February and October 2025, independent appraisers prepared appraisal reports for Okaloosa County to support internal decision-making related to potential land and property acquisitions. The appraisals established market values for three parcels of $92,500, $70,000, and $239,800, respectively. The appraisers used property inspections, market research, comparable sales analyses, and highest-and-best-use evaluations performed in accordance with professional appraisal standards.

The appraisal reports provide evidence that the County periodically evaluates prospective land acquisitions using independent market-value analyses and other objective criteria before making acquisition decisions. These valuations support assessment of program cost by providing independent estimates of reasonable acquisition prices and support program performance by demonstrating that acquisition decisions are based on documented due diligence and market-based analysis rather than subjective judgment. The reports did not identify findings or recommendations and were prepared solely to provide valuation opinions for County decision-making purposes.

DEBT SERVICE

The Debt Service program meets Subtask 1.2. In 2018, the County underwent a performance audit that evaluated surtax-funded programs including debt service. Auditors found that the County evaluated financing alternatives before issuing debt, including a 15-year bank loan, 20-year bank loan, and 30-year bond option for the 2016 courthouse financing. However, the audit identified a control weakness in the debt service function because the County outsourced bond disclosure and compliance activities to an external financial consultant but did not formally monitor the consultant's performance or review bond compliance and disclosure documents for accuracy and completeness.

As a result, auditors concluded that the County lacked sufficient oversight to verify the quality of the outsourced debt-management function and recommended implementing procedures to monitor the consultant's activities through personnel with appropriate expertise. The audit provides evidence that financing options were evaluated prior to issuing debt but identified deficiencies in the County's evaluation and oversight of outsourced debt compliance activities.

CITIZEN COMMITTEE OVERSIGHT

Subtask 1.2 does not apply to the Citizen Committee Oversight Committee because it is an advisory oversight body that does not manage projects, costs, or performance outcomes. In this report, evaluation of such activities is assessed through the programs that will receive and benefit from the surtax if the referendum passes.

SUBTASK 1.3 – Determine whether program administrators have taken reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, internal and external reviews, audits, etc.

OVERALL CONCLUSION

Overall, Okaloosa County partially meets Subtask 1.3. The County provided examples of corrective actions taken in response to deficiencies identified through inspections and audits, including bridge repairs, jail safety corrections, and debt management improvements. However, the audit could not consistently verify the timeliness or completion of all corrective actions, particularly within the debt service function. The MJ Team could not determine whether implementation of the 2018 performance audit recommendation was timely because the Debt policy was not dated. To reach this conclusion, the MJ Team conducted interviews and examined requested data.

TRANSPORTATION/PUBLIC WORKS

The Transportation/Public Works program meets Subtask 1.3. To address the requirements of all subtasks related to Transportation/Public Works, the MJ Team interviewed individuals in the positions discussed in Subtask 1.2. We also reviewed actions the County took to address deficiencies identified in the assessment reports the MJ Team reviewed in Subtask 1.2.

FDOT Bridge Assessment Responses

The FDOT bridge inspection report identified corrective-action items for three Okaloosa County bridges. County work-order records show that management initiated or performed corrective work for some deficiencies; however, the records do not demonstrate completion of all FDOT-identified items. Several work orders remained "In Progress" and lacked stop dates, limiting the evidence available to verify completion. Given the complexity and cost of bridge repairs, some corrective actions may reasonably require additional time to complete.

Figure 1-13 provides a summary of deficiencies noted and work orders created to address the deficiencies.

Bridge no. / name	Inspection date	Deficiency / FDOT recommendation	Work order no. / date	Work performed / nature of work
574112 Poplar Head Church Road over Bone Creek	11/01/2023	Cracked Beams; Fractured Deck Planks; replacement required.	113295 08/28/2024 start date; task note dated 8/29/2024	Replaced 12 deck boards.
574124 West Kelly Road over Little Horse Creek	12/12/2023	Decayed/split deck replacement; Displaced timber piles; realign and secure recommended. Beam 1-5 rotated, split, and	105224 04/15/2024 start date	Replaced 2 deck boards and cleaned area.

Bridge no. / name	Inspection date	Deficiency / FDOT recommendation	Work order no. / date	Work performed / nature of work
		cracked; replacement recommended.		
574183 Lester B. Jackson Bridge, Lake Ella Road over Pond Creek	02/06/2023	Approach roadway depressions; repair recommended. Failed joint sealant, spalling, and leakage; replace sealant recommended. Fallen tree obstructing about 50% of channel; removal recommended. Wingwall erosion near abutments; repair recommended. Corroded steel piles and failed coating; clean and repaint recommended.	104698 (possible related work only) 04/03/2024 start date	Repainted piles and cleared brush. Scraped, repainted piles, and cleared brush.

FIGURE 1-13: *Work order records provide evidence that the County took timely action to address deficiencies noted in FDOT bridge assessment reports.*
SOURCE: *FDOT Bridge Assessment Reports.*

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

The Law Enforcement/Public Safety Facilities program meets Subtask 1.3. To address the requirements of all subtasks related to Law Enforcement, the MJ Team interviewed individuals in the positions discussed in Subtask 1.3 and reviewed the documentation discussed below.

Fire Emergency Plan Corrective Action

The annual fire-safety inspection of the Okaloosa County Jail occurred on July 3, 2025. Although the inspection report documented several fire-safety deficiencies, documentation provided in the inspection report demonstrated that management corrected all deficiencies by June 24, 2025, and the final inspection concluded with no remaining violations. The report indicates that all identified deficiencies were corrected prior to completion of the annual inspection. **Figure 1-14** shows that four deficiencies were documented as corrected on June 10, 2025, and repairs related to the sprinkler riser were completed on June 24, 2025.

As a result, the final inspection concluded with no violations and scheduled the next inspection for on or after May 28, 2026. Based on the information contained in the report, County personnel took corrective action to address all documented deficiencies before the July 3, 2025, inspection was finalized.

Item Description	Remarks	Correction Date
Fire or smoke doors obstructed/propped open	Fire door to the Administrative Office was propped open; facility staff were advised it must remain closed.	June 10, 2025

Item Description	Remarks	Correction Date
Ceiling tiles missing or improperly seated	Multiple ceiling tiles were missing, damaged, or not properly seated.	June 10, 2025
Emergency lighting inoperable	Emergency lights identified in the report were inoperable.	June 10, 2025
Openings in electrical panels	Electrical panel openings required plugs.	June 10, 2025
Annual standpipe inspection past due	Sprinkler riser in the bus sally port was yellow-tagged; repairs were completed by the sprinkler company and the system was returned to normal.	June 24, 2025

FIGURE 1-14: *Fire safety deficiencies at the jail were corrected promptly.*
SOURCE: *Fire safety report, June 2025.*

Florida Model Jail Standards Assessment

FMJS inspection that occurred on May 11, 2026, and discussed in Subtask 1.2 resulted in no deficiencies. However, the previous year's inspection that occurred on August 20, 2025, concluded that any compliance questions identified during the inspection were discussed and corrected, and no serious issues remained unresolved while inspectors were on site. The report therefore provides evidence that the County is subject to periodic external reviews using established compliance standards and that management addressed issues timely that were identified during the inspection process.

LAND ACQUISITION

The Land Acquisition Program is not applicable to Subtask 1.3 because appraisals, which were discussed in Subtask 1.2, do not evaluate program performance, identify deficiencies, assess corrective actions, document management responses, or determine whether prior issues were addressed.

The land appraisals discussed in Subtask 1.2 were prepared to establish the fair market value of specific properties under consideration for acquisition. The reports document the use of professional valuation methods, property inspections, market analyses, and highest-and-best-use determinations, and provide evidence that County officials used independent market-value information and objective criteria to evaluate prospective acquisition costs before making purchasing decisions.

DEBT SERVICE

The Debt Service Program partially meets Subtask 1.3 because the MJ Team could not determine if the County's actions to implement audit report recommendations were timely. The 2018 surtax audit found that the County did not adequately monitor the performance of its external financial consultant responsible for bond disclosure and debt-compliance activities. Auditors reported that the County did not review the consultant's evaluations and disclosures for accuracy and completeness and therefore lacked sufficient oversight to verify the quality of the outsourced debt-management function.

The audit recommended that the County implement procedures to monitor the consultant's activities through personnel possessing appropriate expertise. The County agreed with the recommendation and indicated it would consider implementing a formal monitoring process while asserting that certain compliance-review activities were already being performed by Clerk of Court finance staff. In response, county management, Budget Department staff, and the Clerk of Courts Finance management team drafted a Debt Management Policy.

The draft policy describes a collaborative review process involving County Administration, the applicable department, the Office of Management and Budget, the Clerk of Courts Finance Division, and the County's Financial Advisor when evaluating debt issuances. The document further states that the Clerk of Courts serves as the primary entity responsible for monitoring compliance with bond covenants, continuing-disclosure obligations, and other debt-related requirements; that the Clerk's Chief Financial Officer serves as the designated Tax Compliance Officer; and that the County maintains annual reporting and disclosure processes.

The policy provides documented evidence that the County took action to establish oversight responsibilities, monitoring procedures, and accountability mechanisms that are responsive to the surtax audit's finding regarding insufficient oversight of outsourced debt-management activities. The MJ Team could not determine the timeliness of the policy because it was not dated.

CITIZEN COMMITTEE OVERSIGHT

Subtask 1.3 does not apply to the Citizen Committee Oversight Committee because it is an advisory oversight body that does not manage projects, costs, or performance outcomes. In this report, evaluation of such activities is assessed through the programs that will receive and benefit from the surtax if the referendum passes.

RECOMMENDATION 1.3 – Maintain documentation to indicate whether corrective actions recommended in internal or external audit reports are timely implemented. The MJ Team could not determine whether implementation of the 2018 performance audit recommendations related to the debt service function was timely because the Debt policy was not dated and is still in draft form since the 2018 recommendation.

SUBTASK 1.4 – Evaluate program performance and cost based on reasonable measures, including accepted industry standards and best practices, when available.

OVERALL CONCLUSION

Overall, Okaloosa County meets Subtask 1.4. All of the programs that will benefit from the surtax evaluate performance and costs using industry standards, professional guidance, asset management tools, accreditation requirements, condition assessments, and recognized best practices. Although some peer comparisons identified opportunities for improvement, the overall use of accepted measures and management practices demonstrates reasonable evaluation of program performance and cost. To reach this conclusion, the MJ Team assessed relevant areas of the County that will administer and/or benefit from the sales surtax. Each relevant area is analyzed below.

TRANSPORTATION/PUBLIC WORKS

To address the requirements of this subtask, the MJ Team interviewed Public Works staff. During the interview, we requested relevant information to enable us to evaluate program performance and cost based on reasonable measures, including accepted industry standards and best practices, when available. The information the County provided is discussed below as well as analysis we performed to evaluate the Transportation program.

Transportation Peer Selection

Every two (2) years, the Florida Department of Transportation (FDOT) inspects every bridge in Florida that is on the National Bridge Inventory (NBI). FDOT maintains a bridge inventory on its website. Each quarter, FDOT publishes bridge information for Florida counties. The MJ Team used data from FDOT's third quarter 2026 report to select peer counties for comparison of transportation metrics.

People use bridges. Therefore, a reasonable inference can be made that there is a direct correlation between population (bridge use) and bridge condition. This relationship forms the basis of our peer county selection methodology.

We obtained FDOT's bridge inventory of all Florida counties and calculated a bridges per capita factor for each county. We then sorted the list in descending order and identified the five (5) counties with higher bridges per capita factor than Okaloosa and the five (5) counties with a lower factor. We then selected the five (5) counties that had the lowest deviation from Okaloosa's factor as peers.

Figure 1-15 presents the results of the MJ Team's peer selection, which sets the context for our evaluation of Transportation program performance and cost presented in the subsequent tables.

County	Number of Bridges	2025 Population	Bridges per 10,000 capita	Deviation from Okaloosa	Selected for Peer Comparison
Nassau	105	106,879	9.82	1.43	No
Charlotte	211	217,212	9.67	1.28	No
Putnam	73	77,734	9.39	1.00	No
Seminole	188	211,115	8.91	0.52	**Yes**
Collier	363	417,131	8.70	0.31	**Yes**
Okaloosa	**186**	**221,810**	**8.39**	**0.00**	**N/A**
Duval	833	1,062,963	7.84	-0.55	**Yes**
Martin	130	166,272	7.82	-0.57	**Yes**
Suwannee	37	48,149	7.68	-0.71	**Yes**
Escambia	251	333,834	7.52	-0.87	No
Flagler	105	140,360	7.48	-0.91	No

FIGURE 1-15: *The MJ Team selected Okaloosa County peers based on bridge and population counts.*
SOURCES: *Bridge count: Florida Bridge Information, 2026 3rd Quarter. Population: U.S. Census Bureau, Population Division - Annual Estimates of the Resident Population for Counties in Florida: April 1, 2020 to July 1, 2025*

Transportation Peer Comparative Analysis

The information in this section is intended solely to describe the data presented in the tables. The analyses do not establish causation and are not intended to evaluate performance, which would require an assessment of underlying operations. Accordingly, readers should not draw broader conclusions beyond the data presented and the descriptive and correlational comparisons made.

Figure 1-16 presents a comparison of Okaloosa's bridge statistics with its peer counties and shows the following:

- The County's bridges are relatively new, ranking 2nd lowest in average age.
- The percentage of bridges in excellent condition ranks 5th among its peers.
- The percentage of bridges in good condition ranks last among its peers.
- The County has the 2nd highest percentage of bridges in fair condition.
- The County has the highest percentage of bridges in poor condition.

Factors	Okaloosa	Seminole	Collier	Duval	Martin	Suwannee	Okaloosa Rank to Peers
Average Bridge Age in Years	36.8	25.9	44.0	41.5	42.2	56.1	2
Percentage of Bridges in Excellent Condition	1.6	13.3	3.3	6.8	4.6	0.0	5
Percentage of Bridges in Good Condition	80.6	85.6	89.5	85.7	90.0	83.8	6
Percentage of Bridges in Fair Condition	12.9	0.6	5.8	5.8	4.6	13.5	2
Percentage of Bridges in Poor Condition	4.8	0.6	1.4	1.7	0.8	2.7	1

FIGURE 1-16: *Okaloosa County's bridges are younger than those of four of the five peer counties; however, the County has the lowest percentage of bridges in good condition and the highest percentage in poor condition.*
SOURCE: *Florida Bridge Information, 2026 3rd Quarter*.

Professional Association Memberships

Professional associations bring together people who share a common profession, interest, or field of study. Membership and participation in these organizations can be used to assess a program's potential effectiveness because of a member's exposure and access to industry standards, best practices, and networking opportunities. Professional associations offer the following benefits to their members.

- **Networking opportunities**: Professional associations organize events, conferences, workshops, and online forums where members can meet, interact, and exchange ideas with peers, mentors, experts, and potential employers or collaborators.
- **Professional development**: Professional associations provide access to training, certification, accreditation, and continuing education programs that help members enhance their skills, knowledge, and credentials.
- **Resources and information**: Professional associations offer various resources and information to their members, such as publications, newsletters, journals, databases, directories, research reports, best practices, standards, and guidelines.
- **Recognition and awards:** Professional associations recognize and celebrate the achievements and contributions of their members and their profession through various awards, honors, scholarships, and grants.

The County is a member of the Florida Association of Counties (FCA). **Figure 1-17** presents professional associations to which Public Works belong.

Organization	Membership Expiration
American Public Works Association (APWA)	08/07/2027
Institute of Transportation Engineers (ITE)	12/31/2026
Florida Stormwater Association	11/07/2028
National Institute of Governmental Purchasing	12/31/2026
Association of State Floodplain Managers	12/31/2026

FIGURE 1-17: *Public Works staff belong to a number of professional associations that provide them with the opportunity to network with like-minded professionals and share best practices.*
SOURCE: *Okaloosa County Public Works.*

Transportation Best Practices

The MJ Team conducted an internet search and used artificial intelligence (AI) tools to compile the road maintenance best practices shown in **Figure 1-18**. The sources of the best practices are listed in the table. We also reviewed and validated the documents listed in support of management's assertions that the best practices are used.

Best Practice	Description	Management Response	Supporting Documentation
Asset Management System	Maintain a GIS-integrated asset management system to track roads, bridges, work orders, labor, materials, equipment costs, and maintenance history.	Okaloosa County uses OpenGov Asset Management as a GIS Integrated Asset Management System to track roads, bridges, work orders, labor, materials, equipment costs, and maintenance history.	OpenGov Roads and Bridges document
Pavement Condition Assessments	Conduct routine pavement condition inspections using an accepted Pavement Condition Index (PCI), OCI, RCI, or similar methodology.	Okaloosa County had a consultant do a Pavement Condition Inspection in 2023 and will schedule the next one for 2028.	Pavement Inspection OCI Initial Report
Data-Driven Capital Planning	Use pavement condition data to prioritize roadway resurfacing and rehabilitation projects in the Capital Improvement Program (CIP).	The Pavement Condition data is used to support any justification by staff to perform annual resurfacing, or preservation treatment on any particular roadway.	Pavement Preservation 2025 document

Best Practice	Description	Management Response	Supporting Documentation
Bridge Inspection Program	Conduct bridge inspections on a recurring cycle using FDOT, FHWA, or engineering standards and track corrective actions.	FDOT performs bridge inspections per state guidelines and provides the reports to Okaloosa County. The County will then work on any repairs necessary for those bridges.	Bridge Inspection Reports example
Work Order Management	Maintain work order detail reports showing project status, costs, labor hours, materials used, and completion status.	Work Order Management happens within the OpenGov Asset Management System.	Task 113295 for Bridge 574112 document
Budget and Schedule Monitoring	Monitor transportation projects through budget variance and schedule variance reports and proactively address deviations.	Projects Monitored through budget variance and schedule for ST000021 Dirt Road Stabilization.	Tracking Analysis Report – Surtax 50 in 5
Dashboard Reporting	Use real-time dashboards to monitor infrastructure conditions, maintenance workload, project status, and performance trends.	OpenGov provides an individualized dashboard to help each person track the areas that pertain to their specific needs and tasks.	OpenGov Dashboard View screenshots
Corrective Action Tracking	Document deficiencies identified through inspections and evaluations and track corrective actions to completion.	Bridge Prompt Corrective Action advisories (PCAs) are received and tracked via OpenGov once sent to us, the particular example provided is for West Dodson Road over Penny Creek. This bridge is part of Surtax Project ST000046 and is scheduled for replacement.	Document 574012 PCA_2026-03-11
Lifecycle Asset Management	Integrate condition assessments, maintenance history, and replacement planning into long-term asset management decisions.	The County uses the data provided above and considers the lifespan necessary for each new installation or repair. For example, Stormwater Pipe replacements can be various different materials, dependent	Document 574012 PCA_2026-03-11 and narrative for Corrective Action Tracking

Best Practice	Description	Management Response	Supporting Documentation
		upon the longevity needed and site conditions.	

FIGURE 1-18: *Public Works staff belong to a number of professional associations that provide them with the opportunity to network with like-minded professionals and share best practices.*
SOURCE: *Okaloosa County Public Works.*

While peer bridge-condition comparisons identified improvement opportunities, the MJ Team found that the County uses industry-recognized asset management practices. Professional memberships provide access to training, technical guidance, and peer networks, while inspection data, condition assessments, GIS tools, lifecycle planning, budget monitoring, corrective action tracking, and project dashboards support performance and cost management. Together, these practices establish a framework consistent with industry standards. Therefore, Transportation/Public Works meets Subtask 1.4.

FLOOD CONTROL AND WATER QUALITY IMPROVEMENT

Flood Control Best Practices

The MJ Team conducted an internet search and used AI tools to compile the best practices shown in **Figure 1-19** from the indicated sources**.** We also reviewed and validated the documents listed in support of management's assertions that the best practices are used.

Best Practice	Description	Management Response	Supporting Documentation
Comprehensive Asset Management	Maintain drainage and stormwater infrastructure inventories within an asset management system linked to GIS.	Okaloosa County uses OpenGov Asset Management as a GIS Integrated Asset Management System to track drainage and stormwater infrastructure work orders, labor, materials, equipment costs, and maintenance history.	OpenGov Stormwater Assets document
Drainage Basin Studies	Conduct drainage basin and watershed studies every 5–10 years or as conditions warrant to identify flooding risks and infrastructure needs.	Stormwater Master Plan is published and updated as conditions change. Studies are provided by developers when a new development would impact the watershed.	Stormwater Management Plan

Best Practice	Description	Management Response	Supporting Documentation
Stormwater BMPs	Utilize BMPs such as detention, water quality treatment, erosion control, bioswales, and pollution prevention measures.	Okaloosa County has an active NPDES Permit that outlines the BMPs and are approved by the State of Florida.	2019NPDESRenewal
NPDES Compliance Monitoring	Maintain NPDES permits and monitoring programs and submit required reports.	Okaloosa County maintains an active NPDES Permit and submits required reports annually or as required.	OkaloosaCycle4Year4 NPDES Report & Acceptance
Capital Planning Based on Study Findings	Incorporate recommendations from drainage studies into the CIP and funding plans.	Gap Creek Study – Capital Improvements were implemented based on the study that was completed in 2008.	Gap Creek Final Report
Condition Documentation with Photos	Use photographs and visual documentation within maintenance systems to support prioritization and repair decisions.	Photographs are uploaded into the OpenGov Asset Management System when an issue is identified, during the repair, and once the repair is complete to show the lifecycle and resolution to the issue.	Photos for Task 129629
Water Quality Monitoring	Conduct periodic sampling, discharge monitoring, and environmental compliance inspections.	Environmental Compliance is performed as part of the County's NPDES Permit.	NPDES Inspections July 24 – July 25 report
Routine Infrastructure Inspections	Perform regular inspections of culverts, channels, ponds, storm drains, and flood-prone areas.	The County NPDES Permit requires yearly inspections and additional as needed based on local rainfall events. Those inspections are performed by inspectors who are certified by FSA or FDEP.	NPDES Inspections July 24 – July 25 report
Performance and Cost Monitoring	Track work activities, labor, materials, and project costs through management reporting systems.	Okaloosa County uses OpenGov Asset Management as a GIS Integrated Asset Management System to	129629 for Pipe PI1464 document

Best Practice	Description	Management Response	Supporting Documentation
		track drainage and stormwater infrastructure work orders, labor, materials, equipment costs, and maintenance history.	
Public Education and Outreach	Educate residents regarding watershed protection, stormwater impacts, and environmental stewardship.	Okaloosa County educates residents through Public Outreach by attending events, social media posts, and placing brochures at businesses throughout the County.	Various Stormwater Outreach brochures

FIGURE 1-19: *Public Works uses stormwater best = practices.*
SOURCE: *Public Works Department.*

The MJ Team's review found that the County employs a comprehensive management framework consistent with recognized stormwater and flood control practices. Through the use of inventoried assets, recurring inspections, environmental compliance monitoring, cost tracking, capital planning, and documented maintenance activities, the County utilizes reasonable and accepted methods to support performance and cost management. Accordingly, the Flood Control and Water Quality Improvement program meets Subtask 1.4.

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

To address the requirements of all subtasks related to Law Enforcement, the MJ Team interviewed the Sheriff's Office Major and Deputy County Administrator. During the interview, we requested relevant information to enable us to evaluate program performance and cost based on reasonable measures, including accepted industry standards and best practices, when available.

Professional Associations

As stated previously, membership and participation in professional associations can be a measure of program effectiveness because of exposure and access to industry standards and best practices. The Sheriff's Office is a member of the following professional associations:

- Florida Sheriffs Association (FSA)
- National Sheriffs' Association (NSA)
- Commission on Accreditation for Law Enforcement Agencies (CALEA)
- Commission for Florida Law Enforcement Accreditation (CFA)
- Florida Telecommunications Accreditation Commission (FLA-TAC)

Membership in professional organizations is not, by itself, evidence of program performance. These organizations establish accreditation standards, publish best practices, provide training opportunities, and facilitate peer benchmarking that support effective law enforcement administration. Rather than relying on membership alone, the MJ Team evaluated whether the Sheriff's Office has implemented operational, financial, and management practices commonly associated with nationally recognized law enforcement standards and accreditation programs. The results of that assessment are presented below.

The MJ Team conducted an internet search and used AI tools to compile the law enforcement practices shown in **Figure 1-20** from the indicated sources**.** The Sheriff’s Office uses all of the best practices listed. We also reviewed and validated the documents listed in support of management’s assertions that the best practices are used.

Best Practice	Description	Management’s Response	Supporting Documentation
Accreditation Program Participation	Maintain accreditation through recognized professional standards organizations.	The Sheriff’s Office has a full-time accreditation inspector who reviews policies and ensures we comply with accreditation standards on a daily basis. We are reaccredited every 3 years.	Reaccreditation certificate 2025
Crime Analytics and Reporting	Utilize incident-based crime reporting systems and call-for-service analytics to identify trends and allocate resources.	The Sheriff’s Office utilizes a records management system that generates a dashboard which breaks down various calls for service to allow patrol commanders to allocate resources according to combat crime. We also comply with NIBIRS reporting standards.	Attached G.O. 34.01 Records Management
Budget-to-Actual Monitoring	Monitor operating and capital expenditures through recurring budget reports and variance analysis.	The Sheriff’s Office Finance Section monitors all expenses and provides reports to Executive Command Staff on a regular basis.	G.O. 7.01 Fiscal Management
Personnel Cost Projections	Maintain personnel forecasting tools for salaries, benefits, overtime, and vacancy impacts.	The Sheriff’s Office Finance Section and Human Resources Section work in coordination with each other and with various software to track these tasks.	G.O. 7.01 Fiscal Management

Best Practice	Description	Management's Response	Supporting Documentation
Fleet Asset Management	Utilize fleet management systems that monitor availability, repairs, maintenance history, and fuel usage.	The Sheriff's Office uses a records management system to monitor the needs of our fleet.	SOP 7.23 Vehicle Inventory Processing
Equipment and Technology Management	Maintain asset inventories and lifecycle replacement plans for technology and equipment.	The SHERIFF'S OFFICE conducts an annual inventory for all personnel. Field personnel participate in a monthly inspection of all equipment.	G.O. 7.04 Property Management Inventory Control
Regular Executive Review Meetings	Conduct routine management reviews of operational, financial, and strategic performance.	The Executive Command Staff meet as needed with the Sheriff. The Command Staff and agency supervision participate in quarterly meetings.	G.O. 1.02 Command and Control
External Compliance Reviews	Participate in periodic inspections and assessments by regulatory and accreditation organizations.	The Sheriff's Office Finance Section is audited annually, the HR Section is audited biennial, and our entire agency is audited through accreditation every 3 years.	G.O. 11.09 Fraud

FIGURE 1-20: *The Okaloosa County Sheriff's Office uses law enforcement best practices.*
SOURCE: *Sheriff's Office.*

The Sheriff's Office leverages resources, accreditation standards, training opportunities, and best practices available through professional organizations and has incorporated those standards into its operational and financial management processes. The review confirmed the implementation of recognized law enforcement practices related to accreditation, performance monitoring, resource allocation, budget oversight, asset management, and external compliance reviews. These practices establish a framework consistent with industry standards. As a result, the Sheriff's Office meets Subtask 1.4.

LAND ACQUISITION

To address the requirements of all subtasks related to Land Acquisition, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Property & Finance Manager

The National Association of Counties (NACo) recommends using key performance indicators to evaluate conservation land acquisition programs as a best practice. Metrics might include the number of acres acquired, cost per acre, biodiversity indices, and public access improvements.

Program performance and costs are sufficiently evaluated as described in Subtask 1.1 which includes:

- Budget versus actual expenses analysis
- Percent complete versus percent spent
- Periodic status reports which address cost and schedule.

The County uses appraisals, cost monitoring, and project status reporting to evaluate land acquisition performance and costs, consistent with accepted public-sector practices; therefore, the Land Acquisition program meets Subtask 1.4.

INDEBTEDNESS

Debt liquidation differs from operational programs because it primarily involves monitoring and paying existing obligations rather than managing ongoing activities, service levels, or operational outputs. Therefore, indebtedness is deemed not applicable to Subtask 1.4.

SUBTASK 1.5 – Evaluate the cost, timing, and quality of current program efforts based on a reasonably sized sample of projects to determine whether they were of reasonable cost and completed well, on time, and within budget.

OVERALL CONCLUSION

Overall, Okaloosa County partially meets Subtask 1.5. Public Facilities Improvement and Land Acquisition programs fully met the subtask. The program areas of Transportation, Flood Control and Water Quality Improvement, and Public Safety partially met the subtask.

To reach this conclusion, the MJ Team assessed relevant areas of the County that will administer and/or benefit from the sales surtax. Each relevant area is analyzed below.

The MJ Team selected a judgmental sample of the largest completed projects based on total budgeted surtax funding and included a project involving land acquisition. As of March 31, 2026, the County had completed 17 surtax-funded projects.

The MJ Team selected two projects from each program area as a reasonable sample. Land acquisition costs were not established as separate projects; rather, they were included within the applicable construction projects. Of the sampled projects several were completed within budget, on schedule, and without significant quality issues. However, the review also identified projects with incomplete closeout documentation, uncertainty regarding completion dates, unsupported cost reasonableness determinations, and schedule delays. These inconsistencies indicate that expectations were met for some projects but not uniformly across all sampled projects.

TRANSPORTATION/PUBLIC FACILITIES/FLOOD CONTROL

Public Works uses surtax funds are strictly used for capital projects such as road construction, bridge building, and major infrastructure improvements, not for routine maintenance. The Surtax program is managed by a Surtax Project Manager, working closely with the finance department and the clerk's office to ensure proper payment and documentation. The program is overseen by a citizen-appointed surtax advisory committee, which is responsible for recommending projects and ensuring alignment with voter-approved priorities.

To address the requirements of all subtasks related to Transportation, Public Facilities and Flood Control, the MJ Team interviewed the following individuals:

- Public Works Surtax Project Manager
- Public Works Surtax Project Coordinator
- County Engineer
- Purchasing Manager

During the interviews, the MJ Team discussed the project file information maintained to monitor that projects are completed well, timely, and within budget. The team clarified the distinction between maintenance and capital projects, noting that only significant reconstruction or new construction efforts are eligible for surtax funding. Subsequently, the MJ Team requested relevant information to enable us to evaluate program performance and cost based on reasonable measures, including accepted industry standards and best practices.

Examples of reports and information requested are outlined below:

- Vendor bid tabulations
- Notice to Proceed
- Contract
- Excel spreadsheets for tracking and monitoring project and contractor costs
- Contractor task orders
- Inspection reports
- Change orders
- Certificates of substantial and final completion
- Closeout reports

Figure 1-21 presents the Transportation projects sample selected for review. The Highway 2 Road and Bridge project is a major improvement initiative involving roadway widening, resurfacing, bridge repairs, and related engineering services along County Road Highway 2. The Live Oak Church Road project provides roadway and intersection improvements, including bridge widening and adding turn lanes, intended to improve safety, traffic operations, and pavement conditions along the corridor.

Project Evaluation Criteria	Hwy 2 Bridge & Roadway Improvements (ST000014)	Live Oak Church Road and Bridge Improvements (ST000028)
Budget	$15,900,375	$6,106,354
Fiscal Year	2024	2024
Spent (includes design, engineering, etc.)	$14,612,460	$5,829,731
Status	Completed	Completed
Basis for Vendor Selection	Lowest Responsive Bidder	Lowest Responsive Bidder
Bid Tabulation Certified by County Engineer	Yes	Yes
Opinion of Probable Cost (Original Estimate)	$8,689,247	$3,959,737
Original Contract	$12,895,611	$4,140,989
Net Change Order	$469,214	$525,232
Contract Sum	$13,364,825	$4,666,221
Notice to Proceed By	08/15/2023	10/20/2023
Date Approved by Board	07/18/2023	09/05/2023
Completion Date	02/23/2025	09/30/2025
Target Completion Date	02/23/2025	06/29/2025
Certificate of Substantial Completion Date	12/24/2022	Documentation not provided
Final Completion Date per Certification of Completion Letter	02/23/2025	Documentation not provided
Reasonable Costs?	No	Yes
Completed within Budget?	Yes	Yes
Completed Timely?	Yes	No
Completed Well?	Yes	No

FIGURE 1-21: *Sample of transportation projects.*
SOURCE: *Okaloosa County Public Works.*

The Hwy 2 Bridge & Roadway Improvements project demonstrated that it met three of the four (4) elements of the subtask; it was completed within the prescribed budget, met the target completion date and all repairs were signed off by the County's Project Engineer. The MJ Team could not determine whether the costs were reasonable as the original opinion of probable cost was significantly lower than the original contracted amount. There is no documentation in the project file that explains why this variance occurred, such as increase in material costs or project scope since the original estimate was completed. The County demonstrated that the Florida Department of Transportation (FDOT) concurred with the vendor selection. The Live Oak Church Road and Bridge Improvements project was completed within cost and under budget, but the County did not provide evidence that the project was completed timely nor well. The

County did not provide certificate of substantial nor final completion. Email correspondence between the contractor and the County dated June 10, 2025, indicated there were still outstanding tasks to be completed. The MJ Team determined that the project was completed based on a BOCC request for final contractor payment from the County, dated September 30, 2025. Therefore, the Transportation projects partially met the requirements for this subtask.

Figure 1-22 presents the sample of Public Facility Improvement projects selected for review. The Redwood Avenue/John Sims Parkway Improvements project constructed a necessary sidewalk near an elementary school and heavily traveled state road to improve pedestrian safety, accessibility, and connectivity. The Old Bethel Road Sidewalk Project constructed a sidewalk and crosswalk to improve access for three (3) nearby schools and surrounding neighborhoods. The project aimed to provide safer, more reliable pedestrian connections to public education facilities, reduce conflicts between pedestrians and vehicles, and support mobility in a growing residential area.

Project Evaluation Criteria	Redwood Ave/John Sims Pkwy Improvements (ST000005)	Old Bethel Road Sidewalk Improvements (ST000027)
Budget	$1,372,000	$1,500,000
Fiscal Year	2022	2023
Spent (includes design, engineering, etc.)	$1,313,283	$1,238,737
Status	Completed	Completed
Basis for Vendor Selection	Sole responsive bidder	Lowest Responsive Bidder
Bid Tabulation Certified by County Engineer	Yes	Yes
Opinion of Probable Cost (Original Estimate)	$908,688	$865,442
Original Contract	$1,047,205	$979,214
Net Change Order	$176,588	$118,065
Contract Sum	$1,223,793	$1,097,279
Notice to Proceed By	01/06/2022	11/22/2022
Date Approved by Board	12/07/2021	11/08/2022
Completion Date	06/10/2022	04/13/2023
Target Completion Date	07/31/2022	07/28/2023
Certificate of Substantial Completion Date	03/21/2022	01/20/2023
Final Completion Date per Certification of Completion Letter	06/10/2022	04/13/2023
Reasonable Costs?	Yes	Yes
Completed within Budget?	Yes	Yes
Completed Timely?	Yes	Yes
Completed Well?	Yes	Yes

FIGURE 1-22: *Sample of public facility improvement projects.*
SOURCE: *Okaloosa County Public Works.*

Both the Redwood Avenue/John Sims Parkway Improvements and Old Bethel Road Sidewalk Improvements projects met all tested criteria. As shown in **Figure 1-20**, the original contract amount for each project was reasonably aligned with the corresponding cost estimate, and both projects were completed within budget, on schedule, and without identified quality issues. The MJ Team noted that the County provided justification from the County Engineer for the single bid on the Redwood Ave/John Sims Pkwy Improvements project. Additionally, the MJ team reviewed the closing documentation, which disclosed no issues with the final payment or outstanding issues. Therefore, the Public Facilities projects met the requirements for this subtask.

Figure 1-23 presents the sample of Flood Control projects selected for review. The 6th Street Area Stormwater project consisted of drainage and stormwater infrastructure improvements intended to reduce flooding, improve stormwater conveyance, and enhance roadway resilience in the surrounding area. The project included engineering, construction, and associated utility and drainage modifications. The Lake Lorraine Area Stormwater Improvement project addressed the aging Lake Lorraine drainage system, which conveys stormwater through pipes, weirs, culverts, and a detention pond before discharging to the lake. Much of the existing conveyance system remains under permanent tailwater conditions, limiting drainage performance and necessitating improvements.

Project Evaluation Criteria	6th Street Area (Port Dixie) Stormwater Improvements (ST000001)	Lake Lorraine Area Stormwater Improvements (ST000002)
Budget	$3,329,081	$2,651,584
Fiscal Year	2021	2023
Spent (includes design, engineering, etc.)	$3,270,612	$2,468,239
Status	Completed	Completed
Basis for Vendor Selection	Lowest Responsive Bidder	Documentation not provided
Bid Tabulation Certified by County Engineer	No	No
Opinion of Probable Cost (Original Estimate)	$1,699,335	$1,703,001
Original Contract	$2,577,388	$1,972,060
Net Change Order	$248,797	$185,980
Contract Sum	$2,826,185	$2,158,040
Notice to Proceed By	05/17/2021	06/21/2022
Date Approved by Board	05/03/2021	06/21/2022
Completion Date	04/06/2023	07/10/2023
Target Completion Date	01/06/2023	07/23/2023
Certificate of Substantial Completion Date	12/22/2022	05/15/2023
Final Completion Date per Certification of Completion Letter	04/06/2023	07/10/2023
Reasonable Costs?	No	No

Project Evaluation Criteria	6th Street Area (Port Dixie) Stormwater Improvements (ST000001)	Lake Lorraine Area Stormwater Improvements (ST000002)
Completed within Budget?	Yes	Yes
Completed Timely?	No	Yes
Completed Well?	No	Yes

FIGURE 1-23: *Sample of flood control projects*
SOURCE: *Okaloosa County Public Works*

The 6th Street Area (Port Dixie) Stormwater Improvements project was completed under budget, according to the estimate and closing documentation provided by the County. The MJ Team could not determine that the costs were reasonable as the original opinion of probable cost was significantly lower than the original contracted amount. There is no documentation in the project file that explains why this variance occurred nor why the opinion was not updated. The County disclosed the contractor failed to meet the target completion date and per contractual obligations, liquidated damages of $12,000 were levied. Subsequently, a change order was approved by the BOCC, reducing the final contract amount and extending the project by 90 days. The Lake Lorraine Area Stormwater Improvements project was completed under budget, on time and with no issues. The MJ Team could not determine that the costs were reasonable as the original opinion of probable cost was significantly lower than the original contracted amount. Thus, the Flood Control projects partially met the requirements of this subtask.

The MJ Team followed up with Public Works regarding significant differences between the opinions of probable cost and contracted amounts for the sample projects across program areas. The MJ Team requested additional project file documentation to determine whether the variances indicated potential concerns for future surtax-funded projects. **Figure 1-24** outlines the additional sample of current projects for review.

Project Evaluation Criteria	West 98 Stormwater Improvements (ST000025)	College Blvd Forest Rd (ST000030)	OSCO Data Management System (ST000034)	Union Avenue Stormwater Improvement (ST000035)	EOC Technology Upgrades (ST000037)	Valparaiso Blvd Sidewalks (ST000052)
Opinion of Probable Cost (Original Estimate)	$455,575	$4,344,551	$1,414,186	$514,564	$650,000	$375,686
Original Contract	$334,219	$1,720,830	$901,245	$375,250	$471,603	$302,149
Net Change Order	$0	$0	$549,639	$2,934	$98,887	$0
Contract Sum	$334,219	$1,720,830	$1,450,884	$378,184	$570,490	$302,149

FIGURE 1-24: *Sample of current project estimates and contracted costs.*
SOURCE: *Okaloosa County Public Works.*

Based on the expanded sample of project cost estimates and contract amounts, the MJ Team did not identify evidence indicating that cost reasonableness presents a concern for future surtax-funded projects.

LAND ACQUISITION

To address the requirements of all subtasks related to Land Acquisition, the MJ Team interviewed the following individuals:

- Purchasing Manager
- Public Works Surtax Project Manager
- Public Works Surtax Project Coordinator
- Third Party Legal Firm

During the interviews, the MJ Team discussed the project file information maintained to monitor that projects are completed well, timely, and within budget.

Examples of reports and information requested are outlined below.

- Appraisals
- Surveys
- County Approval
- Contract
- Title Commitments
- Closing Documents

Figure 1-25 presents the sample of projects selected for review.

Project – Land Acquisition	Northwest Crestview Bypass Staff Rd Pond (ST000015)	Northwest Crestview Bypass Brookwood (ST000015)
Budget	$300,000	$250,000
Fiscal Year	2025	2025
Spent (including closing costs)	$263,414	$236,682
Status	Completed	Completed
Appraisal Amount	$260,000	$235,000
Negotiated Amount	$260,000	$235,000
BOCC Approval Date	10/24/2024	04/01/2025
Closing Date	12/20/2024	05/15/2025
Contract Amount	$260,414	236,682
Title Commitment	Yes	Yes
Reasonable Costs?	Yes	Yes
Completed within Budget?	Yes	Yes
Completed Timely?	Yes	Yes

Project – Land Acquisition	Northwest Crestview Bypass Staff Rd Pond (ST000015)	Northwest Crestview Bypass Brookwood (ST000015)
Completed Well?	Yes	Yes

FIGURE 1-25: *Sample of land acquisition projects.*
SOURCE: *Okaloosa County Public Works.*

The Staff Pond Rd and Brookwood acquisitions were part of the Northwest Crestview project. Both acquisitions were completed at the appraisal cost and within the allotted budget. Closing for both parcels was completed within the 60-day target set by the contracts. No issues were identified from the evidence presented. Thus, Land Acquisitions program met the Subtask.

PUBLIC SAFETY FACILITIES

To address the requirements of all subtasks related to Public Safety Facilities, the MJ Team interviewed the following individuals:

- Public Works Surtax Project Manager
- Public Works Surtax Project Coordinator
- County Engineer
- Purchasing Manager

During the interviews, the MJ Team discussed the project file information maintained to monitor that projects are completed well, timely, and within budget.

Examples of reports and information requested are outlined below:

- Vendor bid tabulations
- Notice to Proceed
- Contract
- Excel spreadsheets for tracking and monitoring project and contractor costs
- Contractor task orders
- Inspection reports
- Change orders
- Certificates of substantial and final completion
- Closeout reports

Figure 1-26 presents the sample of Public Safety projects selected for review. The Headquarters Improvements & Training Facility focused on the renovation of Sheriff's Office primary training center and headquarters. The School Resource Officer Equipment & Support provided equipment and support resources for School Resource Officers serving the County schools.

Project – Public Safety	Headquarter Improvements & Training Facility (ST000008)	School Resource Officer Equipment & Support (ST000017)
Budget	$2,400,000	$1,798,315
Fiscal Year	2020	2020
Spent	$2,242,000	$1,562,920
Status	Complete	Complete
Basis for Vendor Selection	Lowest Responsive Bidder	Piggyback Procurement
Bid Tabulation Certified by County Engineer	Yes	N/A
Opinion of Probable Cost (Original Estimate)	$2,358,245	$1,623,040
Original Contract	$1,817,000	$1,562,920
Net Change Order	$188,682	$0
Contract Sum	$2,059,682	$1,562,920
Notice to Proceed By	01/13/2020	01/21/2020
Date Approved by Board	12/17/2019	12/17/2019
Completion Date	06/29/2021	Not provided
Target Completion Date	07/31/2021	06/25/2021
Certificate of Substantial Completion Date	Not provided	06/25/2021
Final Completion Date per Certification of Completion Letter	Not provided	Not provided
Reasonable Costs?	Yes	Yes
Completed within Budget?	Yes	Yes
Completed Timely?	Yes	No
Completed Well?	Yes	Yes

FIGURE 1-26: *Sample of public safety projects.*
SOURCE: *Okaloosa County Public Works.*

The Headquarter Improvements and Training Facility project demonstrated compliance with all tested elements of the subtask. Although the County did not provide formal certificates of substantial or final completion, it provided applications and certifications for payment to support the applicable completion dates. The project was completed below the budgeted amount and estimated cost, and the MJ Team did not identify any documented issues related to project quality or closeout.

The School Resource Officer Equipment and Support project was completed within the budgeted amount and estimated cost. While the project files did not contain formal completion documentation identifying the actual completion date, the approved contract amendments established an authorized substantial completion date, and no evidence was identified indicating that the contractor exceeded the authorized completion period. Furthermore, MJ determined that the project was completed through BOCC-approved paid invoices, but could not determine the timeliness of project completion based on the evidence provided. Accordingly, the Public Safety projects partially met the requirements of this subtask.

RECOMMENDATION 1.5 – Update project management policies and procedures to define required project documentation, formalize cost-reasonableness reviews for significant construction projects, and establish standardized project closeout requirements. Require written justification for material variances between engineer's estimates and recommended awards, maintain supporting documentation in project files, and review policies at least every two years.

SUBTASK 1.6 – Determine whether the County has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

OVERALL CONCLUSION

Overall, Okaloosa County meets expectations for Subtask 1.6. Both the County and Sheriff's Office provided sufficient evidence that their written policies and procedures take maximum advantage of competitive procurement, volume discounts, and special pricing arrangements. To reach this conclusion, the MJ Team examined purchasing policies and procedures and related procurement documentation.

We divided Subtask 1.6 into areas for the Sheriff's Office and the Land Acquisition program. It was not necessary to evaluate the other programs separately because the County's procurement policies and procedures are universal and apply to all County departments.

The Board of County Commissioners created the Central Purchasing Department in November 1976. The department is also responsible for maintaining records and inventory of tangible personal property for departments under the Board and for Constitutional Officers, except the Sheriff, as defined in Chapter 274, *Florida Statutes*.

To address the requirements of this subtask, the MJ Team interviewed the Purchasing Manager and Surtax Project Manager. Based on information obtained from interviews and the data sources listed below for each area, the County has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements. The information the County provided is outlined and discussed below.

- Procurement Manual
- Purchasing Cooperatives

Procurement Policies and Procedures

The County provided a comprehensive procurement manual, updated October 15, 2024.

Figure 1-27 provides an overview of provisions in the policy and procurement manual that are relevant to the subtask.

Subtask Requirement	Policy or Manual Section	Key Provisions
Take maximum advantage of competitive procurement	Section 1 – Purpose	1. The County maintains a central procurement system which promotes efficiency, economy, and fair and open competition in an effort to reduce the appearance and opportunity for favoritism or impropriety, and to inspire public confidence that all purchases and contracts are awarded equitably and economically. The purpose and objectives of this Purchasing Manual (the "Manual") are: 3. To maximize competition for all procurements.
	Section 14 – Competitive Procurement -The Process	2. All competitive procurements are to be prepared by the Purchasing Division in conjunction with issuing department, who will provide input on the scope of the commodities, equipment or services needed, the legal ads, dates, vendor lists and other pertinent information as may be required by the Purchasing Division.
Volume discounts	Section 20.01 – Cooperative (Piggybacking) Procurement Requirements	3. The Purchasing Division shall have the authority to purchase from and join with other units of governments in cooperative purchasing ventures where the best interest of the County would be served thereby.
Special pricing agreement	Section 20.01 – Cooperative (Piggybacking) Procurement Requirements	• The most common form of cooperative purchasing agreements include, but are not limited to, purchasing from contracts issued by the State of Florida, Federal General Services Administration, U.S. Communities, National Joint Powers Alliance, and other government pricing for specific commodities, equipment and services • The County may purchase that commodity or service from the awarded vendor **at the awarded price** if the original bid specifications and award allow it.

FIGURE 1-27: *Okaloosa County's written procurement procedures enable the County to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.*
SOURCE: *Okaloosa County Procurement Policy and Procurement Manual.*

Purchasing Cooperatives

The County participates in the following purchasing cooperatives, as documented in communication sent to the MJ Team:

- Omnia – Largest cooperative purchasing organization in the US.
- Sourcewell – Government agency that provides various public and private organizations with competitively bid purchasing contracts.
- Authorized Purchasing Cooperatives–
  - General Services Administration (GSA).
  - Florida Sheriff's Association (FSA).
  - BuyBoard National Purchasing Cooperative.
  - HGACBuy.

Special Pricing Arrangements

The County participates in Florida's Department of Management Services State Contracts and Agreements for commodities and services.

PUBLIC SAFETY

The Sheriff's Office has a separate procurement function since it is a separate constitutional office. The Sheriff's Office will use surtax funds primarily for capital projects in law enforcement and public safety, including the implementation of a new radio system, dispatch center consolidation, CAD RMS upgrades, regional training center development, and the design of a new evidence facility to improve efficiency and accessibility for county residents. As a member of the Florida Sheriff's Association (FSA), the Sheriff's Office receives favorable pricing on a state contract negotiated by FSA.

The MJ Team interviewed the Sheriff's Office Administration Bureau Major and Surtax Project Manager. The Sheriff's Office's written purchasing policy is effective March 13, 2026. It states the following:

> *"The purpose of this directive is to establish policy and procedures to ensure sound purchasing practices."*
>
> Section 30.53, *Florida Statutes*, preserves sheriffs' independence in purchasing decisions and does not require competitive bidding for goods, supplies, or equipment. Although not binding, Attorney General Opinion 78-122 similarly states that sheriffs may use public funds to solicit competitive bids but are not required to do so.*" …*

Moreover, the Sheriff's procurement policy states the following:

> *"When the OCSO recommends the use of a process other than full and open competition, the appropriate justification for that recommendation must be documented. Using the Justification for Use of Sole Source or No Substitute Item/Service (OCSO Form 0713), the OCSO shall, at a minimum, indicate the purpose of the acquisition, the uniqueness of the item or service, the reason that waiver of the competitive process is in the OCSO's best interest, the market research that has been performed to support such actions, and the actions proposed to enhance competition in future acquisitions".*

Although competitive procurement is not required, the Sheriff's Office written policy and procedures promote its use to support fair competition and obtain favorable pricing. The policy and procedure outline its requirements of solicitation thresholds, public advertising of Requests for Proposals (RFP) and required documentation for sole source approvals. Further, the document expresses the use of state contracts and piggybacking to promote the use of volume discounts and special pricing agreements.

LAND ACQUISITION

Land acquisition is performed in support of specific capital projects, opportunities for competition among sellers or alternative properties may be limited. Competition is therefore assessed through appraisals, cost controls, professional-services procurement, negotiations, and approval oversight. The County addresses this in two (2) ways:

- Okaloosa County Purchasing Manual, Section 3.02 – Exemptions from the Purchasing Manual, states "*The following types of purchasing activities shall be exempt from the competitive procurement requirements of this Manual as described below. These exemptions do not preclude the County from utilizing competitive procurement practices where possible:*
  - *2. Real property, options of title or abstracts of title for real property, title insurance for real property, and other related costs of acquisition, rental, or sale of real property*.
- Okaloosa County Ordinance No. 19-08, adopted on September 17, 2019, established formal county procedures for the acquisition and disposition of real property. This ordinance serves as the County's governing framework for, but not limited to, acquiring real property and easements, establishing appraisal requirements, outlining title requirements, establishing eminent domain and the delegation of authority between the BOCC and the County Administrator.

Although real property is exempt from the Purchasing Manual's standard competitive procurement requirements, the County establishes the use competitive practices when feasible. Appraisals, market comparisons, negotiations, and approvals support competition and market-based pricing, ensuring that the County pays a fair price for acquisitions.

RESEARCH TASK 2

SCOPE

The organizational leadership responsible for administering the Okaloosa County Surtax program spans several functional areas, including Public Works, Law Enforcement/Public Safety, Finance, Legal, Public Information, the Surtax Program Office, and the Citizen Oversight Committee. Because these groups work collaboratively to oversee, manage, monitor, and communicate Surtax-funded initiatives, they were assessed as a single, integrated leadership structure rather than as separate functions. This approach avoids duplicative analysis and more accurately reflects how program decisions and oversight responsibilities are carried out in practice. Additionally, Debt Service and Land Acquisition were excluded from the Task 2 analysis because they do not operate as ongoing programs with day-to-day management, service delivery, or project oversight responsibilities. Debt Service primarily consists of making scheduled payments on previously issued debt, while Land Acquisition generally involves periodic property purchases that support future projects. Although both activities are important to the overall Surtax program, they serve as supporting financial and capital functions rather than operational programs and were therefore considered outside the scope of this review.

FINDING SUMMARY

THE STRUCTURE OR DESIGN OF THE PROGRAM TO ACCOMPLISH ITS GOALS AND OBJECTIVES.

Overall, Okaloosa County meets Research Task 2.

The MJ Team compared Okaloosa County's organizational structure with those of peer counties, Santa Rosa and Walton counties, which were selected by County leadership. The assessment found that the surtax program is supported by a clearly defined organizational structure characterized by limited administrative layers, minimal overlap in responsibilities, and direct lines of authority that promote efficient and cost-effective program administration. Additionally, staffing levels were found to be appropriate for current workloads, supported by experienced leadership, low vacancy and turnover rates, formal workload analyses, and a documented process for requesting additional resources as project demands increase.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 2.1 – Review program organizational structure to ensure the program has clearly defined units, minimizes overlapping functions and excessive administrative layers, and has lines of authority that minimize administrative costs.

OVERALL CONCLUSION

Overall, Okaloosa County met expectations for Subtask 2.1.

To reach this conclusion, the MJ Team conducted interviews and examined requested data. Based on its review and analysis, the MJ Team found that the County has clearly demonstrated a lean, program-focused organizational structure. The assessment found the County has clear lines of authority, well-defined responsibilities, appropriate management oversight, and limited overlap among functions responsible for administering and monitoring surtax activities. The County's streamlined structure established financial controls, independent citizen oversight, and experienced leadership team provide evidence that it has the organizational capacity to effectively manage surtax-funded programs in an accountable and efficient manner.

Additionally, the MJ Team assessed the relevant areas of the County that will administer and/or benefit from the sales surtax. Each relevant area is discussed separately below.

ORGANIZATION STRUCTURE

To address the requirements of this subtask, the MJ Team conducted five (5) group interviews with the individuals noted below.

- Group Interview with the Deputy County Administrator, the Public Works Director, the County Engineer, and the Surtax Project Manager
- Group Interview with the Public Information Officer, GIS Information Technology Manager, Chief Financial Officer, OMB Director, and Accounting Director with the Clerk of Courts Office
- Group Interview with the Law Enforcement Deputy County Administrator of Operations and the Sheriff's Office-Administrative Bureau
- Group Interview with the County Clerk of Courts, the Accounting Director with the Clerk of Courts Office, the County Chief Financial Officer and the County OMB Director
- Group Interview with the County Attorney (Contract), the Chief Assistant County Attorney (Contract), the County Property & Finance Manager

The MJ Team also assessed the following information:

- High-level Organizational charts for Okaloosa County and its selected two peers (Santa Rosa County and Walton County) for each functional area
- High-level position summaries for each individual who will have major responsibilities for planning and administering the surtax funds

The Society for Human Resource Management (SHRM) is a leading authority on organizational design and workforce management, and its guidance is widely referenced by public and private sector organizations when evaluating reporting relationships and management structures. Span of control refers to the number of employees who directly report to a supervisor or manager. SHRM recognizes that there is no single ideal span of control; however, executive and highly specialized functions often have narrower spans of approximately 5 to 8 direct reports, while operational and more standardized functions may effectively support spans of 8 to 15 direct reports, depending on work complexity, employee experience, supervisory responsibilities, and leadership capacity.

The MJ Team assessed the County's span of control and organizational structure using SHRM organizational design principles, public sector best practices, and peer government comparisons to evaluate management effectiveness, organizational alignment, and operational efficiency.

Additionally, the MJ Team compared the organizational structure used in Okaloosa County to other peer counties in Florida. Okaloosa County is well suited for comparison with neighboring Santa Rosa and Walton counties because the three counties operate in the same regional environment and face many of the same service delivery challenges.

Okaloosa and Santa Rosa are particularly comparable due to their similar population sizes and mix of urban, suburban, and rural communities, while Walton provides a valuable comparison for managing growth, tourism, and seasonal population fluctuations. The organizational charts also show that all three counties operate under a Board of County Commissioners and County Administrator structure and provide similar core functions, including public works, planning and development, administrative services, and community support. Together, these similarities make Santa Rosa and Walton strong peer counties for evaluating Okaloosa's organizational structure, staffing, and operational effectiveness.

Figure 2-1 shows the Okaloosa County’s organizational structure that represents the departments and key management positions that will be responsible for overseeing the surtax funds if the referendum passes. **Figures 2-2** and **2-3** provide the organizational structure for Santa Rosa and Walton County, respectively.

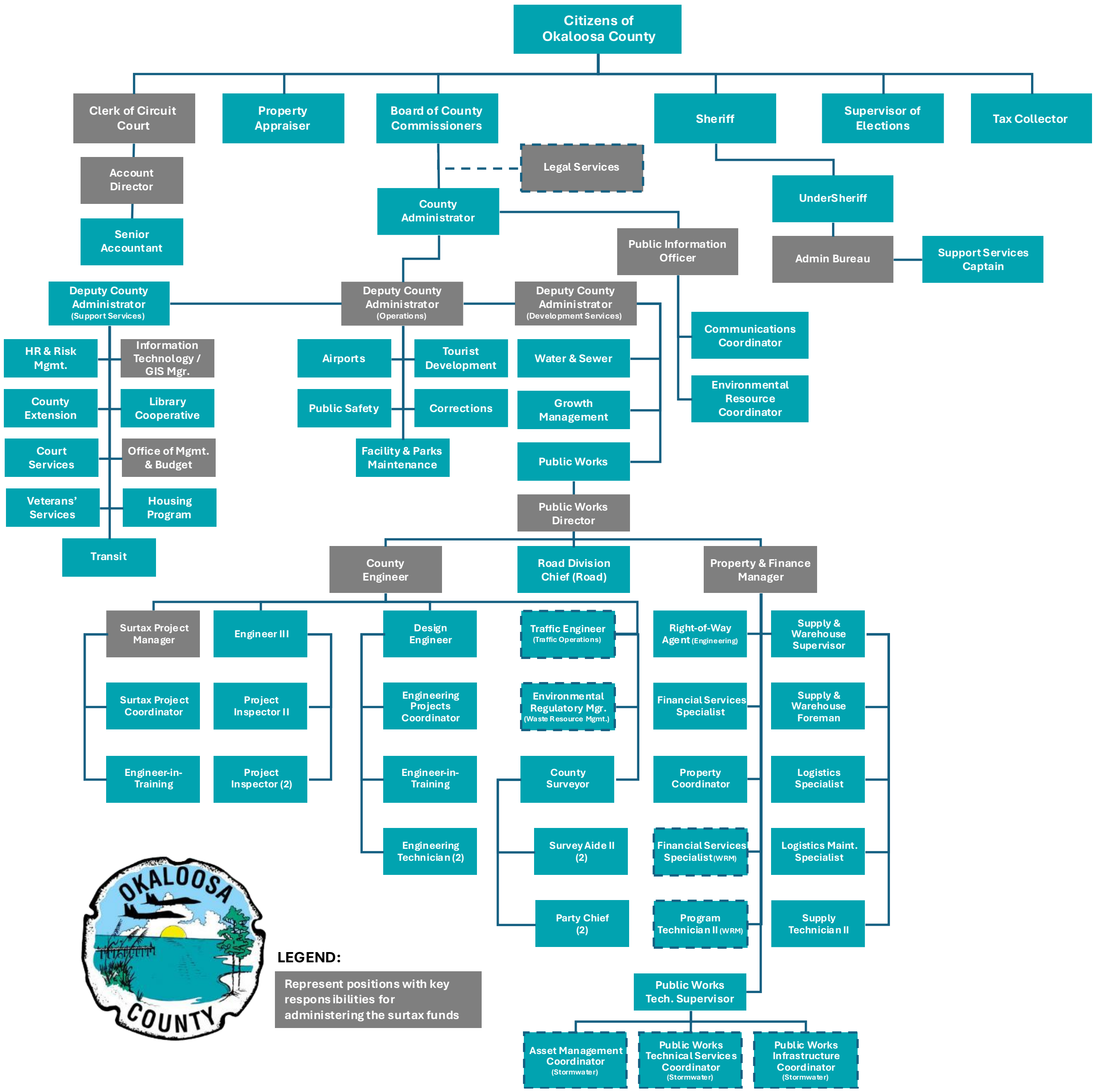


FIGURE 2-1: *Okaloosa County Organizational Structure.*
SOURCE: *Provided by the Okaloosa County Surtax Program Office.*

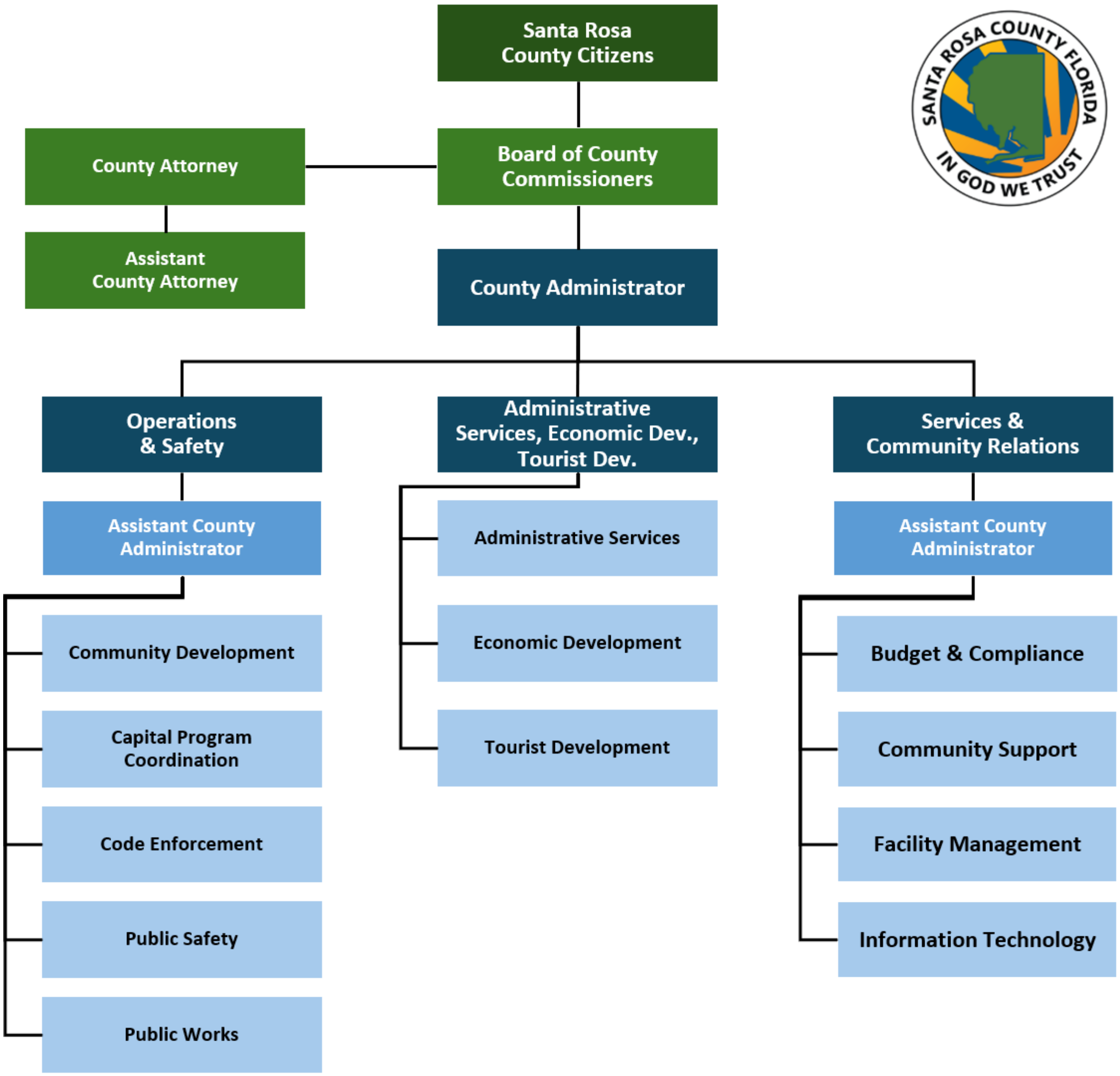


FIGURE 2-2: *Santa Rosa County Organizational Structure.*
SOURCE: *Sourced from the Santa Rosa County Website.*
https://www.santarosa.fl.gov/DocumentCenter/View/9815/FY2026-Org-Chart

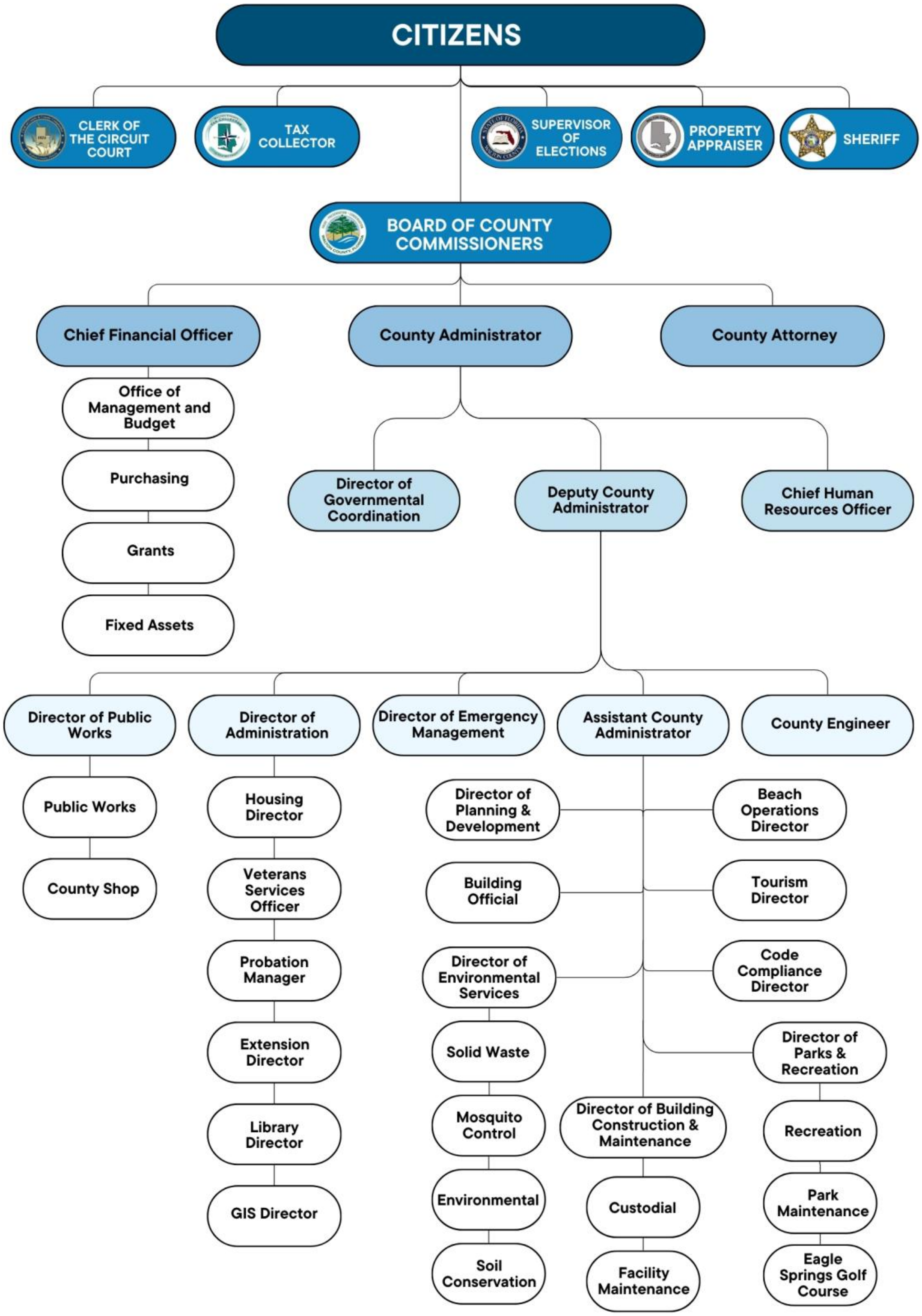


FIGURE 2-3: *Walton County Organizational Structure.*
SOURCE: *Sourced from Walton County Website.*

Figure 2-4 shows that the Okaloosa County Surtax Program has a lean, program-focused administrative structure with clearly defined functional responsibilities, limited management layers, and direct lines of authority when compared to the organizational structures of its peers, Santa Rosa County and Walton County. The Okaloosa County's organizational structure minimizes the potential for overlapping responsibilities and reduces administrative overhead by concentrating project delivery functions under a single program management hierarchy. As a result, the organization supports efficient decision-making, clear accountability, and cost-effective administration, consistent with best practices for minimizing administrative costs while maintaining effective program oversight.

Evaluation Criteria	Okaloosa County	Santa Rosa County	Walton County
Overall Structure	Program-specific organization focused on surtax delivery.	Broad county government structure with multiple departments and divisions.	Traditional county government structure organized around department directors.
Span of Control	Narrow span of control with centralized program oversight.	Very broad span of control with numerous departments reporting through administration.	Moderate-to-broad span of control with department directors reporting through executive leadership.
Administrative Layers	Approximately 2–3 management layers.	Multiple administrative layers and management levels.	Generally, there are 3 layers from governing body to operating units.
Functional Alignment	Functions dedicated to project management, engineering, and inspection.	Numerous county services and support functions.	Functions are grouped under department directors.
Potential for Overlap	Limited evidence of overlapping responsibilities.	Greater potential for overlap due to organizational complexity.	Moderate potential for overlaps, mitigated by departmental ownership.
Decision-Making Efficiency	Higher/Better due to shorter reporting chains.	Lower because of multiple layers and coordination requirements.	Moderate efficiency with a more streamlined structure than Santa Rosa.

FIGURE 2-4: *The MJ Team Comparison of County Org Charts.*
SOURCE: *The MJ Team Review.*

TRANSPORTATION/PUBLIC WORKS

The MJ Team's assessment found that the Public Works Department has a clear and efficient organizational structure with well-defined responsibilities and reporting relationships. Supervisory positions maintain appropriate spans of control that fall within the Department's typical range of 1:2 to 1:7, allowing managers to effectively oversee operations without creating unnecessary administrative layers.

Figure 2-5 presents an overarching view of the Public Works Department organizational structure. Within the Department functional areas are logically organized, minimizing duplication of effort and promoting accountability. The structure supports efficient communication and decision-making while keeping administrative costs under control. Overall, the organization is appropriately staffed and aligned to meet operational needs in a cost-effective manner.

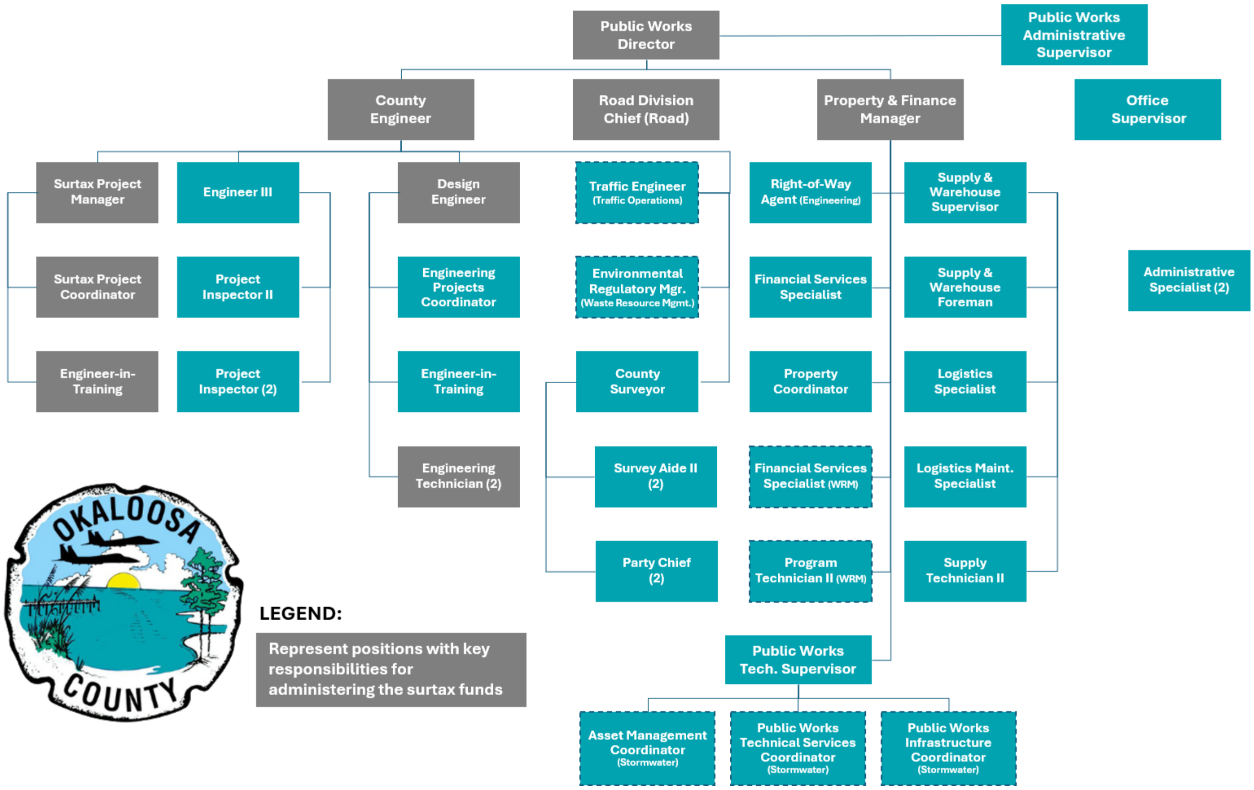


FIGURE 2-5: *Okaloosa County Public Works Organizational Chart.*
SOURCE: *Provided by the Okaloosa County Surtax Program Office.*

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

The MJ Team's assessment found that the Sheriff's Office has a clear organizational structure with defined reporting relationships and distinct operational, administrative, investigative, and support functions. Based on the organizational chart, the average span of control across command-level positions is approximately 1:4, which is consistent with commonly accepted organizational design practices for law enforcement agencies. Most bureau commanders, captains, and lieutenants oversee between three (3) and five (5) direct reports, providing sufficient oversight while avoiding unnecessary supervisory layers.

Figure 2-6 presents an overarching view of the Sheriff's Office organizational structure. The MJ Team's evaluation found limited overlap in responsibilities and clear lines of authority throughout the organization. The assessment focused on evaluating the Support Services function as it is the Department providing oversight of several functions associated with the administration and accountability of surtax-funded programs and assets, including facilities, technology, communications infrastructure, and equipment management. Consolidating these responsibilities under a single command position promotes coordinated oversight and supports efficient management of surtax-supported resources.

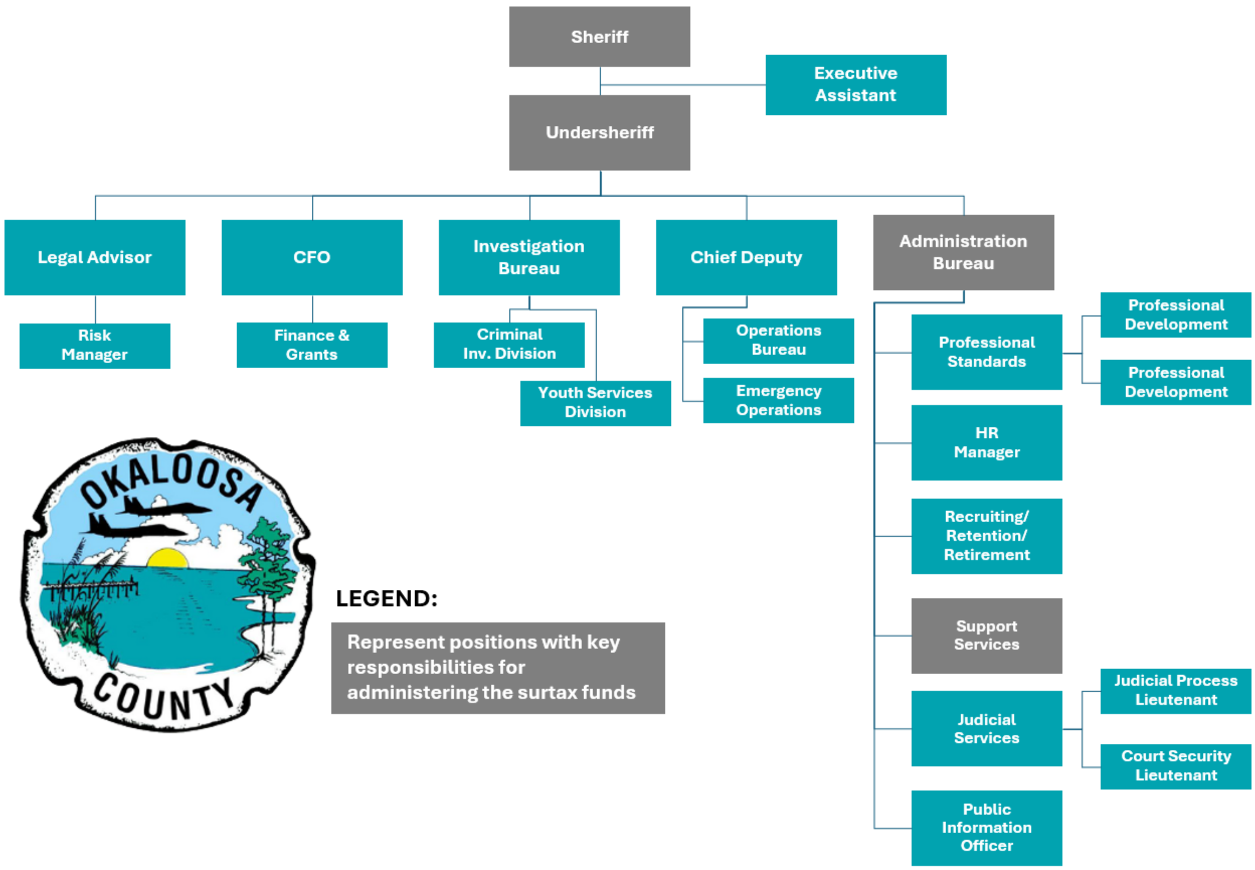


FIGURE 2-6: *Okaloosa County Law Enforcement/Public Safety Organizational Chart.*
SOURCE: *Provided by the Okaloosa County Surtax Program Office.*

CITIZEN COMMITTEE OVERSIGHT

The Okaloosa County Infrastructure Surtax Advisory Committee serves as an independent advisory body responsible for reviewing proposed Infrastructure Surtax projects and providing recommendations to the Board of County Commissioners regarding project prioritization and the allocation of surtax revenues. The Committee also reviews surtax expenditures to promote accountability, transparency, and the effective use of public funds for projects that provide the greatest benefit to the citizens and residents of Okaloosa County. Administrative liaison support is provided through the County Administrator's Office; however, the Committee functions independently of the County's organizational structure.

The Committee is composed of five members, with one member appointed by each County Commissioner to represent one of the County's five commission districts. All members must be qualified electors residing in Okaloosa County. The Committee's leadership includes district officers, with one serving as Acting Chairman and another serving as Vice-Chairman. Members serve four-year terms and may be reappointed to successive terms, with meetings scheduled quarterly.

The Committee's functions are carried out by independent community volunteers rather than County employees. Therefore, the responsibilities associated with this program are not performed within the County's organizational framework. As a result, there is no separate department or internal organizational structure to evaluate. **Figure 2-7** summarizes the Committee's composition, governance structure, and key operational characteristics.

Position Title	Date/Year Started	Tenure in Current Role	Major Position Responsibilities
Infrastructure Surtax Advisory Committee Chairman, District 4 Representative	January 2018	7 years	• Serves as Chairman of the Infrastructure Surtax Advisory Committee Meetings. • As Chairman, presents the Annual Infrastructure Report provided by staff to the Board of County Commissioners. • Advises and makes recommendations to the Board as to particular projects and expenditures for which the Surtax funds shall be used and reviews the expenditures of Surtax funds as provided in the financial expense and revenue reporting documents provided by staff.
Infrastructure Surtax Advisory Committee Vice Chair, District 2 Representative	January 2023	3 years	• Serves as the secondary leadership officer of the Committee, providing assistance to the Chair, facilitating Committee operations, and acting on behalf of the Chair when the Chair is unavailable. • Advises and makes recommendations to the Board as to particular projects and expenditures for which the Surtax funds shall be used and reviews the expenditures of Surtax funds as provided in the financial expense and revenue reporting documents provided by staff.
Infrastructure Surtax Advisory Committee District 1 Representative	September 2022	3 years	• Serves as the District 1 representative in the evaluation of infrastructure needs and project priorities. • Reviews proposed surtax-funded projects and expenditure reports, providing recommendations to support transparency, accountability, and compliance with surtax program requirements.
Infrastructure Surtax Advisory Committee District 3 Representative	January 2022	4 years	• Serves as the District 3 representative in the evaluation of infrastructure needs and project priorities. • Assists the Board in identifying projects and expenditures appropriate for Surtax funding and reviews staff-generated financial reporting documents to ensure expenditures of Surtax funds are properly documented and assessed.

Position Title	Date/Year Started	Tenure in Current Role	Major Position Responsibilities
Infrastructure Surtax Advisory Committee District 5 Representative	October 2025	10 months	• Serves as the District 5 representative in the evaluation of infrastructure needs and project priorities. • Supports the Board by evaluating potential surtax-funded projects and expenditures and reviewing financial reports to help ensure surtax funds are appropriately tracked, documented, and utilized.

FIGURE 2-7: *Okaloosa County Surtax Oversight Committee Roles and Responsibilities and County/Position Tenure.*
SOURCE: *Provided by the Okaloosa County Surtax Program Office.*

FINANCE

The MJ Team evaluated the Clerk of Circuit Court and Comptroller's Finance Department and the Office of Management & Budget (OMB) given their shared role in overseeing the administration, oversight, and financial management of surtax-supported programs and related County activities.

As shown in **Figure 2-8**, the Clerk's Finance Department operates with relatively narrow spans of control, generally ranging from 1:1 to 1:2. While these ratios are below common public sector benchmarks, they are appropriate for the Department's specialized financial, accounting, and board support functions.

Similarly, the MJ Team's assessment found that OMB maintains a streamlined organizational structure with clear reporting relationships and well-defined responsibilities. Additionally, the Department operates effectively despite having a narrower 1:2 span of control than is typically found in public sector organizations. Given the specialized, countywide functions it performs and the limited layers of management, the OMB Department structure supports direct oversight and accountability.

Overall, both the Clerk of Circuit Court's Finance Department and OMB have organizational structures that promote functional specialization, clear lines of authority, and adequate management oversight, supporting the effective administration and financial stewardship of surtax-supported programs.

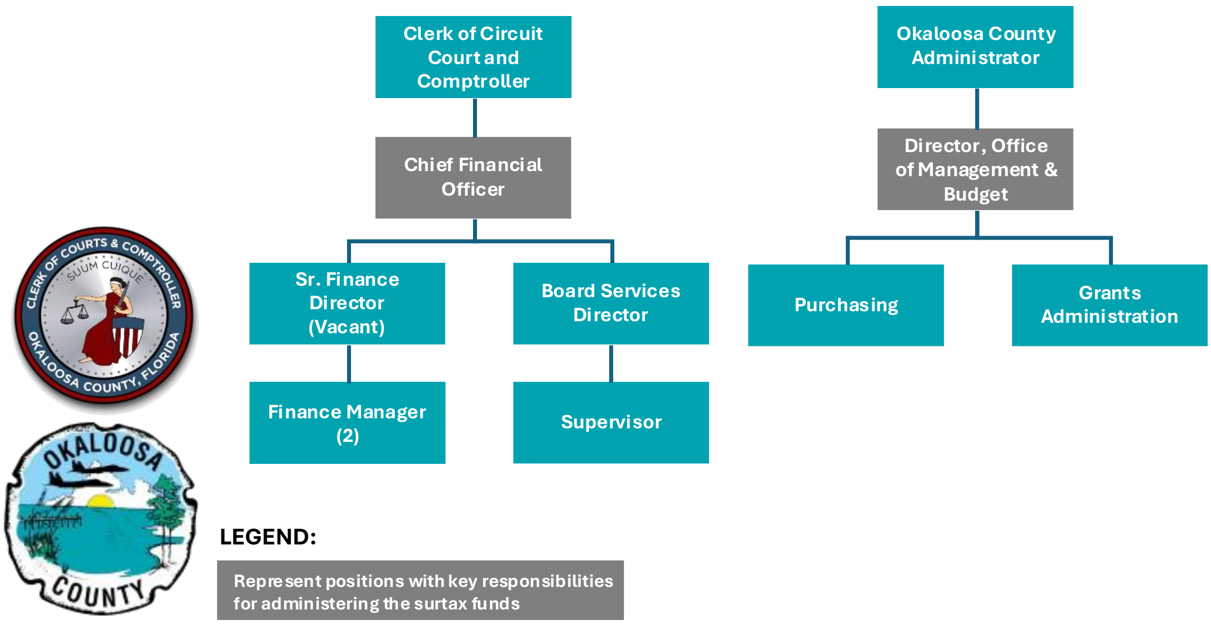


FIGURE 2-8: *Okaloosa County Office of Management and Budget & Clerk of Circuit Court Finance Department Organizational Chart.*
SOURCE: *Provided by the Okaloosa County Surtax Program Office.*

LEGAL

Not applicable. Legal services are provided through an external law firm under existing service agreements, including the Contract County Attorney and Contract Chief Assistant County Attorney. Therefore, this function is not performed by County staff and does not have a County organizational structure or span of control to evaluate.

PUBLIC INFORMATION

The MJ Team's assessment found that the Public Information Office has a clear organizational structure with defined reporting relationships and distinct operational, administrative, investigative, and support functions. As shown in **Figure 2-9**, the Public Information Office maintains a streamlined organizational structure with clearly defined responsibilities and a 1:2 span of control, with the Public Information function directly overseeing the Communications Coordinator and Environmental Resource Coordinator. The structure includes only one administrative layer, supporting efficient communication, direct supervision, and clear accountability.

The Communications Coordinator and Environmental Resource Coordinator perform distinct functions, limiting overlap while providing focused support for public information and program-related activities. Overall, the organizational structure promotes clear lines of authority, functional specialization, and efficient administration while minimizing unnecessary administrative costs.

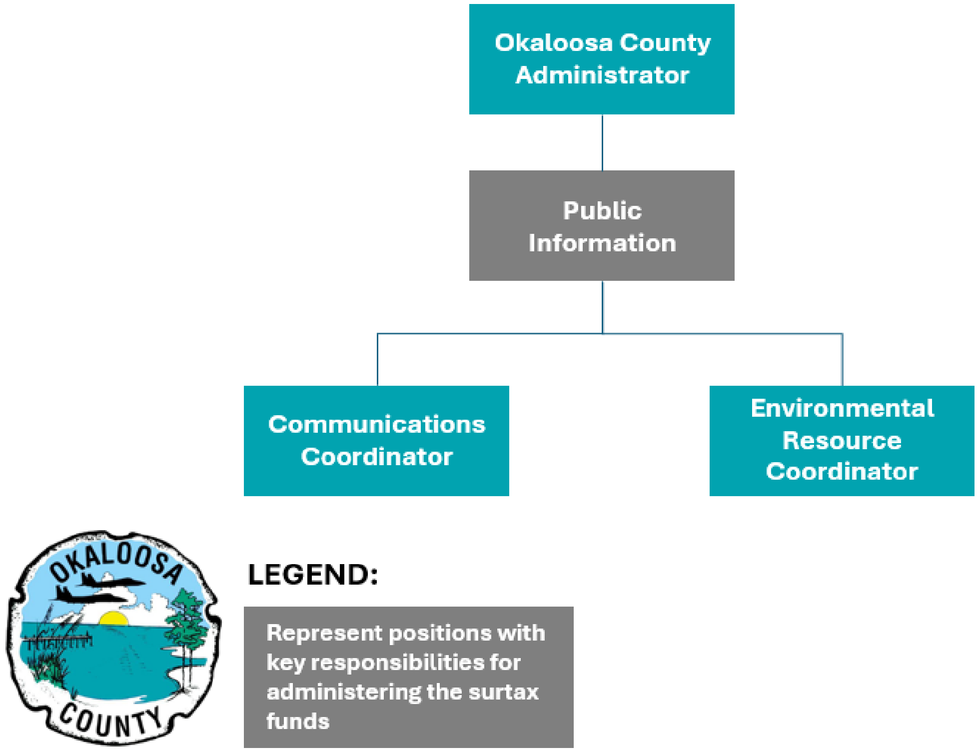


FIGURE 2-9: *Okaloosa County Public Information Office Organizational Chart.*
SOURCE: *Provided by the Okaloosa County Surtax Program Office.*

LAND ACQUISITION

Not applicable. Land acquisition functions are performed by existing personnel within the Public Works and Finance Departments as part of their broader operational responsibilities. Therefore, there is no separate department or organizational structure to evaluate.

INDEBTEDNESS

Not applicable. Activities related to indebtedness are handled by existing County finance and budget staff as part of their regular job responsibilities. Because there are no employees or organizational units dedicated solely to indebtedness activities, there are no separate staffing levels or structures to evaluate.

Key Personnel Primary Job Functions and County Tenure

In addition to reviewing the County's organizational structure, the MJ Team obtained a summary of the primary job functions of individuals who will oversee the surtax funds along with their tenure with the County and in their current position as shown in **Figure 2-10.** Most of the key surtax staff have been employed with the County for an average of 13.6 years and in their current position for an average of 4.6 years.

Position Title	Tenure with County	Tenure in Current Role	Major Position Responsibilities	Span of Control
Deputy County Administrator	22 years	1 year	• Manages and oversees Public Works, Growth Management and Water & Sewer Departments. • Performs vision planning for County capital projects, infrastructure, and development related activities. • Assists County Administrator with developing, directing, coordinating, and advising the Board of County Commissioners on a broad range of administrative, fiscal, policy and operational activities.	1:4
Public Works Director	11 years	1 year	• Directs all public works operations, infrastructure projects, budgets, and services. • Directs department personnel and ensures compliance with all regulatory and safety standards. • Serves as the primary liaison to officials, agencies, and the public to coordinate projects and secure funding.	1:4
County Engineer	10 years	6 months	• Prepares engineering recommendations to protect health, safety, and welfare of the general public to the County. • Defines, prioritizes, and delegates department projects and tasks; ensures projects are completed. • Responds to inquiries concerning roads, easements, paving requests, permits, plans, complaints, drainage, and bridges. • Assists in the preparation of capital improvement plans for transportation infrastructure. • Prepares and tracks grants. • Manages the design, inspection, and construction supervision for county bridges including preparing bridge construction plans, cost estimates, and recommendations for the replacement of deficient structures. • Coordinates and oversees departmental projects and services contracted to consultants and contractors. • Assists with the preparation of department budgets including engineering, solid waste, mosquito control, and traffic operations and the monitoring of those budgets. • Provides training and instruction for engineering and environmental staff.	1:6

Position Title	Tenure with County	Tenure in Current Role	Major Position Responsibilities	Span of Control
Law Enforcement / Public Safety	22 years	4 years	• Oversees the Office of Professional Standards, Training Division, Court Security Operations, and Support Services staff. • Oversees and leads all major projects, technology initiatives, workforce initiatives, and strategic planning for the agency.	1:4
Accounting Director	9 years	1 year	• Maintains the accounting structure for the Infrastructure Surtax Fund, reviews revenue and expenditure activity for proper accounting treatment. • Performs oversight of Clerk staff-prepared surtax reporting and reconciliation processes by comparing fund-level accounting records to the Board's project-level tracking reports.	1:1
Chief Financial Officer	8 years	8 years	• Manages and supports Financial Directors. • Ensures administrative controls, procedures, and staffing are optimized. • Directs strategy and executes the vision of the Clerk of the Court & Comptroller.	1:2
Clerk and Comptroller (Elected Constitutional Officer)	11 years	1.5 years	• Supports Chief Financial Officer. • Attends and monitors all Surtax Committee and BOCC Meetings. • Oversees the Internal and Pre-payment Audit function as Comptroller for the Citizens of Okaloosa County. • Oversees the Office of Inspector General.	1:2
Office of Management & Budget Director	7 years	7 years	• Provides oversight for the Budget Office, Purchasing Department, and Grants Department. • Develops and prepares the County's annual operating and capital budgets; reviews and approves budget transfers, amendments, and resolutions. • Reconciles State-shared revenues, including Surtax revenues, with monthly reports from the Florida Department of Revenue and the County's General Ledger to ensure accuracy. • Serves as the Board of County Commissioner's financial representative to the Surtax Committee by attending meetings, presenting revenue updates, and responding to financial inquiries. • Participates as a member of the County's management team in evaluating, planning, and securing debt financing and other long-term funding initiatives.	1:4

Position Title	Tenure with County	Tenure in Current Role	Major Position Responsibilities	Span of Control
Property & Finance Manager	31 years	9 years	• Develops and oversees budget development. • Assists Public Works Director with the development of the Department budget to include monitoring of divisional budgets and making recommendations. • Administers leases, contracts, and other departmental agreements for the County. Assists with the documentation for property acquisition. • Provides information to various constituents to include the public, attorneys and others regarding department programs, projects, and initiatives. • Provides management oversight of Financials, Right of Way Agents (right of way permits, easements, right of entry, etc.), technology and data management, and Logistics.	1:7
Surtax Program Manager	4 years	4 years	• Oversees daily execution of surtax funded capital improvement projects; manages all surtax project budgets; reviews detailed cost estimates and time schedules prepared by consultants and construction contractors; monitors progress for compliance with budget, schedule, and project scope. • Prepares written reports and maintains data, issues directives to consultants and contractors; prepares and reviews County Commission and Infrastructure Surtax Advisory Committee agenda items. • Prepares and tracks grants for surtax projects. • Assists design team with preparation of construction front-end boilerplate documents for use during the procurement process. Ensures project completion within established time frames and budgets; meets with consulting engineers, contractors and construction personnel regarding work progress, quality and safety requirements. • Creates and monitors project management reports, work progress assessments, cost control systems, construction changes/ claims and project closeout for all phases of construction projects. Prepares and monitors the annual Infrastructure Surtax Capital Improvement budget. Serves as liaison to the Okaloosa County Infrastructure Surtax	1:2

Position Title	Tenure with County	Tenure in Current Role	Major Position Responsibilities	Span of Control
			Advisory Committee and prepares Annual Surtax Report for review and approval. • Supervises, directs, assigns tasks, and has oversight of work performed by the Surtax Project Coordinator and Surtax Engineering Intern.	
Infrastructure Surtax Advisory Committee Chairman	7 years	7 years	• Serves as Chairman of the Infrastructure Surtax Advisory Committee Meetings. • As Chairman, presents the Annual Infrastructure Report provided by staff to the Board of County Commissioners. • Advises and makes recommendations to the Board as to particular projects and expenditures for which the Surtax funds shall be used and reviews the expenditures of Surtax funds as provided in the financial expense and revenue reporting documents provided by staff.	N/A*
Public Information Officer	5 years	3.5 years	• Distributes information to the public via multiple platforms and methods with the purpose of educating the public about the program. • Collects data regarding website traffic to the program landing page. • Engages with elected officials, committee members and program staff members to determine the best strategies to deliver accurate information.	1:2
G.I.S. Manager	32 years	8 years	• Uses provided static documentation from Surtax team to upload to various web pages. Documentation can be .jpg pictures of projects, text descriptions of the projects, PDF of the minutes/reports/project status. • Maintains the webpage infrastructure and functionality. • Maintains any G.I.S. mapping issues/ requests.	1:3
County Attorney – (Contract)	14 years	7 years	• Provides legal counsel and advice to Okaloosa County, including the Board of County Commissioners, County Departments and staff, and various appointed boards and commissions. • Drafts and reviews contracts, ordinances, resolutions. • Coordinates legal services on behalf of the County.	N/A*

Position Title	Tenure with County	Tenure in Current Role	Major Position Responsibilities	Span of Control
Chief Assistant County Attorney – (Contract)	11 years	7 years	• Provides legal counsel on all aspects of county needs. • Provides support on real estate matters, such as title examination and serves as a closer for the County. • Provides legal counsel to the various appointed boards in Okaloosa such as Planning Commission, Tourist Development Counsel, Surtax Advisory Board.	N/A*

FIGURE 2-10: *Surtax Leadership Roles and Responsibilities and County/Position Tenure.*
SOURCE: *Compiled by the MJ Team.*
NOTE*: *These positions are Not Applicable because they are not official County employees.*

SUBTASK 2.2 – Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload.

OVERALL CONCLUSION

Overall, Okaloosa County met expectations for Subtask 2.2.

To reach this conclusion, the MJ Team conducted interviews with County leadership and staff, reviews of organizational structures and key personnel responsibilities, and comparisons with peer counties. Staffing levels, vacancy rates, workload analyses, and employee tenure data indicate that the County has sufficient personnel and expertise to manage current program responsibilities. The County also demonstrated a process for evaluating additional staffing needs as project demands increase, supporting the reasonableness of current staffing levels.

To reach this conclusion, the MJ Team assessed relevant areas of the County that will administer and/or benefit from the sales surtax.

To address the requirements of this subtask, the MJ Team conducted group interviews with the individuals noted below.

- Group Interview with the Deputy County Administrator, the Public Works Director, the County Engineer, and the Surtax Project Manager
- Group Interview with the Public Information Officer, GIS Information Technology Manager, Chief Financial Officer, OMB Director, and Accounting Director with the Clerk of Courts Office
- Group Interview with the Law Enforcement Deputy County Administrator of Operations and the Sheriff's Office-Administrative Bureau
- Group Interview with the County Clerk of Courts, the Accounting Director with the Clerk of Courts Office, the County Chief Financial Officer and the County OMB Director

- Group Interview with the County Attorney (Contract), the Chief Assistant County Attorney (Contract), the County Property & Finance Manager

Based on **Figure 2-10** in Subtask 2.1 above, the surtax program is adequately staffed for its current workload. Interviews with surtax leadership and review of staff tenure data indicate a stable workforce with significant institutional knowledge, as most key personnel have extensive experience with the County and several years in their current roles. This continuity allows the program to effectively manage a broad range of responsibilities—including capital project delivery, engineering, financial oversight, grants administration, public communications, and legal support—without evidence of staffing gaps that would hinder program performance.

Within the Transportation/Public Works administration, where the majority of the current surtax-related work is performed, vacancy rates were reported to be below 3%. The Surtax Program Office reported no turnover or vacancies in the past two (2) years. The Transportation/ Public Works administration, which comprises approximately 180 employees, reported being adequately staffed to support current operations and the surtax program. The Department uses workload analyses to evaluate staffing needs and maintain appropriate resource levels. Rather than permanently increasing staff to address fluctuations in project demand, the County supplements in-house expertise with engineering consultants and regularly works with multiple firms to support surtax-related projects.

TRANSPORTATION/PUBLIC WORK

As presented in **Figure 2-11**, the Public Works Department has approximately 33.5 total FTEs allocated to the program areas being evaluated, with approximately 4.0 FTEs dedicated to administrative support functions. These positions, consisting of the Public Works Administrative Supervisor, Office Supervisor, and two (2) Administrative Specialists, provide clerical, office management, and operational support services across the Department.

This staffing allocation equates to approximately one administrative support position for every 8.6 FTEs, with administrative support staff representing 11.6% of total staffing and the remaining 88.1% assigned to managerial, operational, technical, and professional functions that directly support program delivery. The distribution of staffing resources reflects a streamlined organizational structure that emphasizes service delivery while maintaining an appropriate level of administrative support. Overall, the administrative support staffing level appears reasonable and proportionate to the Department's operational needs, indicating effective utilization of resources and appropriate control of administrative costs.

Program Area	FTE	Administrative Positions	Administrative Staff %
Surtax Program	5.0	0	Not Applicable
Engineering / County Engineer	8.0	0	Not Applicable
Road Division	7.0	0	Not Applicable
Property & Finance	10.5	0	Not Applicable
Administrative Services	4.0	4.0	100%
Department-Wide Support	**34.5**	**4.0**	**11.6%**

FIGURE 2-11: *Okaloosa County Public Works Department Staff Breakdown.*
SOURCE: *Compiled by the MJ Team.*

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

As presented in **Figure 2-12**, the Sheriff's Office organizational structure appears appropriately staffed for the scope and complexity of the services provided. The organizational chart reflects approximately 86 positions, including one dedicated administrative support position, resulting in an administrative-to-staffing ratio of approximately 1:86 and an administrative representation of approximately 1.2% of the positions shown on the organizational chart.

The distribution of personnel across operational, administrative, and support functions appears aligned with program responsibilities and workload demands. The MJ Team's review did not identify any significant staffing imbalances, unnecessary duplication of functions, or indications that current staffing levels are disproportionate to the services being delivered. In addition, staffing assigned to the Support Services function appears reasonable given its role in supporting the oversight and administration of surtax-funded assets and programs. Overall, the organizational structure reflects a lean administrative staffing model while providing the resources necessary to support operational effectiveness and program accountability.

Program Area	FTE	Administrative Positions	Administrative Staff %
Executive Administration	6	1	16.7%
Operations Bureau	31	0	Not Applicable
Investigations Bureau	10	0	Not Applicable
Administration Bureau (excluding Support Services)	23	0	Not Applicable
Support Services	6	0	Not Applicable
Judicial Services	10	0	Not Applicable
Department Total	**86**	**1**	**1.2%**

FIGURE 2-12: *Okaloosa County Law Enforcement/Public Safety Department Staff Breakdown.*
SOURCE: *Compiled by the MJ Team.*

CITIZEN COMMITTEE OVERSIGHT

Not Applicable. Citizen Oversight Committee functions are carried out by the Okaloosa County Infrastructure Surtax Advisory Committee, a board of appointed independent community volunteers, rather than dedicated County staff. Therefore, there are no Citizen Oversight Committee positions or staffing levels to evaluate independently, as these responsibilities are performed outside the County's workforce and are not part of a formal departmental structure or personnel allocation.

FINANCE

The MJ Team reviewed the Office of Management & Budget (OMB) and County Clerk Finance functions responsible for administering surtax-funded programs and found a lean organizational structure with clear reporting relationships, limited layering, and no dedicated administrative support positions. Based on the organizational chart, the functions reviewed consist of professional, supervisory, and management positions and zero administrative support positions, resulting in an administrative-to-staff ratio of 0:8 and an administrative percentage of 0 percent. The assessment found that the structure minimizes administrative costs while maintaining clear lines of authority and accountability. Additionally, the span of control and reporting relationships are appropriate for the specialized nature of the financial, procurement, and grants administration functions, supporting efficient oversight of surtax-funded programs and resources.

As shown in **Figure 2-13**, the Office of Management & Budget (OMB) and County Clerk Finance functions supporting surtax-funded program administration operate with a lean staffing structure, consisting entirely of professional, supervisory, and management positions and no dedicated administrative support staff.

Program Area	FTE	Administrative Positions	Administrative Staff %
Office of Management & Budget	3	0	Not Applicable
Clerk Finance Functions	4	0	Not Applicable
Board Services	2	0	Not Applicable
Department Total	**9**	**0**	**Not Applicable**

FIGURE 2-13: *Okaloosa County Law Enforcement/Public Safety Department Staff Breakdown.*
SOURCE: *Compiled by the MJ Team.*

LEGAL

Not Applicable. Legal tasks and responsibilities associated with this function are performed by an external legal firm. Two (2) contract attorneys consisting of the Contract County Attorney and the Contract Chief Assistant County Attorney rather than County staff. Therefore, there are no County legal positions or staffing levels to evaluate independently, as these services are provided through contracted third-party professionals and are not part of the County's workforce, departmental structure, or personnel allocation.

PUBLIC INFORMATION

As presented in **Figure 2-14**, the Public Information Department organizational structure appears appropriately staffed for the scope and complexity of the services provided. The organizational chart reflects approximately three (3) positions, with no dedicated administrative support positions, resulting in an administrative-to-staffing ratio of 0:3 and an administrative representation of 0.0% of the positions shown on the organizational chart.

The Department's staffing structure is lean and focused primarily on programmatic and operational functions associated with public communications, community engagement, and environmental resource outreach activities. The distribution of personnel appears aligned with the Department's responsibilities, with staff assigned directly to specialized communication and public information functions.

The MJ Team's review did not identify significant staffing imbalances, unnecessary duplication of responsibilities, or indications that current staffing levels are disproportionate to the services being provided. Overall, the organizational structure reflects a streamlined staffing model that prioritizes service delivery while maintaining sufficient capacity to support public communication, outreach, and information dissemination activities.

Program Area	FTE	Administrative Positions	Administrative staff %
Public Information	3	0	Not Applicable
Department Total	**3**	**0**	**Not Applicable**

FIGURE 2-14: *Okaloosa County Public Information Office Staff Breakdown.*
SOURCE: *Compiled by the MJ Team.*

LAND ACQUISITION

Not Applicable. Land acquisition functions are carried out by existing personnel within the Public Works and Finance Departments as part of their broader operational responsibilities. Therefore, there are no dedicated Land Acquisition positions or staffing levels to independently evaluate, as these activities are incorporated into the department’s existing workforce and workload allocation.

INDEBTEDNESS

Not Applicable. Indebtedness-related activities are administered through existing County financial management and budget functions as part of broader departmental responsibilities. Therefore, there are no dedicated program positions or staffing levels to evaluate independently, as these activities are incorporated within the existing organizational structure and workforce allocation.

Interviews with the Okaloosa County leadership team indicated that the administration of the surtax program has evolved over time, with staffing levels increasing as needed to accommodate growing project volume.

County surtax-related staff described a collaborative approach to managing surtax-funded projects, including support for Law Enforcement and emergency operations projects. Responsibilities include overseeing consultant procurement, contractor selection, task order administration, payment processing, and project delivery from design through construction. End-user departments participate in defining project scopes and requirements, while project management and construction oversight remain the responsibility of the County.

Figure 2-15 shows that the County maintains a database to keep track of surtax project workloads, resources, contractors, and assigned staff.

PROJECT ASSIGNMENTS AND STATUS			
Project Name	**Dept #**	**Surtax Project No.**	**Proj. Mgr.**
Beachview Drain Improvements	3303	ST000002	Surtax Project Manager
John King Road	3301	ST000004	Surtax Project Manager
Southwest Crestview Bypass	3301	ST000009	County Engineer/Surtax Project Manager
PJ Adams Phases 1-4	3301	ST000009	County Engineer/Surtax Project Manager
PJ Adams Turn Lanes	3301	ST000009	County Engineer/Surtax Project Manager
Carmel Drive/Beal Pkwy	3301	ST000010	Surtax Project Manager
Overbrook Area Stormwater	3303	ST000011	Surtax Project Manager
Lloyd Street Stormwater	3303	ST000012	Surtax Project Manager
Millside Road Paving	3301	ST000013	Surtax Project Manager
Northwest Crestview Bypass	3301	ST000015	Surtax Project Manager
OCSO Communication Services	3302	ST000018	OCSO - Surtax Project Mgr. & Support Svs.
Dirt Road Stabilization	3301	ST000021	Surtax Project Manager & Road Division Chief
Santa Rosa Blvd. Improvements	3301	ST000024	Surtax Project Manager
West 98 Area Stormwater	3303	ST000025	
Al Hammet	3303	ST000025	Surtax Project Manager
Wynnehaven Beach Rd	3303	ST000025	Surtax Project Manager
Kathleen Drive	3303	ST000025	Surtax Project Manager
Willow Bend/Greenacres Area S/W	3303	ST000029	
Brittany Woods Ditch	3303	ST000029	Surtax Project Manager
Willow Grove Lane	3303	ST000029	Surtax Project Manager
College/Forest Path & Traffic Improv.	3301	ST000030	Surtax Project Manager
Echo Circle Stormwater Improvements	3303	ST000031	Surtax Project Manager
CR 393 Phase 3 Reconstruction	3301	ST000032	Surtax Project Manager
Old River Road Improvements	3301	ST000033	Surtax Project Manager
OCSO Data Management System	3302	ST000034	OCSO - Surtax Project Mgr. & Support Svs.
OCC (Jail) Data Management System	3302	ST000034	OCC - Surtax Project Mgr. & Heather Rumbough

Proj. Eng.	Proj. Coord.	Design	CEI
Engineer-in-Training	Surtax Project Coord.	Mott MacDonald/Hanson Professional Services, Inc.	TBD
Engineer-in-Training/County Engineer	Surtax Project Coord.	Mott MacDonald	HDR Engineering, Inc.
County Engineer	Engineering Tech	HDR Engineering, Inc.	HDR Engineering, Inc.
County Engineer	Engineering Tech	HDR Engineering, Inc.	Mott MacDonald
County Engineer	Engineering Tech	HDR Engineering, Inc.	Halff Associates, Inc.
Engineer-in-Training	Surtax Project Coord.	Mott MacDonald	TBD
Engineer-in-Training	Surtax Project Coord.	HDR Engineering, Inc.	TBD
Engineer-in-Training/County Engineer	Surtax Project Coord.	Mott MacDonald	TBD
Engineer-in-Training	Surtax Project Coord.	Baskerville Donovan, Inc.	TBD
PW Director	N/A	HDR Engineering, Inc.	N/A
N/A	N/A	Mission Critical Partners & Williams Communicaitons	N/A
N/A	Surtax Project Manager	N/A	N/A
Engineer-in-Training/County Engineer	Surtax Project Coord.	Halff Associates, Inc.	TBD
Engineer-in-Training	Surtax Project Coord.	Consor Engineers, LLC	TBD
Engineer-in-Training	Surtax Project Coord.	Consor Engineers, LLC	TBD
Engineer-in-Training	Surtax Project Coord.	Neel-Schaffer, Inc.	TBD
Engineer-in-Training/County Engineer	Surtax Project Coord.	Consor Engineers, LLC	Poly, Inc.
Engineer-in-Training	Surtax Project Coord.	Poly, Inc.	TBD
Dylan/Michelle	Surtax Project Coord.	HDR Engineering, Inc.	Neel-Schaffer
Engineer-in-Training	Surtax Project Coord.	Kimley Horn	TBD
Dylan/Michelle	Surtax Project Coord.	DRMP, Inc.	TBD
Engineer-in-Training/County Engineer	Surtax Project Coord.	N/A	N/A
N/A	N/A	ProPhoenix	N/A
N/A	N/A	ProPhoenix	N/A

FIGURE 2-15: *County Surtax Workload and Resources Database.*
SOURCE: *Information Provided by County Officials.*

During interviews, County leadership emphasized that appropriate oversight, internal controls, and review processes are in place to effectively manage the surtax program. County leadership also explained that staffing needs are evaluated annually through the County's budget process, with decisions informed by workload analyses, staff time allocation, and the volume of active projects.

The MJ Team evaluated the reasonableness of the ratio of management to staff for the leadership positions supporting the Infrastructure Surtax Program and determined that the staffing structure is reasonable given the technical complexity, regulatory requirements, and cross-departmental nature of the work. Management spans of control within the supporting departments generally range from 1:1 to 1:7, with most supervisory positions overseeing between two (2) and seven (7) direct reports.

The County also relies on specialized professional staff in engineering, finance, public works, legal, public safety, communications, and program management functions, which typically require closer oversight than standard administrative operations. The management-to-staff ratios reflect a lean organizational structure that provides adequate supervision, accountability, and technical oversight without creating excessive layers of management. Based on the spans of control reviewed, the MJ Team found the leadership staffing levels to be reasonable and appropriately aligned with the operational and fiduciary responsibilities associated with administering the Infrastructure Surtax Program.

Figure 2-16 presents the agenda request submitted to the Okaloosa County Infrastructure Surtax Advisory Committee in which information regarding surtax program workload is presented to the Board of County Commissioners for the approval of further staffing needed for surtax funded projects.

The County provided the documentation presented to the Okaloosa County Infrastructure Surtax Advisory Committee demonstrating the need for additional staffing resources based on workload requirements. The documentation showed that a significant increase in surtax-funded and grant-supported infrastructure projects had placed existing personnel at or near full capacity, while key engineering staff were assuming project coordination and construction oversight responsibilities beyond their primary duties. Given the growing workload and limited available capacity, the addition of a Project Coordinator was supported as a reasonable measure to maintain effective project management, oversight, and delivery of current and planned construction activities. The staffing analysis provided by the County also included salary information to ensure equity among departments and consistency with the surtax program budget.

Okaloosa County Infrastructure Surtax Advisory Committee Agenda Request

Date: September 15, 2022
To: Members of the Advisory Committee
From: Carisse LeJeune, Surtax Project Manager
Subject: Request for additional Surtax Project Coordinator

STATEMENT OF ISSUE: Request approval to hire an additional Surtax Project Coordinator, necessary to assist with increasing surtax project activity.

BACKGROUND: The funding pipeline for new public works projects has been fruitful for Okaloosa County from local resources such as Surtax and outside resources such as Triumph Gulf Coast, RESTORE Act (US Treasury), direct Legislative Appropriations, Florida Department of Transportation including Federal Highway Administration, Florida Department of Environmental Projection, FEMA via Florida Department of Emergency Management, and National Fish and Wildlife and much of the funding from these outside agencies are used to augment surtax projects. A portion of surtax funding has been utilized to leverage additional funding sources and the County has just received $8M for transportation and stormwater projects, to support active surtax projects, and bring online additional non-surtax funded projects throughout the County. There are currently twenty-four (24) active surtax funded projects of which twenty (20) are construction projects that are either in the construction phase or coming online for construction in 2022/2023, and several non-surtax projects in pre-award from FDOT for construction projects for years 2022/2023.

Within the County Engineering Department, there five (5) approved staff members available for all project activity; the Surtax Project Manager, two (2) Design Engineers and two (2) Project Coordinators. The surtax currently funds the Surtax Manager and one Project Coordinator. The engineering department funds both Design Engineer positions even though an estimated 90% of their time is devoted to projects funded wholly or in part by the surtax. Due to the Surtax Project Coordinator vacancy, the department funded Project Coordinator's time is nearly 100% devoted to surtax projects.

The Surtax Project Coordinator job description has a combination of skill sets to include financial, inventory control, and budgetary functions, as well as reviewing civil and architectural plans, preparing construction documents, and meeting with consulting engineers, contractors, and construction personnel regarding work progress, quality, and site safety requirements. It has been extremely difficult to recruit a candidate that possess both skill sets to the degree necessary to manage the current and coming construction projects.

At this time an offer is being extended to fill the Surtax Coordinator vacancy. The candidate has strong financial and project management skills. However, filling that position will do little to reduce the burden on the two Design Engineers who spend considerable amounts of time performing functions that could be accomplished by a second Surtax Project Coordinator with a skillset tilted towards an engineering background that can assist with the construction side of managing surtax projects, thereby allowing the current engineering team to concentrate on non-surtax funded projects for the County.

The Surtax Project Coordinator position has a Pay Grade 72, with a salary range of $46,810.60 - $75,753.60. Offers will be in accordance with County policy, commensurate with experience, and in line with department equity.

OPTIONS: Approve/Deny staff request to hire an additional Surtax Project Coordinator to assist with increasing surtax project activity.

RECOMMENDATION: Motion to recommend approval to hire an additional Surtax Project Coordinator.

FIGURE 2-16: *County Infrastructure Surtax Advisory Committee Agenda Request.*
SOURCE: *Information Provided by County Officials.*

RESEARCH TASK 3

SCOPE

For purposes of the analyses in this section, the Transportation service area includes road and bridge, sidewalks, drainage and flood control, water quality, public facility improvement, and land acquisition. All these areas are within the purview of the Surtax Project Management Division in the Public Works Department. Law Enforcement/Public Safety Facilities were also analyzed in this section. Debt Service and the Citizen Oversight Committee are not programmatic operational functions. Therefore, these areas were excluded from the Task 3 analysis.

FINDING SUMMARY

ALTERNATIVE METHODS OF PROVIDING SERVICES OR PRODUCTS.

Overall, Okaloosa County partially meets Research Task 3.

While the County has not consistently conducted formal evaluations of in-house versus outsourced service delivery or assessed the effectiveness and cost savings of contracted services, these limitations are largely attributable to workforce recruitment and retention challenges and the County's reliance on outsourcing. The County has established sound procurement and competitive bidding practices to help ensure cost-effective service delivery and responsible use of public resources. Additionally, the County has demonstrated a commitment to continuous improvement through recognized best practices, operational assessments, and strong regional partnerships that enhance service quality, efficiency, and emergency preparedness.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 3.1 – Determine whether program administrators have formally evaluated existing in-house services to assess the feasibility and cost savings of alternative methods of providing services, such as outside contracting and privatization, and determine if services were outsourced when the evaluations found that doing so could result in improved performance or cost savings.

OVERALL CONCLUSION

Overall, Okaloosa County partially meets expectations for Subtask 3.1. To reach this conclusion, the MJ Team conducted interviews and examined requested data.

Based on information provided by the County, the MJ Team has determined that program administrators have not consistently conducted formal evaluations to assess the feasibility of providing services in-house versus contracting them out. This is primarily because, in most cases, the County has limited practical alternatives to outsourcing. Challenges in recruiting and retaining qualified staff due to competition from higher-paying private sector employers, combined with the County's policy of limiting the growth of government, have made in-house service delivery the exception rather than the standard approach.

Although the County generally relies on outsourced delivery service, it has established reasonable processes to evaluate the cost-effectiveness and efficiency of procured goods and services. Through competitive bidding, procurement requirements, and related purchasing practices, the County seeks to ensure that contracts are awarded to the lowest responsive and responsible bidder and that the cost of procured goods and services is the lowest reasonably obtainable in the area.

To reach this conclusion, the MJ Team assessed relevant areas of that will administer and/or benefit from the sales surtax. Each relevant area is discussed separately below.

TRANSPORTATION/PUBLIC WORKS

To address the requirements of this subtask related to transportation, the Deputy County Administrator, Public Works Director and County Engineer were interviewed and along with related data provided by the County.

In March 2020, a County Commissioner advanced an initiative under the County's Surtax Program to accelerate improvements to existing dirt (clay) roads in the northern portion of Okaloosa County. At the time, the County maintained approximately 190 miles of dirt roadways that required weekly grading and were highly susceptible to erosion during rainfall events, often becoming impassable.

Prior to the initiative, the Public Works Department was stabilizing approximately one mile of roadway each year using County road maintenance personnel. The stabilization process consisted of constructing a lime rock base and applying an asphaltic chip-seal surface along the existing roadway at an average cost of approximately $200,000 per mile.

The Commissioner proposed dedicating unanticipated surtax revenues to significantly expand this effort. Based on the estimated construction cost of $200,000 per mile, the proposal allocated $2 million in surtax funding annually for five (5) years, with the goal of stabilizing 50 miles of roadway. This became known as the **"50 in 5" Initiative**. The concept was presented to the Surtax Advisory Committee in February 2020 and subsequently approved by the Board of County Commissioners on March 3, 2020.

The initial phase of the initiative relied primarily on County personnel to transport and place lime rock material. While this approach allowed work to begin immediately, it quickly became apparent that utilizing County forces was the greatest constraint on the program's progress, as it placed significant demands on staff and equipment needed to perform routine road maintenance operations.

To improve efficiency and evaluate potential cost savings, Public Works solicited bids from local contractors for the supply, delivery, and placement of lime rock materials. Based on the results of that procurement, staff recommended awarding a task order to Mohawk Valley Materials, Inc. On July 6, 2021, the Board of County Commissioners approved a contract for the supply, delivery, and placement of lime rock material to stabilize 12.98 miles of roadway at a total cost of $1,282,876.74, equating to just under $100,000 per mile.

This procurement reduced the unit cost of roadway stabilization by approximately 50 percent compared to the original estimate while also freeing County personnel and equipment to focus on routine road maintenance responsibilities. The resulting efficiencies enabled the County to accelerate implementation of the "50 in 5" Initiative and maximize the impact of available surtax funding. The County supplied the following data used to perform the Transportation Task 3 evaluations under all Subtasks:

- Fifty In Five Agenda Item Dated 3-03-2020
- Fifty In Five Task Approval Dated 7-6-2021

Traffic: Traffic-related tasks are performed in-house. The County performs most Florida Department of Transportation (FDOT) traffic signalization work under a contractual agreement with FDOT; however, this work is not funded with surtax dollars.

Bridges: Bridge repairs involving spans greater than approximately 40 feet are generally beyond the County's in-house capabilities and are considered larger capital projects for which surtax funding may be sought. Smaller bridge projects are treated as maintenance activities and are not funded with surtax dollars.

Sidewalks: Sidewalk projects are typically outsourced and funded through grants rather than surtax dollars. One exception is the Old Bethel Road Project, which included a sidewalk component funded with surtax dollars as part of a larger capital project.

Water Quality and Flood Control: Drainage and flood control projects are typically outsourced, except for the smallest maintenance activities. Small drainage projects are classified as maintenance and are not funded with surtax dollars. Larger drainage projects, including those involving stormwater ponds to improve water quality, may be funded with surtax dollars.

Roads and Bridges

A significant cost-saving decision for the Old River Road Improvements Project was the replacement of the Polly Creek Bridge (Bridge 574122). The existing bridge was an aging wooden structure that had reached the end of its service life and required replacement.

On November 3, 1998, Okaloosa County adopted Bridge Standards that established conversion requirements for bridges exceeding 20 feet in length. Because the Polly Creek Bridge was 48 feet long, it qualified for replacement with a precast concrete bridge supported by steel pilings in accordance with these standards.

Rather than contracting the work to an outside contractor, Okaloosa County elected to have the bridge constructed by its in-house bridge crew. This decision resulted in substantial cost savings, as the County was responsible only for the purchase of construction materials. Labor costs associated with a contracted bridge replacement were avoided, allowing the project to be completed more economically while still meeting the County's adopted bridge standards. Data provided by the County included existing bridge plans prepared by the County and proposed design and construction plans prepared by a consultant.

Another example provided by the County involves a recent project completed utilizing a combination of legislative appropriations grant funding, developer contributions, and surtax funds. The project improved capacity along Live Oak Church Road by widening the roadway and bridge, constructing additional travel lanes, adding a dedicated turn lane, and implementing other intersection improvements.

A key component of the project involved widening an existing two-lane bridge to accommodate the expanded roadway section and adding a barrier-separated pedestrian walkway. The existing bridge was a single-span, 24-foot-long, two-lane precast structure supported by steel piles. It was originally constructed by County forces approximately two (2) decades ago using in-house resources.

To accommodate the project improvements, the bridge required additional pile foundations, structural modifications, and the integration of additional components. Due to the original bridge's modular construction, the structure was well suited for widening through the addition of new foundation elements and the disassembly, modification, and reassembly of existing components. Additionally, County staff possessed extensive knowledge and experience with the original construction methods and the existing structure.

Based on these factors, the County determined that performing bridge widening work with in-house forces provided the most efficient and effective delivery method. Rather than outsourcing the work, the County elected to utilize its experienced staff and existing capabilities to complete the bridge component of the project. In this example, the small size of the project and staff's prior experience in similar small bridge replacements became an exception to using in-house staff instead of outsourcing.

Because the project included state funding, approval from the Florida Department of Transportation (FDOT) was required before proceeding with in-house construction.

The County supplied the following data used to perform the Road and Bridge Task 3 evaluations under all subtasks:

- Bridge Policy.
- Final Plans – Old River Road 7-25-25 by Consultant.
- Existing Condition Plans – Old River Road by Okaloosa Co.

Drainage

A notable example of a construction method decision provided by the County involved the stormwater culvert replacement beneath Brookwood Boulevard within the Brookwood subdivision. The Brookwood subdivision (Figure A) is a low-lying area adjacent to Santa Rosa

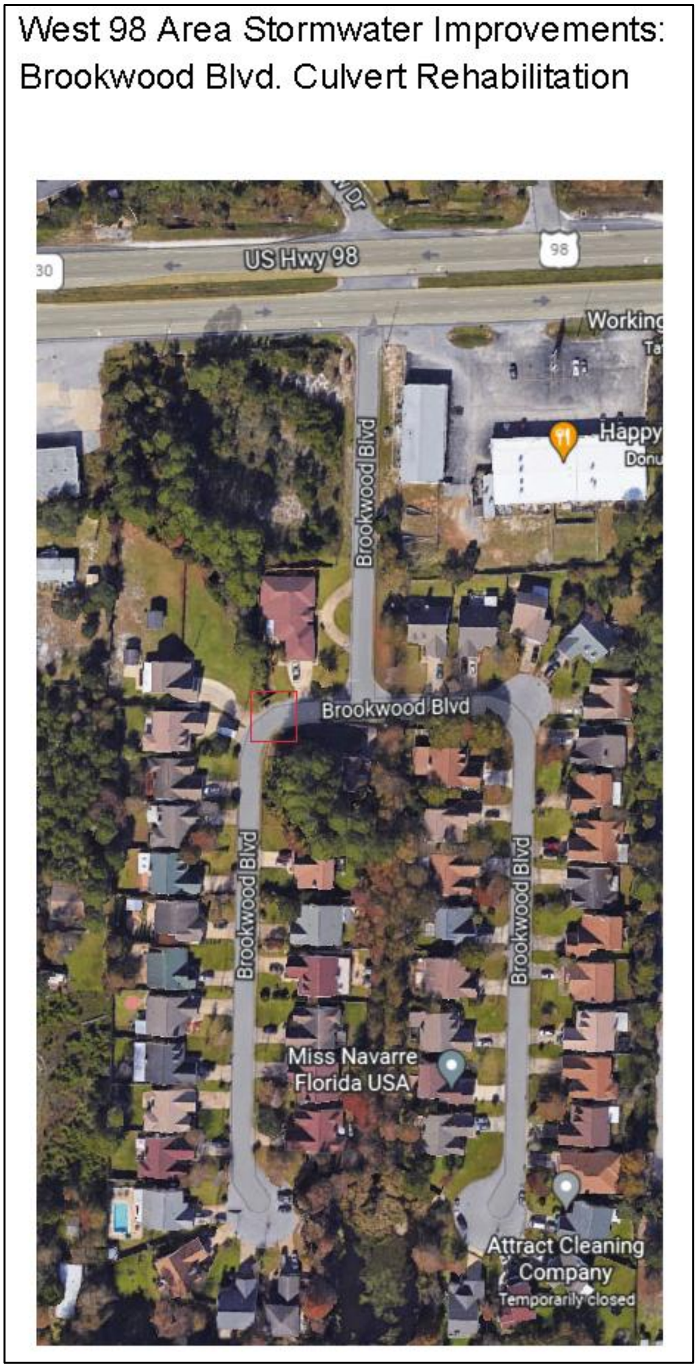


FIGURE 3-1: *Brookwood Boulevard Culvert Rehabilitation Map.*
SOURCE: *Okaloosa County Public Works Department.*

Sound with a high groundwater table. In addition, the upstream watershed is prone to flooding during heavy rainfall events.

An investigation determined that the flooding was caused by the poor hydraulic performance and deteriorated structural condition of the existing stormwater culvert beneath Brookwood Boulevard. Because Brookwood Boulevard provides the only means of ingress and egress for subdivision residents, the conventional dig-and-replace approach presented significant challenges. Traditional replacement would have required installation of a groundwater dewatering system, a temporary stormwater bypass pumping system, excavation and removal of the existing culvert, and construction of a new culvert. This process would have required closing the roadway for several days, creating unacceptable impacts for residents.

As shown in **Figure 3-1**, the aerial photograph provides an overview of the Brookwood Boulevard culvert repair area.

As a result, the County elected to pursue an outsourced in-situ rehabilitation rather than using County forces to perform a traditional replacement. Although no formal cost comparison was conducted, the decision was driven by constructability, public access, and the need to minimize disruption. Because in-situ culvert rehabilitation is a highly specialized process beyond the capabilities of County staff, the work was contracted to a qualified specialty contractor.

After evaluating available rehabilitation technologies, the County selected a spin-cast application of a cementitious polymer lining. This method restored the culvert's structural integrity and hydraulic capacity while avoiding extensive excavation, eliminating the need for prolonged road closures, and allowing the work to be completed with little to no disruption to traffic or neighborhood access.

The County supplied the following data used to perform the Drainage Task 3 evaluations under all subtasks:

- BOCC Approval Request 10-4-2022
- Vortex Lining System Equipment Layout Plan
- Vortex Proposal

Water Quality

Quail Run Subdivision experienced repetitive flooding and overtopping of Bob White Drive during storm events and periods of heavy rainfall. The existing cross-drainage system lacked sufficient capacity, causing the roadside ditch to overtop the roadway and generate turbulent flow that resulted in severe erosion, embankment instability, and damage to existing infrastructure. An engineering evaluation of the drainage system identified the inadequate conveyance capacity as the primary cause of the recurring flooding in the Quail Run and Brookwood subdivisions, as well as the continuous slope failures at the cross-drainage structure beneath Bob White Drive. The existing cross-drainage structures also discharged directly into Santa Rosa Sound.

As shown in **Figure 3-2**, the costs associated with the Flexamat system and Class 1 Riprap are compared for erosion protection applications.

Flexamat (75+ year lifespan)	$75,327.73	830 SY =	350 tons
	Compared to:		
Class 1 RipRap	$ 49,784.00	350 tons @	$142.24/ton (FDOT historical average)
In-house Labor & Equipment	$ 9,000.00	40 hrs.	
	$ 58,784.00	Total Cost	(1X construction)

FIGURE 3-2: *Cost Comparison Between Flexamat and Class 1 Riprap for Erosion Control.*
SOURCE: *Okaloosa County.*

The original project scope included regrading the drainage ditch to repair the failed embankment slopes, stabilizing the channel with rock riprap, realigning the watercourse to center the channel within the existing drainage easement, expanding the upstream ditch cross-section, and replacing the existing triple 36-inch stormwater pipes beneath Bob White Drive with two 3-foot by 4-foot reinforced concrete box culverts, as recommended by the hydraulic model.

During the permitting process, the County determined that bank stabilization and erosion protection would be more effectively accomplished using Flexamat® articulated concrete block mats rather than traditional riprap. Flexamat provides a projected service life exceeding 75 years and offers superior long-term erosion protection. Although the initial installation was completed by a specialized contractor, the decision is expected to reduce the County's long-term maintenance costs by eliminating the ongoing repairs typically associated with riprap while providing a more durable and reliable erosion control solution.

The County supplied the following data used to perform the Water Quality Task 3 evaluations under all subtasks:

- BOCC Request 2-1-2022
- Change Order for using Flexamat
- Excerpt from FDEP 404/ERP Permit

Sidewalks

An example of a sidewalk project funded through the Surtax program is the Valparaiso Boulevard Sidewalk Project. The decision was made to outsource this project, as well as all new sidewalk construction projects because the County does not have the staffing levels or specialized equipment necessary to perform this type of work in-house. While Okaloosa County is capable of performing limited sidewalk repairs and maintenance, it does not have the resources or capabilities to construct new sidewalks. Consequently, new sidewalk construction is procured through a competitive bidding process using qualified outside contractors to ensure projects are completed efficiently and in accordance with applicable standards. In accordance with the County's Purchasing Manual, each project is publicly advertised for the required solicitation period, and a minimum of three (3) qualified, responsible, and responsive bids is sought whenever practicable. Contracts are awarded to the lowest responsive and responsible bidder that meets all County requirements outlined in the bid documents. By consistently following this competitive procurement process, the County helps ensure it receives high-quality construction services at the best overall value while maintaining fairness, transparency, and compliance with established purchasing policies.

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

To address the requirements of this subtask related to Law Enforcement and Public Safety Facilities, the Captain and Deputy County Administrator for Operations were interviewed along with related data provided by the County.

From the outset, the County recognized it did not possess the specialized engineering expertise, manufacturing capabilities, or telecommunications infrastructure necessary to design and construct a complex public safety radio system and its associated equipment. Attempting to do so would have been comparable to a local government building its own cellular network and manufacturing its own smartphones. Accordingly, the County procured the radio system through a competitive process while focusing its efforts on making sound long-term infrastructure investments and minimizing future operating costs.

The County and its consultant conducted a comprehensive Emergency Radio Communications System Needs Analysis that included cost estimates for various options to identify the operational and technical requirements for a modern public safety communications network. The consultant also prepared the Invitation to Negotiate (ITN) procurement specifications that ultimately guided the competitive selection process. The Radio Communications Assessment Final Report February 2018 served as a guidance document and provided various options, associated costs and recommendations. Option 4 was ultimately selected by the County as providing the best value by requiring the fewest tower sites.

Figure 3-3 below summarizes the costs for each option of the radio communications system with Option 4 being selected.

Option	System Option	Radio and Microwave System	Subscriber Equipment	Project Management/ Implementation Oversight	Project Total (Budgetary)
1	Trunked P25 Phase II 700/800 MHz Single-Zone Simulcast System	$17,534,000	$8,267,000	$645,025	$26,446,025
2	Trunked P25 Phase II 700/800 MHz Dual-Zone Simulcast System	$16,420,250	$8,267,000	$617,181	$25,304,431
3	Partner with State on SLERS system replacement to expand P25 system within County to trunked simulcast system with additional radio sites	$13,127,125	$8,267,000	$534,853	$21,928,978
4	Trunked P25 Phase II UHF Dual-Zone Simulcast System	$11,638,000	$8,267,000	$497,625	$20,402,625
5	UHF P25 Conventional Simulcast System	$9,534,250	$3,107,100	$316,036	$12,957,386
6	Replace Existing System Platforms	$2,442,000	$3,815,000	$156,425	$6,413,425

FIGURE 3-3: *Cost Options for the Radio Communications System.*
SOURCE: *Radio Communications Assessment Final Report February 2018.*

One of the most significant decisions involved whether to lease existing tower space or construct and own the communications tower infrastructure. This decision was based on a straightforward cost-benefit analysis that considered construction costs, anticipated lease rates throughout Florida (including comparable rates in Flagler County), the availability and suitability of existing tower sites, long-term system expansion, revenue opportunities, and operational flexibility.

Although leasing tower space offered lower initial capital costs and a somewhat faster implementation schedule, ownership proved to be the superior long-term option under virtually every other evaluation criterion. The County's objective was to place its radio equipment on hurricane-hardened towers with an expected service life of approximately 50 years, allowing the infrastructure to support multiple generations of radio equipment upgrades. Many existing towers could not provide the required structural capacity, resiliency, or long-term reliability without substantial modifications. In many cases, the County would have been required to invest significant capital to strengthen privately owned towers or relocate equipment in the future if tower capacity became unavailable, creating additional costs and operational disruptions throughout the interconnected radio network.

The total cost to acquire the necessary sites and construct the County-owned tower network was approximately $6.5 million. By comparison, structural upgrades that would have been required on leased towers were estimated to cost between $1.5 million and $2.5 million before considering any recurring lease expenses.

The ongoing cost of leasing tower space represented the largest financial consideration. Based on market rates of approximately $3,000 to $4,000 per month per tower for twelve (12) tower locations, together with annual lease escalations of 3% to 5%, leasing costs alone would have exceeded approximately $5 million to $7 million over the first ten (10) years. Additional County equipment installed on leased towers would likely have required further structural improvements and increased rental charges, assuming enough tower capacity remained available.

When both the required tower modifications and long-term lease payments were considered together, the County determined that constructing and owning its own tower network would effectively pay for itself in less than a decade while producing projected savings exceeding $40 million over the useful life of the infrastructure.

The County was also successful in minimizing land acquisition costs. Of the twelve (12) tower sites, eight (8) were obtained through donated property interests, while the remaining four (4) sites were acquired for less than $250,000 in total. Ownership allowed the County to construct towers that fully met all engineering and public safety specifications, including comprehensive grounding and lightning protection systems designed to maximize equipment reliability.

The County-owned tower network also provides substantial additional capacity for future expansion of the radio system and creates opportunities to lease excess tower space to other public or private users, generating revenue that helps offset operating costs. The County is currently negotiating its first two (2) co-location agreements, which are expected to generate approximately $5,000 per month in recurring revenue. The County actively negotiated the new radio contract to provide the best system performance at the lowest cost. The resulting negotiated contract includes:

- Pricing discount hold for end user equipment for five (5) years at 30% discount
- Extended pricing discount for beyond five (5) years at 26%.
- Minor cost for reprogramming of older equipment for auxiliary use.
- Minor trade-In allowances for existing manufacture's equipment

Finally, ownership of the communications infrastructure provides significant operational advantages. The County maintains complete control over maintenance, equipment placement, future system upgrades, and network expansion without having to coordinate with multiple independent tower owners. This flexibility enhances system reliability, improves long-term planning, and better supports the County's evolving public safety communications needs.

The County supplied the following data used to perform the Law Enforcement and Public Safety Task 3 evaluations under all subtasks:

- 800 MHz P25 Radio System Detailed Summary
- Radio Communications Assessment Final Report February 2018
- Law Enforcement & Public Safety $26M Emergency Radio Communication System Document

LAND ACQUISITION

To address the requirements of this subtask related to Land Acquisition, the Surtax Project Manager and Finance Director were interviewed and along with related data provided by the County.

Land Acquisition uses surtax dollars for acquisition of easements on large roadway and drainage projects.

The County has made significant investments in purchasing property to reduce reliance on leased facilities. Formerly leased sites are now County-owned, reflecting a long-standing practice intended to lower long-term costs and improve operational efficiency. Given the continued rise in property values throughout Okaloosa County, ownership is generally considered a more cost-effective long-term strategy than leasing.

Property acquisitions funded by the Infrastructure Surtax are limited to those necessary to support approved capital projects. Acquisitions occur only after projects have reached 100% design and are restricted to the right-of-way, easements, or property needed for roads, bridges, stormwater systems, and vertical construction. All purchases are approved by the Board of County Commissioners and reviewed by the County Attorney's Office.

In accordance with Ordinance 19-08, the County contracts with independent licensed appraisers because it does not employ an in-house appraiser. According to the County, securing appraisal services can be challenging due to the limited number of qualified appraisers, high market demand, and specialized licensing in commercial or residential valuation. Additionally, the need for appraisal services is not constant and typically only arises to support capital projects at 100% design.

Infrastructure Surtax funds have been used exclusively to acquire property directly supporting transportation, stormwater, and public safety infrastructure projects. Because these projects require permanent public ownership, leasing is generally not a practical option. While the County did not conduct a formal lease-versus-purchase analysis for these acquisitions, steadily increasing property values since 2018 have reinforced the long-term financial advantages of purchasing property when needed for public infrastructure.

As shown in **Figure 3-4**, the assessed values of all Okaloosa County properties are presented for the years 2018 through 2027.

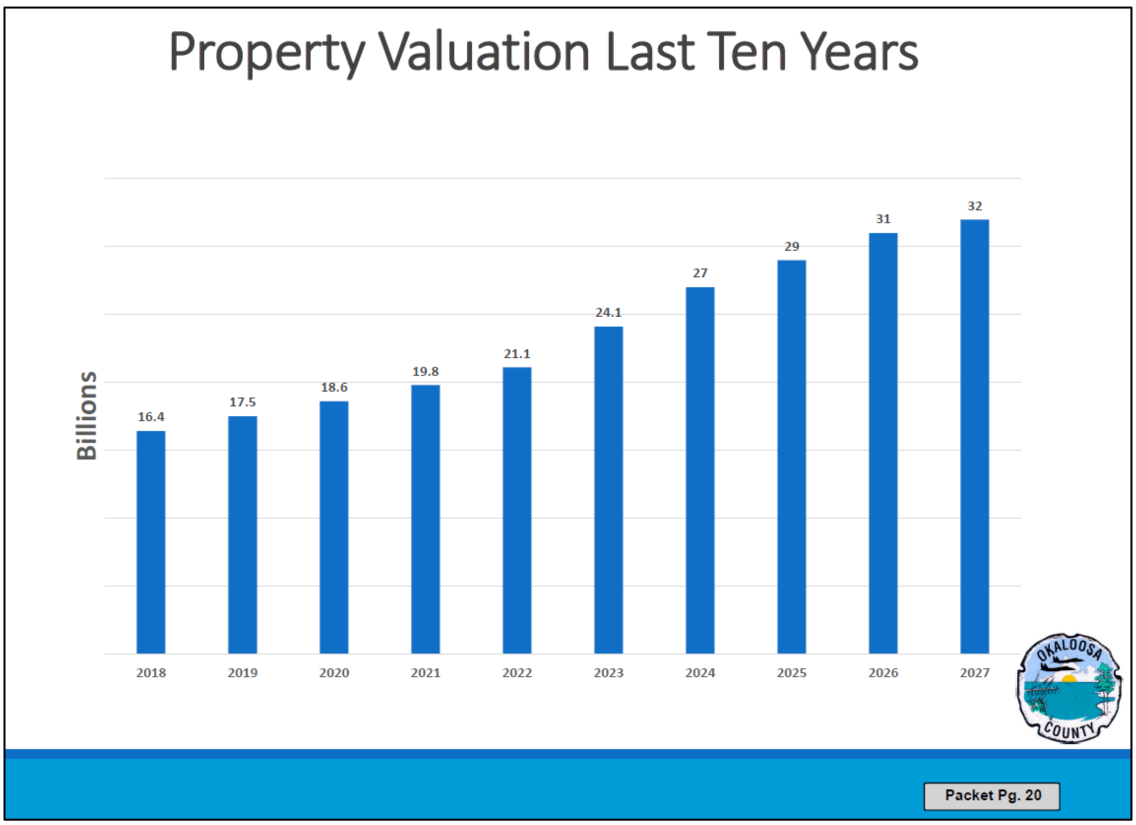


FIGURE 3-4: *Data from county FY27 budget presentation on 7/7/2026 representing all county properties for the ten (10) year period covering 2018 to 2027.*
SOURCE: *Okaloosa County.*

Properties acquired for surtax-funded projects have been obtained both under the threat of condemnation (eminent domain) and through voluntary transactions without the threat of condemnation.

Properties acquired under the threat of condemnation were obtained in accordance with the procedures prescribed by the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act). These acquisitions were supported by consultant right-of-way (ROW) services, including licensed real estate professionals and appraisers whose services were procured in compliance with applicable state requirements and the Consultants' Competitive Negotiation Act (CCNA), a highly regulated qualifications-based selection system.

Properties acquired without the threat of condemnation were negotiated between willing buyers and willing sellers. Appraisals were obtained to establish fair market value for these transactions, and appraisal services were procured in accordance with the Okaloosa County Purchasing Manual.

For both types of acquisitions, independent appraisals were obtained to establish the fair market value of the properties prior to purchase.

Figure 3-5, below an excerpt from the County's purchasing manual depicting approval thresholds for various dollar amounts as would also be applied to property purchases

Table 1 – Purchasing Process Thresholds

Procurement Method	$0- to $4500	$4,501 to $25,000	$25,001 to $50,000	$50,001 to $100,000	$100,001
Verbal Quotes (See Section 12.1)	Department Director or designee	N/A	N/A	N/A	N/A
Requisitions / Written Quotes (See Sections 9 and 12.2)	Department Director or designee	Department Director or designee And… Purchasing Manager	Department Director or designee And…. Purchasing Manager And… OMB Director	Department Director or designee And… Purchasing Manager And… OMB Director And… County Administrator***	Department Director or designee And… Purchasing Manager And… OMB Director And… County Administrator And… BOCC
Direct Payments (See Section 23)	Department Director or designee	Department Director or designee	Department Director or designee	Department Director or designee	Department Director or designee
Contracts (Amendments / Task Orders) (Amendments see Section 33.4; Task Orders see Section 33E)	Department Director or designee	Department Director or designee And… Purchasing Manager	Department Director or designee And…. Purchasing Manager And… OMB Director	Department Director or designee And… Purchasing Manager And… OMB Director And… County Administrator***	Department Director or designee And… Purchasing Manager And… OMB Director And… County Administrator And… BOCC
*Change Orders (Purchase Orders / Contracts) (Change orders see Section 33.3; Purchase Order see Section 34)	Department Director or designee	Department Director or designee And… Purchasing Manager	Department Director or designee And…. Purchasing Manager And… OMB Director	Department Director or designee And… Purchasing Manager And… OMB Director And… County Administrator***	Department Director or designee And… Purchasing Manager And… OMB Director And… County Administrator And… BOCC

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FIGURE 3-5: *County purchasing process thresholds.*
SOURCE: *Okaloosa County Purchasing Manual, Pg 18.*

All real estate transactions are conducted under the guidance and review of the County's legal staff in accordance with Ordinance 19-08.

The Property Manager was not involved in the analysis or decision-making process regarding the acquisition of properties for the communication towers. The Property Manager's role was limited to assisting with the closing of the property acquisitions.

The County supplied the following data used to perform the Land Acquisition Task 3 evaluations under all subtasks:

- Purchasing Manual
- BOCC Agenda Request Echo Circle Stormwater
- BOCC Agenda Request Northwest Crestview Bypass
- Ordinance 19-08 Establishing Real Property Policies

SUBTASK 3.2 – Determine whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved and, when appropriate, made changes to improve the performance or reduce the cost of any outsourced services.

OVERALL CONCLUSION

Overall, Okaloosa County does not meet expectations for Subtask 3.2. To reach this conclusion, the MJ Team conducted interviews and examined requested data.

Based on information provided by the County, the MJ Team determined that County program administrators have not consistently conducted formal evaluations to assess the effectiveness of contracted and privatized services or, where applicable, potential cost savings for Transportation and Law Enforcement and Public Safety Facilities. As discussed in Subtask 3.1, this is primarily because the County has limited alternatives to outsourcing these services. Challenges in recruiting and retaining qualified staff, driven by competition from higher-paying private sector employers, combined with the County's policy of limiting the growth of government, have made in-house service delivery the exception rather than the standard approach.

Overall, the MJ Team determined that this subtask is unmet.

Given the County's limited staffing levels and equipment capacity, after-the-fact evaluations comparing in-house and contracted service delivery have limited applicability when project requirements exceed the County's available resources and capabilities from the outset. In these circumstances, outsourcing is generally the only practical option to ensure timely and effective project completion.

The County did not provide any evidence, such as evaluation forms or written documentation, demonstrating that post-project assessments of contractor performance have been conducted.

To reach this conclusion, the MJ Team evaluated the relevant functional areas that will administer and/or benefit from the sales surtax. The assessment of each relevant area is discussed separately below.

TRANSPORTATION

To address the requirements of this subtask related to transportation, the Deputy County Administrator, public works engineering manager and county engineer were interviewed and along with related data provided by the County.

As demonstrated during the evolution of the Fifty in Five program, the County initially believed that using in-house forces would be the most cost-effective approach. However, when they solicited bids from vendors, the vendors included multiple service options, ranging from vendors performing only certain project elements while County forces transported materials from the borrow pit, to vendors providing the full scope of services ultimately selected. By requesting bids with varying levels of service as shown in Fifty In Five Task Approval dated July 6, 2021, the County was able to evaluate implementation alternatives using actual market pricing and select the approach that provided the best overall value based on both cost and schedule considerations. This procurement strategy has since been applied to other project types, enabling the County to make informed, real-time decisions regarding the most effective method of project delivery.

Roads and Bridges

The conversion of bridges from wood to concrete has historically been performed in-house and will continue to be managed that way. This approach is supported by a dedicated crew with extensive knowledge of the standards and specifications established by both the County and FDOT. In addition, performing this work in-house provides a cost savings to the Surtax Fund, as labor costs are covered by Gas Tax dollars, allowing the funding sources to share project expenses.

However, larger bridge projects may be considered for outsourcing when individual bridge components exceed 60 tons, as these projects may exceed the lifting capacity and equipment limitations of the County’s in-house resources. The decision to perform work internally or contract with outside providers is evaluated based on the County’s ability to complete the project safely and effectively using available staff, equipment, and resources.

The County manages a large inventory of bridges that are regularly inspected by the Florida Department of Transportation (FDOT). When FDOT identifies deficiencies, the resulting repair and maintenance work is assigned to in-house bridge crews and funded exclusively through non-surtax revenue sources, including constitutional and local option gas taxes.

Many of the County's bridge inventory consists of aging timber structures. When these bridges reach the end of their useful service life, they are replaced with modern structures utilizing pile foundations and precast concrete components. The materials for these replacement projects are funded through a combination of gas tax revenues and surtax proceeds.

Assignment of a bridge replacement project to in-house forces is never automatic and is governed by significant operational constraints. In-house construction capabilities are generally limited to relatively simple bridges consisting of one or two spans. Additionally, because the same personnel are responsible for both emergency maintenance and new bridge construction, any bridge selected for in-house replacement must be one that can remain closed to traffic for an extended period. This operational flexibility allows crews to immediately suspend construction activities and respond to emergency bridge repairs or other critical public safety issues whenever they arise, without jeopardizing the overall project.

Drainage

The Brookwood subdivision culvert repair/replacement project illustrates a common decision-making process for many stormwater infrastructure projects when evaluating an in-situ rehabilitation methodology versus traditional excavation and replacement. For the Brookwood project, the subdivision's single point of ingress and egress was the primary factor influencing the selected approach. However, this is only one of several considerations evaluated during the design and construction planning process. Additional factors—including worker and public safety, traffic disruptions, potential impacts to existing underground utilities, project schedule, and overall cost—were carefully assessed, according to the County, to determine the most appropriate construction methodology and project delivery approach for each individual project.

Water Quality

The Bob White Drive Stormwater Project was completed in October 2023. Since its completion, the Flexamat product has performed as anticipated, and no maintenance has been required. Based on the project's performance, the County would make the same decision again due to the product's cost savings and its effectiveness in mitigating erosion and reducing sediment runoff into the Santa Rosa Sound.

Sidewalks

The example of sidewalk projects would continue to require outsourcing unless the County were to acquire the necessary staffing and specialized equipment to construct sidewalks on a larger scale. While the County is capable of performing limited sidewalk repairs with in-house crews, it does not currently have the resources needed for large-scale sidewalk construction. Because sidewalks are long-term infrastructure assets that generally require only periodic maintenance rather than replacement, it is unlikely that the County would make the significant investment necessary to obtain the personnel and equipment required to perform this work in-house.

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

To address the requirements of this subtask related to law enforcement and public safety facilities, the Deputy County Administrator for operations and police captain were interviewed along with related data provided by the County.

Throughout the planning and implementation process, the County benchmarked the communications system against those used by counties across Florida. Those evaluations helped shape the system the County operates today. Since then, Walton County has modeled its system after Okaloosa County, and the State of Florida is building out a similar system using the same vendor and technology platform. The state will also co-locate equipment on several of the County's towers, generating additional lease revenue through tower space rentals.

The Okaloosa County Sheriff's Office has demonstrated it looks for smarter ways to strengthen public safety while being responsible stewards of taxpayer dollars. Future opportunities include leveraging innovative technologies such as artificial intelligence to solve crimes quicker, identify emerging crime trends, improve response times, and provide even better service to the community.

LAND ACQUISITION

To address the requirements of this subtask related to Land Acquisition, the surtax project manager and finance director were interviewed and along with related data provided by the County.

Appraisals for property acquisitions are outsourced because the County does not employ an in-house appraiser. Properties are acquired based on 100 percent design plans and consist of the right-of-way or easements necessary to support project construction. All acquisitions are coordinated with the Legal Department.

In some cases, the County initiates contact with property owners to acquire the required right-of-way in accordance with Ordinance 19-08. In other instances, such as the Northwest Crestview Bypass project, property owners have approached the County to sell land identified within future construction corridors. All purchase contracts are reviewed by the Legal Department before being presented to the Board for final approval.

According to the County, acquiring property in advance of construction is more cost-effective than purchasing it during construction because property values typically increase over time.

The County does not maintain an internal real estate or appraisal staff. The volume of property acquisitions required to support the Surtax program and other County initiatives does not justify employing full-time real estate professionals. Consequently, appraisal and real estate services are procured from qualified external vendors on an as-needed basis.

When Okaloosa County requires professional real estate appraisal services for right-of-way acquisitions, land purchases, easements, or other infrastructure surtax projects, independent fee appraisers or other qualified real estate consultants are procured by County administration rather than the Property Appraiser's Office. The Okaloosa Board of County Commissioners (BCC) follows the County's established Purchasing Manual and procurement policies to competitively solicit, evaluate, and award professional services contracts in a transparent and equitable manner. While the Okaloosa County Infrastructure Surtax Advisory Committee reviews project priorities and expenditures, the procurement and administration of appraisal and other specialized professional services are managed by the County's Public Works and Procurement Departments in accordance with established County purchasing procedures. Because the number of fully designed infrastructure projects requiring property acquisition through the infrastructure surtax program varies from year to year, the demand for appraisal services is intermittent. As a result, maintaining a full-time in-house real estate appraiser, according to the County, would not be a cost-effective use of County resources. Contracting with qualified independent appraisers allows the County to obtain specialized expertise only when needed while ensuring compliance with professional appraisal standards and prudent fiscal management.

SUBTASK 3.3 – Identify possible opportunities for alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services, based on a review of similar programs in peer entities (e.g., other counties, etc.).

OVERALL CONCLUSION

Overall, Okaloosa County meets expectations for Subtask 3.3. To reach this conclusion, the MJ Team conducted interviews and examined requested data.

Based on information provided by the County, the MJ Team determined that program administrators have established processes to evaluate and modify service delivery methods when assessments identify opportunities to reduce program costs without significantly impacting the quality of services provided.

One example of this commitment to continuous improvement is the County’s accreditation through the American Public Works Association (APWA) for compliance with the Public Works Best Practices Manual. This accreditation demonstrates the County’s dedication to operational excellence and provides several benefits, including fostering a culture of continuous improvement, enhancing operational performance, supporting team building and staff development, establishing consistent standard operating procedures (SOPs), increasing efficiency, and reducing duplication of efforts and unnecessary resource expenditures.

An example of coordination with other counties and regional organizations is the County’s collaboration with the Northwest Florida Water Management District on regional water supply, conservation, and resource protection initiatives. These partnerships support coordinated planning efforts that ultimately result in improved drainage systems and the implementation of other critical water resource projects.

For Public Safety and Law Enforcement, the County coordinates joint operations through established frameworks such as the Public Safety Coordinating Council, as well as countywide debris management and emergency management plans. These collaborative efforts enhance regional preparedness, improve response capabilities, and ensure effective coordination during emergency events.

Overall, the MJ Team has determined that this subtask is “met”. To reach this conclusion, the MJ Team assessed relevant areas of that will administer and/or benefit from the sales surtax. Each relevant area is discussed separately below.

TRANSPORTATION

To address the requirements of this subtask, the MJ Team interviewed the Deputy County Administrator, Public Works Director, and County Engineer.

Okaloosa County continuously evaluates opportunities to improve efficiency and maximize the use of available resources. One recent example is the County's participation in the four-county District One Medical Examiner Facility project which utilized the Construction Manager at Risk (CMAR) delivery method. While the County has traditionally relied on Design-Bid-Build and Design-Build approaches for similar capital projects, the success and value demonstrated through the Medical Examiner Facility have led to adopting the CMAR method for its next major capital construction project. The benefit of using CMAR enables contractors to provide cost and constructability input during the design phase, leading to early budget certainty, fewer change orders, and faster delivery. In contrast, Design-Bid-Build forces owners to finalize 100% of the design before bidding which can often result in higher costs if structural or other major issues are discovered too late.

Through the annual Performance-Based Budgeting process, the Public Works Department regularly evaluates its operational efficiency, tracks year-over-year performance, and benchmarks its practices against neighboring counties. The department also considers feedback from constituents and industry professionals to identify opportunities for improvement. For example, development plans were previously required to be submitted in paper (hard-copy) format. After observing neighboring counties successfully transition to electronic plan submissions and receiving positive feedback from the development community, Okaloosa County implemented an electronic submittal and review process, resulting in a more efficient and user-friendly system.

The County collaborates with regional partners through the Okaloosa-Walton Transportation Planning Organization (TPO) and the Florida Department of Transportation (FDOT) to coordinate planning, funding, and implementation of regional transportation improvements, including roadway and transit network projects.

Roads and Bridges

The County has indicated it will continue to work toward converting bridges from wood construction to a more hardened material to ensure that areas of the county are accessible during and after major storm events. The County added that bridge upgrades protect the County's assets from becoming damaged due to age and less durable materials, thus reducing the cost of maintenance of the asset long-term.

Almost all bridges within the County's inventory are classified as minor structures, typically consisting of two or fewer spans. As a result, the majority of bridge replacement and rehabilitation projects are of a scale that can be efficiently delivered through either County self-performance or the traditional design-bid-build procurement method.

However, a limited number of bridges are substantially larger and more complex due to their length, structural configuration, or site constraints. For these projects, the County plans to evaluate alternative project delivery methods during the planning and design phase, including Design-Build or Construction Manager at Risk (CMAR), to determine the approach that best balances cost, schedule, risk allocation, constructability, and overall project outcomes.

Okaloosa County coordinates bridge and major transportation infrastructure projects with adjacent counties, military installations, and state agencies through established partnerships, including formal interlocal agreements, regional transportation planning efforts, and coordinated funding strategies. These collaborative efforts help ensure that regionally significant projects are prioritized, designed, and implemented in alignment with local, regional, and statewide transportation objectives. The County works closely with the Florida Department of Transportation (FDOT) and the Okaloosa-Walton Transportation Planning Organization (TPO) to coordinate transportation improvements, funding opportunities, and project delivery. Examples include FDOT-supported bridge improvement projects and regional transportation initiatives that require coordination among multiple agencies and funding partners. Examples of projects interagency coordination include:

- **Southwest Crestview Bypass:** A major $200 million regional roadway and interchange initiative backed by FDOT, local option sales taxes, and Deepwater Horizon recovery funds.
- **Okaloosa Transit Cooperative (Co-op):** Unifies fixed-route public transit operations and route recommendations with participating municipalities through the Board of County Commissioners.
- **Transportation Disadvantaged Local Coordinating Board:** Partners with 18 state agencies to organize specialized transit services via Emerald Coast Rider, the public transit system for Okaloosa County.

Drainage

According to the County, it will continue evaluating the cost-effectiveness of materials, in-house labor, outsourcing, innovative products and methods, and outside contractors. The County also used the same outsourced approach for the Okaloosa Lane Realignment and Culvert Rehabilitation project instead of performing the culvert replacement in-house, citing public safety and time-saving considerations. That project remains ongoing.

Okaloosa County Public Works staff periodically meet with Walton County and City of Crestview Public Works (Public Services) staff to discuss operations. While a direct comparison to these or other entities is not made, the discussions open the door for sharing information and lessons learned that each entity could bring back to their respective department. A recent example of a takeaway from these informal exchanges has led Okaloosa County to pursue possible changes to the way it manages and permits work within its public rights of way. And, depending on the category or data type, Okaloosa County will look to Escambia County, Walton County, and Alachua County for comparison.

The County coordinates cross-boundary drainage improvements affecting Eglin Air Force Base and Hurlburt Field through collaboration and the modification of right-of-entry and outfall agreements as needed. The County also partners with municipalities such as Destin and Fort Walton Beach on shared watershed projects, drainage improvements, and infrastructure maintenance efforts to address regional stormwater management needs and improve system reliability. Examples of coordination with municipalities include the following projects:

- **Gap Creek Watershed Study (Fort Walton Beach area):** A $500,000 project backed by $250,000 in county surtax matching funds and a state appropriation, developed to map channels, review legacy municipal-county drainage boundaries, and prioritize fixes impacting the Lovejoy community.
- **Shalimar Drive & Brande Court Drainage (Town of Shalimar):** A cooperative local mitigation strategy project using an $80,000 layout to install new auxiliary pumps and connective drainage piping tying local outflow into county-monitored retention paths.
- **Sylvania Heights Stormwater Park:** A regional retention and filtering initiative engineered to capture untreated runoff before discharge into shared local estuaries and Gap Creek, removing pollutants derived from overlapping county and municipal zones

Water Quality

The County continues to evaluate the cost of materials and in-house labor against outsourcing opportunities for innovative stormwater products. One project currently in the design phase is the Brittany Woods Ditch project. Engineering staff are evaluating the use of Concrete Canvas to line the ditch as an alternative to the more costly in-house demolition and replacement of the existing concrete lining. This approach has the potential to reduce construction costs while improving project efficiency.

Depending on the category or type of data being evaluated, Okaloosa County benchmarks its performance against peer jurisdictions, including Escambia County, Walton County, and Alachua County. During its evaluation of the Flexamat erosion control system, the County also reviewed successful installations in Manatee County (Bradenton), Florida, and Harrison County (Long Beach), Mississippi. Both jurisdictions reported positive results using Flexamat for long-term erosion control, providing valuable case studies that supported the County's assessment of the product.

Sidewalks

The County continues to follow the competitive procurement process outlined in the Purchasing Manual, awarding contracts to the lowest responsive and responsible bidder. This approach ensures compliance with procurement requirements while promoting fairness, transparency, and cost-effective use of public funds.

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

To address the requirements of all subtasks related to Law Enforcement/Public Safety, the MJ Team interviewed the Deputy County Administrator for Operations and Police Captain.

Since the new radio systems were installed, the County has evaluated its performance and found that they are delivering the results anticipated. The County is currently developing the first two (2) revenue-generating leases that are expected to produce approximately $5,000 per month in recurring revenue.

Excess capacity of the County's microwave communications network has enabled it to backhaul internet connectivity and security camera video feeds from the County's parks, creating new technology opportunities that benefit Okaloosa County beyond public safety. Since the COVID-19 pandemic, construction and equipment costs have continued to rise significantly, allowing the County to realize capital investment recapture sooner than originally projected.

A clear example of the long-term value of these investments is the new OCSO Evidence Facility in Crestview, funded in part by the infrastructure surtax. This facility will feature high-density vertical storage, climate-controlled evidence areas, and a 7,000-square-foot secure vehicle storage lot that replaced the current overcrowded evidence facility in Shalimar. According to the County, the new building will improve operational efficiency, reduce long-term storage and liability costs, enhance evidence integrity by minimizing contamination risks and reducing travel distances for deputies, and provide dedicated space for more effective crime scene processing.

The facility will also provide greater convenience for residents in the northern part of the county who need to retrieve recovered stolen or found property, eliminating the need to travel to Shalimar.

The County continues to leverage advancements in technology to enhance public safety operations and improve service delivery. Building on the success of proven tools such as Flock Automated License Plate Recognition (ALPR), Axon Draft One for AI-assisted investigative report writing, and ProPhoenix public safety software, the County plans to continue utilizing surtax funding to support future technology investments. These forward-looking initiatives will help ensure the Okaloosa County Sheriff's Office remains equipped to provide safer, more efficient, and more effective law enforcement services to the citizens of Okaloosa County.

The County also maintains strong partnerships with regional, state, and federal agencies to support coordinated emergency response and public safety operations. Examples include participation in the statewide mutual aid framework and the Florida Department of Law Enforcement (FDLE) Mutual Aid Plan, which provide established processes for requesting, coordinating, and deploying resources during major emergencies or declared states of emergency. The Okaloosa County Sheriff's Office (OCSO) Special Response Team (SRT) incorporates cross-jurisdictional personnel from local municipal law enforcement agencies and emergency medical partners to enhance critical incident response capabilities throughout the region. Additionally, routine and high-impact operations, particularly those involving coastal areas and waterways such as Crab Island, a shallow-water sandbar located in Choctawhatchee Bay near Destin, jointly managed by the County and the National Park Service, are coordinated with agencies including the Florida Fish and Wildlife Conservation Commission (FWC) and the U.S. Coast Guard to ensure effective multi-agency collaboration, resource coordination, and protection of public safety.

LAND ACQUISITION

To address the requirements of this subtask related to Land Acquisition, the Surtax Project Manager and Finance Director were interviewed and along with related data provided by the County.

The County partnered with FDOT to acquire right-of-way along the SR 85 corridor, enabling FDOT to advance the Crestview widening project. This progress was made possible, in part, through the County's cost-sharing efforts and planned donation of the property. In addition, the County received donated FDOT wetland property in the Gap Creek area and subsequently purchased adjacent parcels to support development of the Echo Circle/Sylvania Heights Stormwater Park. This project is anticipated to reduce flooding while providing green space and recreational opportunities for an underserved community. The partnership with FDOT has also generated significant cost savings for future transportation improvements.

County staff continue to anticipate long-term capital needs. Using Surtax funds, the County recently purchased stormwater retention property from a willing seller to support a future FDOT SR 85 widening project. Rising property values, along with the opportunity to avoid condemnation, supported the Board's decision to acquire the property in advance of the project. The parcel will later be donated to FDOT as an in-kind contribution, further accelerating the project and reducing future acquisition costs within FDOT's work program.

Property Ordinance 19-08, which establishes the County's property acquisition process, was developed under the oversight of the County's legal team. The same legal team also represents other counties and municipalities throughout Florida and has incorporated best practices and lessons learned from those jurisdictions into the County's land acquisition procedures. The County supplements its internal expertise by contracting with qualified professionals—including real estate agents, title companies, appraisers, and other specialists—to perform property acquisition services. These activities are conducted under the oversight of County staff and the guidance of the County's legal team to ensure compliance with applicable laws, policies, and established procedures.

Okaloosa County coordinates land acquisition and conservation initiatives through established intergovernmental partnerships involving adjacent municipalities, military installations, regional agencies, and water management districts. Key coordination partners include the Okaloosa County Growth Management Department, the Northwest Florida Water Management District, and other regional entities that support collaborative planning, resource protection, and long-term conservation efforts.

RESEARCH TASK 4

SCOPE

The Okaloosa County Surtax Department that currently administers the surtax funds work within the purview of the Public Works Department and manages Public Works, Law Enforcement/Public Safety Facilities and Land Acquisition projects.

For purposes of the analyses in this section, the Transportation service area includes road and bridge, sidewalks, drainage and flood control, water quality, and public facility improvement.

FINDING SUMMARY

GOALS, OBJECTIVES, AND PERFORMANCE MEASURES USED BY THE PROGRAM TO MONITOR AND REPORT PROGRAM ACCOMPLISHMENTS.

Overall, Okaloosa County partially meets Research Task 4.

Although most program-level goals and objectives are clearly stated, they are not always measurable or address key aspects of the program's performance and cost. The County's 2018 strategic plan is outdated and thus not a valid document to compare for program goals and objectives. Program performance measures and standards do not sufficiently evaluate program cost and performance to assess program progress toward meeting its stated goals and objectives. Internal controls are in place to provide reasonable assurance that program goals and objectives will be met; however, some policies and procedures are not sufficiently documented or consistently enforced during the project close out phase.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 4.1 – Review program-level goals and objectives to determine whether they are clearly stated, measurable and address key aspects of the program's performance and cost.

OVERALL CONCLUSION

Overall, Okaloosa County partially met expectations for Subtask 4.1. Program goals and objectives are generally clearly stated, but inconsistent in being measurable and addressing key aspects of performance and cost. To reach this conclusion, the MJ Team conducted interviews and examined requested data. The County provided goals and objectives for the Public Works' Engineering & Administration Division maintained in the County's adopted budget.

TRANSPORTATION/PUBLIC WORKS

To address the requirements of all subtasks related to Transportation/Public Works, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager

- Deputy County Administrator
- Public Works Director
- County Engineer

The team reviewed the County's Fiscal Year 2026 Budget to obtain program goals and objectives as follows. The program-level goals and objectives are clearly stated but are not always measurable. Objective #3 addresses key aspects of the program's performance and cost.

Engineering & Administration Division

The Engineering & Administration Division of the Public Works Department provides services to the public in the areas of roadway design, stormwater management, topographical and construction surveying, Land Development Code conformance review, construction inspection, and construction contract administration.

a. Program Goal: Provide safe infrastructure and quality of life related services to the residents and visitors of Okaloosa County.

b. Key Objectives are presented in **Figure 4-1** and indicate that objectives are clearly stated, primarily performance-based, and inconsistently measurable.

Objective	Clearly Stated?	Measurable?	Performance or Cost-Based?
1. Provide engineering services that enhance or maintain the health, safety, and welfare of the general public.	Yes	No — broad outcome; no defined quantity, timeframe, service level, or target population.	Performance-based
2. Provide timely and courteous assistance to citizens.	Yes	Partially — "timely" could be measured only if response-time standards are defined; "courteous" requires a survey or complaint metric.	Performance-based
3. Ensure all projects are designed and constructed within established budgetary constraints, comply with acceptable industry standards, and are performed in compliance with County policies and procedures.	Yes	Partially — budget compliance is measurable, but industry standards and policy compliance need defined criteria or pass/fail measures.	Cost-based and performance-based
4. Provide surveying services for design, construction, and enforcement purposes.	Yes	No — identifies the service provided but does not define volume, timeliness, accuracy, quality, or completion targets.	Performance-based

Objective	Clearly Stated?	Measurable?	Performance or Cost-Based?
5. Provide recommendations to the Board of County Commissioners related to the operation and maintenance of infrastructure owned by the County.	Yes	No — does not define the number, timing, acceptance criteria, or quality standard for recommendations.	Performance-based
6. Maintain a database of record drawings for projects constructed, repaired or maintained by County forces.	Yes	Partially — measurable if standards are added for completeness, accuracy, update frequency, or accessibility.	Performance-based

FIGURE4-1 *Program Objectives*
SOURCE: *County Adopted Budget Book.*

RECOMMENDATION 4.1-1 – Revise or develop program-level goals and objectives that are clearly stated, measurable and address key aspects of the program's performance and cost. (Public Works)

LAND ACQUISITION

To address the requirements of all subtasks related to Land Acquisition, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Property & Finance Manager

The team reviewed the County's Fiscal Year 2026 Budget to obtain program goals and objectives as follows.

a. Program Goal: Provide safe infrastructure and quality of life related services to the residents and visitors of Okaloosa County.
b. Key Objectives are presented in **Figure 4-2** and indicate the objectives are clearly stated, primarily performance-based, and not measurable.

Objective	Clearly Stated?	Measurable?	Performance or Cost-Based?
Acquire the necessary rights-of-way, easements, deeds, and agreements to construct and maintain County infrastructure.	Yes	No — states an activity but does not specify number of acquisitions, cycle time, accuracy, or completion targets.	Performance-based

FIGURE4-2: *Program Objective.*
SOURCE: *County Adopted Budget Book.*

RECOMMENDATION 4.1-2 – Revise or develop program-level goals and objectives that are clearly stated, measurable and address key aspects of the program's performance and cost. (Land Acquisition)

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

To address the requirements of all subtasks related to Law Enforcement/Public Safety Facilities, the MJ Team interviewed individuals in the following positions:

- OCSO Major
- Deputy County Administrator – OPS

OCSO did not provide formal goals and objectives. OCSO provided the objectives for the proposed list of public safety surtax projects. The department's goals appear to focus on strengthening public safety readiness, emergency response continuity, and operational support.

Figure 4-3 lists the objectives and indicates that objectives are clearly stated, not measurable, and are performance-based.

Objective	Clearly Stated?	Measurable?	Performance or Cost-Based?
1. Construct a Multi-purpose building at Training Center (this building would house a training classroom, vehicle bay for vehicle maintenance needs, and a back-up PSAP (Public Safety Answering Points). The PSAP could serve as a secondary 911 center in the event our center in Niceville goes down or we need to activate an additional PSAP for hurricanes or special events.	Yes	No — does not identify measurable outputs such as square footage, completion date, capacity, number of users served, or expected operational improvement.	Performance-based
2. Replace the 911 Radio Recorder (our current recorder is in the last 1.5 years of life and it will need to be updated to continue to record 911 calls as required by statute). 911 radio recorders are significant for investigative purposes and	Yes	Partially — identifies replacement need and remaining useful life, but does not state measurable targets such	Performance-based

Objective	Clearly Stated?	Measurable?	Performance or Cost-Based?
incident reconstruction such as homicide investigations. For example, provides a recording of the initial call for service and any additional calls that come in about an incident. Also provides liability protection to show officers and dispatchers followed protocol during events and can be used for quality assurance purposes to ensure officers and dispatchers are providing a high level of service to the public.		as implementation date, recording capacity, compliance standard, downtime reduction, or quality assurance metrics.	
3. Install Fire Suppression system for Evidence section at OCSO Headquarters. Enhance our ability to protect irreplaceable evidence and management of inherently dangerous substances to include explosives and chemicals used to make illegal narcotics.	Yes	No — states intended protection benefit but does not specify measurable outcomes such as system coverage area, installation date, compliance standard, reduction in risk exposure, or number/ type of evidence areas protected.	Performance-based
4. Install Elevator for Larry Ashley Training Center building (currently, we are only allowed to allow our sworn personnel on the 2nd floor which hinders our ability to host multiple training courses at one time. An elevator would be a safety requirement to allow civilian and other agency personnel to use second floor.)	Yes	No — explains the access limitation but does not quantify the expected improvement, such as number of additional trainees served, accessibility standard met, training events accommodated, or completion timeframe.	Performance-based
5. Acquire a Crisis Command Bus. This vehicle can house an Incident Command Post, Crisis Negotiations, and serve as a Mobile E911 Emergency station. A self-contained law enforcement mobile command vehicle designed to serve 3 functions would enhance our ability to run interoperable communications with other emergency dispatch stations, serve as a multi-agency coordination and real-time situational awareness command post, and dedicate a space for crisis negotiators to support high-risk tactical incidents.	Yes	No — describes intended capabilities but does not include measurable targets such as response deployment time, number of incidents supported, communications capacity, agencies served, or readiness standard achieved.	Performance-based

FIGURE4-3: *Program Objectives.*
SOURCE: *County Adopted Budget.*

RECOMMENDATION 4.1-3 – Revise or develop program-level goals and objectives that are clearly stated, measurable and address key aspects of the program's performance and cost. (Sheriff)

INDEBTEDNESS

To address the requirements of this subtask related to Indebtedness, the MJ Team interviewed the Director, Office of Management & Budget and County Clerk Accounting Director.

The County does not maintain program goals and objectives for indebtedness. Thus, this program is not applicable for this subtask.

CITIZEN COMMITTEE OVERSIGHT

To address the requirement of this subtask related to the Citizen Committee Oversight, the MJ Team interviewed the Chairman, Infrastructure Surtax Advisory Committee. The County does not maintain program goals and objectives for the Committee. Thus, this program is not applicable for this subtask.

SUBTASK 4.2 – Review program-level goals and objectives to ensure that they are consistent with the county's strategic plan.

OVERALL CONCLUSION

Overall, Okaloosa County does not meet expectations for Subtask 4.2 as the County lacks a current strategic plan. To reach this conclusion, the MJ Team conducted interviews and examined requested data.

The County does not maintain a current strategic plan against which program goals and objectives can be assessed, since the County's 2018 strategic plan is over seven (7) years old, it is no longer a valid document for comparison to the program goals. The existing strategic plan is outdated, and several program areas either lacked strategic planning documents or were still developing them, preventing meaningful alignment analysis.

The MJ Team reviewed the 2018 strategic plan and determined that it may not represent the County's current goals and objectives.

COUNTY STRATEGIC PLAN

The County lacks a current strategic plan to compare with program-level goals and objectives. The County provided its FY 2018-2019 Strategic Plan. Operating under a plan that is over seven years old poses operational challenges. The FY 2018-2019 Strategic Plan outlines high-level goals like infrastructure excellence and economic opportunity, but its specific timelines have expired.

Rather than updating the entire County-wide strategic plan, leadership has focused on narrow issues. For example, they recently implemented a localized Attainable Workforce Housing Strategic Plan to manage specific housing growth metrics. Since the broad FY 2018-2019 strategic document has not been systematically overhauled with fresh key performance indicators (KPIs), Okaloosa County faces certain risks common to an aging plan:

1. **Misalignment with Growth:** The population dynamics in the Florida Panhandle have shifted rapidly. An outdated plan relies on older demographic assumptions for infrastructure forecasting.
2. **Accountability Gaps:** Individual departments like Public Works or Code Enforcement may continue to set narrow internal targets through annual budget approvals, but they lack a modern, unified top-down county scorecard to measure overarching progress.

In addition, the County's Financial Stewardship Evaluation Report dated November 12, 2025, recommends that the County develop a formal strategic plan. There is a risk that planning and communication of the overall goals can differ and fluctuate from the prior administration's goals, which could potentially lead to confusion on execution of the strategic plan by the County's workforce. A strategic plan also ensures that the pursuit of grant opportunities is aligned with County priorities.

The MJ Team received the County's FY 2018-2019 Strategic Plan which consists of the following fifteen (15) goals.

- **Goal 1:** Improve the County's competitiveness in attracting, hiring, retaining, training, and removal as appropriate of personnel through the full implementation of HR 21.
- **Goal 2:** Ensure an appropriate level of growth at the County's airports while maximizing user-based fees to finance growth and operations.
- **Goal 3:** Establish a forensics mental health unit in conjunction with the County's corrections facility.
- **Goal 4:** Establish County Extension Office classrooms in South County.
- **Goal 5:** Enhance the effectiveness of the County's mass transit system.
- **Goal 6:** Use the County's greenspaces to their best potential to boost eco-tourism.
- **Goal 7:** Improve the County's storm-water infrastructure (i.e. flood control and surface water quality).
- **Goal 8:** Increase the capacity of the County's correctional facility to meet the growing demand while ensuring safety and security.
- **Goal 9:** Enhance the county's traffic infrastructure to better accommodate east/west and north/south movement and to encourage economic diversification.
- **Goal 10:** Enhance those factors that encourage the attraction of high-quality businesses and residents while also improving the quality of life for existing residents.
- **Goal 11:** Maximize the use of the County's fiber infrastructure and related technologies.

- **Goal 12:** Enhance the effectiveness of the County's paratransit system.
- **Goal 13:** Enhance the decision-making process in Public Safety to encourage flexibility, creativity, and innovation.
- **Goal 14:** Continually improve administrative processes in ways that promote efficiency and effectiveness.
- **Goal 15:** Expand tourist development into a county-wide operation.

RECOMMENDATION 4.2 – Update the County's 2018 strategic plan to provide guidance for goals and objectives developed by the program areas.

TRANSPORTATION/PUBLIC WORKS

To address the requirements of all subtasks related to Transportation/Public Works, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Deputy County Administrator
- Public Works Director
- County Engineer

The County lacks a current strategic plan to compare with program-level goals and objectives. Thus, no analysis is deemed appropriate for this subtask. The subtask is not met.

LAND ACQUISITION

To address the requirements of all subtasks related to Land Acquisition, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Property & Finance Manager

The County lacks a current strategic plan to compare with program-level goals and objectives. Thus, no analysis is deemed appropriate for this subtask. The subtask is not met.

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

To address the requirements of all subtasks related to Law Enforcement, the MJ Team interviewed individuals in the following positions:

- Okaloosa County Sheriff's Office (OCSO) Major
- Deputy County Administrator - OPS

OCSO lacks a final strategic plan. Instead, OCSO provided a preliminary strategic framework intended to facilitate leadership discussion, refinement, and input. It is not a final or adopted plan. Revisions, additions, and clarifications are anticipated before advancing to the next phase of strategic development including performance measures.

RECOMMENDATION 4.2-1 – Complete the development of OCSO's strategic plan to provide guidance for goals and objectives developed by the program areas.

INDEBTEDNESS

To address the requirements of this subtask related to Indebtedness, the MJ Team interviewed the Director, Office of Management & Budget and County Clerk Accounting Director.

The County lacks a current strategic plan to compare with program-level goals and objectives and there are no program goals for this program. Thus, no analysis is deemed appropriate for this subtask.

CITIZEN COMMITTEE OVERSIGHT

To address the requirement of this subtask related to the Citizen Committee Oversight, the MJ Team interviewed the Chairman, Infrastructure Surtax Advisory Committee.

The County lacks a current strategic plan to compare with program-level goals and objectives and there are no program goals for this program. Thus, no analysis is deemed appropriate for this subtask.

SUBTASK 4.3 – Review the measures and standards the county uses to evaluate program performance and cost, and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives.

OVERALL CONCLUSION

Overall, Okaloosa County does not meet expectations for Subtask 4.3. To reach this conclusion, the MJ Team conducted interviews and examined requested data. Based on a review of performance measures documented in the County's budget, the measures are not sufficient to assess program progress toward meeting its stated goals and objectives.

Based on information provided by the County, the MJ Team has determined that program measures do not sufficiently address program performance toward meeting its stated goals and objectives. The measures provide historical data and do not indicate whether targets are met. The only cost-related performance measure is if projects are under budget. This could result in overstated budgets to meet the performance measure.

TRANSPORTATION/PUBLIC WORKS

To address the requirements of all subtasks related to Transportation/Public Works, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Deputy County Administrator
- Public Works Director
- County Engineer

The MJ Team obtained performances measures documented in the County's Budget Book as follows in **Figure 4-4**.

Engineering & Administration Department:

PERFORMANCE MEASURES:

	Performance Measures	Actual FY2022	Actual FY2023	Actual FY2024	Estimated FY2025	Tentative FY2026
Input	Grants acquired	4	7	6	5	4
Output	Construction contracts finalized	6	6	5	9	15
	Project designs completed by staff	4	3	3	3	0
	Project designs completed by consultants and administered by staff	14	7	10	11	13
Efficiency	Average time (days) to process payment requests	15	15	15	15	15
	Percentage of projects completed under budget	100	100	100	100	100
Effectiveness	Ratio of Grant dollars to County match dollars spent on design/construction projects	4.27:1	0.97:1 Grant to Local Match	1.68:1 Grant to Local Match	1.42:1 Grant to Local Match	1.12:1 Grant to Local Match

FIGURE 4-4: *Performance measures for the program area.*
SOURCE: *Okaloosa County Adopted Budget, FY2026.*

A strong set of county engineering measures should include a mix of:

- **Output measures:** miles of road built, linear feet of sidewalk installed, drainage projects completed
- **Efficiency measures:** cost per lane mile, cost per linear foot, design cost as a percentage of construction cost

- **Timeliness measures:** project delivery on schedule, plan review turnaround, repair response time
- **Quality measures:** inspection pass rates, rework, deficiency rates, change orders
- **Outcome measures:** pavement condition, reduced flooding complaints, traffic safety improvements
- **Compliance measures:** ADA compliance, permitting compliance, documentation completeness, design standard adherence

Examples of best practices performance measures follow in **Figure 4-5**.

Service Area	Best-Practice Performance Measure	Measure Type	Example Target / Standard
Capital project delivery	Percentage of capital projects completed on or before the approved schedule	Timeliness	85%–90% completed on schedule
Capital project budget management	Percentage of projects completed within approved budget, excluding formally approved scope changes	Cost	90% completed within approved budget
Construction change orders	Change orders as a percentage of original construction contract amount	Cost / project control	Change orders remain below 5%–10% of original contract value
Facilities construction	Percentage of facility projects passing final inspection without major deficiencies	Quality / compliance	95% pass final inspection without major deficiencies
Road construction	Lane miles of roadway constructed, resurfaced, or rehabilitated compared with annual plan	Output / productivity	Complete 90%–100% of planned lane miles
Pavement condition	Percentage of county-maintained roads meeting adopted pavement condition standards	Outcome / asset condition	Maintain at least 80% of roads in fair or better condition
Sidewalk construction	Linear feet or miles of sidewalk constructed, repaired, or made ADA-compliant	Output / accessibility	Complete 90%–100% of planned sidewalk improvements
ADA compliance	Percentage of pedestrian facilities meeting ADA accessibility standards after project completion	Compliance / accessibility	100% of new construction meets ADA standards
Drainage project delivery	Percentage of drainage improvement projects completed according to the adopted capital improvement plan	Timeliness / output	Complete 85%–90% of planned drainage projects annually
Drainage system performance	Number or percentage reduction in recurring flooding complaints or known drainage problem areas	Outcome / service impact	Reduce recurring drainage complaints by a defined percentage annually

Service Area	Best-Practice Performance Measure	Measure Type	Example Target / Standard
Stormwater maintenance coordination	Percentage of drainage work orders, inspections, or corrective actions completed within established timeframes	Timeliness	90% completed within the adopted service standard
Traffic signal reliability	Percentage of traffic signals operating without unplanned outages or major malfunctions	Reliability / service quality	95% or higher uptime
Traffic infrastructure response	Average time to repair traffic signal, sign, striping, or safety device deficiencies	Timeliness / safety	Emergency repairs within 24 hours; routine repairs within established standard
Traffic safety improvements	Number of high-crash locations evaluated and percentage with recommended improvements implemented	Safety / outcome	Evaluate 100% of identified high-crash locations annually
Permitting / plan review	Percentage of engineering plan reviews completed within adopted turnaround times	Timeliness / customer service	90% completed within required review timeframe
Inspection services	Percentage of construction inspections completed as scheduled or within required project phase	Quality / compliance	95% completed as required before work proceeds
Right-of-way and easements	Percentage of required right-of-way, easements, and agreements obtained before construction advertisement or notice to proceed	Timeliness / readiness	95% completed before project milestone
Citizen service requests	Percentage of engineering-related citizen requests responded to within adopted service levels	Customer service / timeliness	90% acknowledged within two business days
Record drawings / asset data	Percentage of completed projects with as-built drawings and asset data entered into the system within required timeframe	Completeness / data quality	95% entered within 30–60 days of project completion
Preventive maintenance planning	Percentage of roads, bridges, sidewalks, drainage assets, and traffic assets inspected according to schedule	Asset management / compliance	90%–100% inspected according to adopted cycle

FIGURE4-5: *Examples of Best Practices Performance Measures.*
SOURCE: *Team MJ Research.*

RECOMMENDATION 4.3-1 – Use best practices to determine the measures and standards to use to evaluate program performance and cost to ensure that they are sufficient to assess program progress toward meeting its stated goals and objectives (Transportation/Public Works).

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

To address the requirements of all subtasks related to Law Enforcement, the MJ Team interviewed individuals in the following positions:

- OCSO Major
- Deputy County Administrator - OPS

The Sheriff's Office draft Strategic Plan in progress lacks tentative performance measures and does not meet this subtask requirement.

RECOMMENDATION 4.3-2 – Establish the measures and standards the Sheriff's will use to evaluate program performance and cost to ensure that they are sufficient to assess program progress toward meeting its stated goals and objectives (Law Enforcement).

LAND ACQUISITION

To address the requirements of all subtasks related to Land Acquisition, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Property & Finance Manager

The County's adopted budget lacks performance measures related to land acquisition.

Key Performance Indicators (KPIs) for land acquisition in a county can help measure the efficiency and effectiveness of the process. Examples of best practices in performance measures for land acquisition include the following:

1. **Negotiated versus Appraisal Price:** This KPI measures the percentage of acquisitions completed for or less than the appraisal price.
2. **Land Acquisition Efficiency:** This KPI measures the percentage of targeted land parcels that have been successfully acquired. It's calculated as: KPI= Total Number of Targeted Land Parcels / Number of Acquired Suitable Land Parcels × 100.
3. **Time to Acquire Land:** This tracks the average time taken to complete the acquisition of land parcels from the initial identification to the final acquisition.
4. **Cost per Acre:** This KPI measures the average cost incurred per acre of land acquired, helping to monitor budget adherence.
5. **Stakeholder Satisfaction:** This assesses the satisfaction levels of stakeholders involved in the land acquisition process, including landowners, government officials, and the community.
6. **Compliance Rate:** This measures the percentage of land acquisitions that comply with legal and regulatory requirements.

7. **Environmental Impact:** This KPI evaluates the environmental impact of the land acquisition process, ensuring sustainable practices are followed.

RECOMMENDATION 4.3-3 – Review and revise the measures and standards the county uses to evaluate program performance and cost to ensure that they are sufficient to assess program progress toward meeting its stated goals and objectives (Land Acquisition).

INDEBTEDNESS

To address the requirements of this subtask related to Indebtedness, the MJ Team interviewed the Director, Office of Management & Budget and County Clerk Accounting Director.

The County does not maintain program goals and objectives or performance measures for indebtedness. Thus, this program is not applicable for this subtask.

CITIZEN COMMITTEE OVERSIGHT

To address the requirement of this subtask related to the Citizen Committee Oversight, the MJ Team interviewed the Chairman, Infrastructure Surtax Advisory Committee. The County does not maintain program goals and objectives or performance measures for the Committee. Thus, this program is not applicable for this subtask.

SUBTASK 4.4 – Evaluate internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.

OVERALL CONCLUSION

Overall, Okaloosa County partially meets expectations for Subtask 4.4. To reach this conclusion, the MJ Team conducted interviews and examined requested data. The County maintains numerous policies, procedures, approval processes, and oversight mechanisms that provide reasonable assurance that program objectives can be achieved. However, several policies are outdated, incomplete, or insufficiently documented, and project closeout controls were not consistently supported by formal procedures.

Based on the results of the evaluation of project files in Subtask 1.6 and information that could strengthen the written policies and procedures, this subtask is deemed as partially met.

TRANSPORTATION/PUBLIC WORKS

To address the requirements of all subtasks related to Transportation/Public Works, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Deputy County Administrator
- Public Works Director

- County Engineer

General Internal Controls

General internal controls include the following:

- BOCC approvals of contracts, change orders, and capital budgets
- County attorney's approval of contracts and other legal matters
- Segregation of duties among Public Works, Procurement and Finance staff
- Annual external financial statement audit including evaluation of key business processes and major expenditures including compliance testing

Policies and Procedures

The MJ Team reviewed policies and procedures approved in 2023, noting that some processes aligned with the documentation in the project files reviewed in Subtask 1.5. However, recommendation 1.5 indicates inconsistent documentation and procedures for the project close out phase. Furthermore, policy 15.11 Acceptance and Final Payment, states that the conditions of final payment are set forth in the Contract without listing the minimum required documentation. **Figure 4-6** presents a summary of Public Works' policies and procedures.

Policy	Effective Date	Public Works Policies and Procedures
4.13 Contracts	07/17/2023	Outlines procedures for creation and use of formal contracts for goods and services. BOCC approves contracts in accordance with the Purchasing Manual; County Administrator approves or reviews all contracts as defined in the Purchasing Manual; OMB monitors the financial aspects of contracts; Division Managers, Supervisors, and Assigned Representative provide input for contract language and monitor adherence to contract conditions and agreements. All contracts are reviewed, approved and executed by the Purchasing Department.
13.2 Design Coordination	09/21/2023	Design work is coordinated with appropriate external groups. Projects shall conform to all local, state, and federal permitting requirements. (County Engineer)
13.3 Qualified Personnel	10/25/2023	A Florida licensed professional engineer and qualified design professional staff required to ensure the proper procedures and methods are used on engineering design projects. (s. 336.03, *Florida Statutes*) (County Engineer, Design Engineer)
13.4 Design Criteria and Standards	07/17/2023	Design criteria and standards are developed, adopted and applied to all projects. (County Engineer, Design Engineer)
13.5 Project Scoping	09/21/2023	Include sufficient detailed information in the project scope to allow the agency to design the project within the anticipated cost and within the intended project objectives. (Public Works Director, County Engineer)

Policy	Effective Date	Public Works Policies and Procedures
13.8 Preliminary Design	9/15/2023	Guidelines (such as the County Land Development Code) define preliminary design standards, methodology and cost estimates. (County Engineer)
13.9 Preliminary Design Review and Approval	10/23/2023	Design reviews are conducted by designated reviewers at accepted frequencies as design progresses. (Public Works Director, County Engineer, Road Division Manager)
13.10 Final Design	09/21/2023	A procedure describes the approval process necessary to begin final design. Budgetary approval is first required from the BOCC. Updated schedules and construction estimates will be provided at each milestone review. Project manager authorizes design beyond a design review milestone and monitors progress and budget status. (County Engineer, Design Engineer)
13.11 Quality Assurance Plan	08/23/2023	The design and construction of new or rehabilitated structures include a quality assurance plan to ensure construction documents are thorough. (County Engineer, Design Engineer)
13.12 Standard Design	09/15/2023	Standard design criteria are established and applied to all projects. (References: Land Development Code, FDOT Green Book, FDOT Standard Plans, Federal Highway Administration, Manual of Uniform Traffic Control Devices) (County Engineer)
13.13 Plan Standards	09/15/2023	Standards for construction drawings and graphics on plans and drawings are established and applied to all agency projects. (References: Land Development Code, *Florida Statute* 471 and Administrative Code 61G15) (County Engineer, Design Engineer)
13.14 Standard Construction Specifications	07/26/2023	Standard construction specifications include procurement requirements, standard form of contract, contract forms, and condition of contract (standard general conditions). (County Engineer, Design Engineer)
13.15 Contract Documents	08/22/2023	Agreements with contractors list the conditions of work and the rights and responsibilities of both parties for completion and quality control. Documents shall be reviewed by the Purchasing Manager, Risk Management Department, and County Attorney in accordance with the Purchasing Manual. (County Engineer, Purchasing Manager)
13.16 Work Zone Traffic Control Plans	07/26/2023	Traffic plans are developed where construction work occurs on arterial or major traffic routes. (Reference: FDOT Design Standards) (County Engineer, Road Division Manager)
13.17 Final Plan Review	06/17/2023	A final plan review is scheduled before bidding, and the construction documents are amended according to the review results. Provides final approval on all documents to be advertised for construction. (County Engineer)
15.1 Construction Manager Authority	08/23/2023	Duties and responsibilities of the project manager are determined and applied to the specific construction project. (Public Works Director, Project Engineer)

Policy	Effective Date	Public Works Policies and Procedures
15.2 Construction Monitoring	08/23/2023	Project monitoring ensures that construction is proceeding in accordance with the contract documents. Adequate inspection of the work shall be performed on a routine basis to ensure that the construction documents are properly followed. A construction schedule, submittal of materials, progress meetings and progress payments and site inspections are tools used to gauge the contractor's progress relative to the contract duration. (Public Works Director, County Engineer, Design Engineer, Project Manager)
15.3 Preconstruction Conferences	08/23/2023	Preconstruction conferences are required. (Public Works Director, County Engineer, Project Manager)
15.4 Notice to Proceed	08/23/2023	A notice to proceed is required prior to construction. Prescribes the contract start and end dates and identify any required milestones. (Purchasing Manager, Public Works Director, County Engineer, Project Manager)
15.5 Mobilization	08/23/2023	A uniform method of payment covers mobilization by the contractor. (Public Works Director, County Engineer, Design Engineer, Project Manager)
15.6 Work Zone Management	08/23/2023	A single agency is responsible to administer and coordinate work in the public right-of-way. Work performed within County maintained rights-of-way shall be permitted, monitored and inspected. (Road Division Manager, County Engineer)
15.7 Inspection	08/23/2023	A procedure is established for inspection of all construction projects in progress to ensure that construction work is completed in accordance with project plans and specifications. Progress payments shall only be made for work and material that meets the requirements of and is installed in accordance with the plans and specifications. The County Engineer will assign an inspector or use a consultant CEI on all projects. (County Engineer, Road Division Manager, Project Inspector)
15.8 Materials Testing	08/22/2023	A policy defines testing to assure that the materials that are incorporated into the construction project meet the accepted standards. All testing results shall be approved by the County Engineer or their designee. (County Engineer, Road Division Manager)
15.9 Measurement and Payment	08/22/2023	A specific unit of work or materials is detailed in the specifications to be measured and paid in a specific method. Payment requests shall be reviewed, verified and approved by the project manager before approving payment. Retainage from partial payments will be withheld if required by the Contract. (Project Manager)
15.10 Change Orders	08/22/2023	Changes to the work, cost, or contract time require a change order to the construction contract. Change order approval process is described in the Purchasing Manual. If the Project Manager determines the necessity for a change order based on discussions with the Project Engineer, CEI consultant, Engineer of Record, etc., then he will recommend its approval to the Public Works Manager. If concurred,

Policy	Effective Date	Public Works Policies and Procedures
		then change order will be forwarded to the Purchasing Manager to approve or route for approval per the Purchasing Manual requirements. (Project Manager, Public Works Director, Purchasing Manager)
15.11 Acceptance and Final Approval	08/23/2023	Procedures are established for acceptance and final payment. Final payments to construction contracts are approved by the BOCC. Project Manager coordinates a final inspection of the work and authorizes the Contractor to begin submittal of close-out documentation once all work is complete. The conditions of final payment are set forth in the Contract. The Purchasing Manager will review the close-out documentation and notify the Commissioners of the pending final payment. If the final payment goes unchallenged, the final payment request (invoice) will be forwarded to the Finance Department for payment. (Project Manager, Public Works Director, County Engineer, Purchasing Manager)
15.12 Guaranteed Work and Warranty Period	08/22/2023	The contract documents include a method for tracking warranties on construction projects to ensure they will be inspected before the warranty period has expired. Stormwater improvements shall be inspected following significant rain events to monitor for system recovery and erosion. Roadway systems shall be inspected for defects in the driving surface and other related improvements as they are used during the warranty period. Once the warranty period has expired, a release of the provided guarantee by the BOCC is required. (Road Division Manager, Project Inspector)
15.13 Record Drawings	08/22/2023	A method is established to compile, file and retrieve as-constructed, as-built or record drawings. Substantial deviations shall be reviewed to verify if the change impacts the functionality of the approved system or is inconsistent with any permit acquired for the project. The approval process of work performed requires certification of as-built drawing modifications as part of the project close out process and is required to approve final payment. (County Engineer)

FIGURE4-6 *List of Public Works Policies and Procedures.*
SOURCE: *Public Works Policies and Procedures.*

RECOMMENDATION 4.4-1 – Strengthen internal controls by developing and implementing policy and procedures revisions which include processes such as the minimum documentation required for project closeouts in addition to reference in the contracts. (Public Works)

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

To address the requirements of all subtasks related to Law Enforcement, the MJ Team interviewed individuals in the following positions:

- OCSO Major

- Deputy County Administrator – OPS

The Sheriff's Office lack comprehensive policies and procedures manuals to document management's authorized practices and support the internal control framework.

RECOMMENDATION 4.4-2 – Strengthen internal controls by developing and implementing comprehensive policies and procedures. (Sheriff)

LAND ACQUISITION

To address the requirements of all subtasks related to Land Acquisition, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Property & Finance Manager

The County lacks formal land acquisition policies and procedures. The MJ Team reviewed procedures maintained in a 2019 ordinance as summarized below in **Figure 4-7**. The ordinance does not describe the roles and responsibilities of Public Works Surtax Project staff and coordination with the County Attorney to complete the acquisition and purchase process.

Number	Last Revised Date	Purpose
Land Acquisitions, Ordinance No. 19-08	Ordinance Adopted 09/17/2019	**1. Appraisals** • Prior to the acquisition of real property, an appraisal shall be prepared by a qualified appraiser. For each purchase in an amount in excess of $500,000, then two appraisals shall be obtained pursuant to section 253.025 *Florida Statutes*. • If the property value is less than $10,000 the Director of the Department may acquire interest in the property for the County without the necessity of an appraisal under specific circumstances such as comparison to the fair market value for similar type properties. **2. Authority to Acquire Real Estate** • Any acquisition of real property by the County, including any easements, for which the purchase price for the property is $50,000 or more, shall be approved by the BOCC. • The County shall have a title search prepared to assure that there are no encumbrances. • Prior to the acquisition of real property, a notice of intent to acquire real property shall be sent to the BOCC. If within three business days of sending the notice, a member of the BOCC may request that it be placed upon the Board's agenda for review, in which case it shall be placed upon the Board's next available agenda. If no request is received, then the County Administrator may proceed with the acquisition of the real property. **3. Acquisition of Real Property by Eminent Domain**

Number	Last Revised Date	Purpose
		• In the acquisition of real property by eminent domain or under the threat of eminent domain, the provisions of Florida Law, as modified herein, shall govern that process.

FIGURE4-7: *List of Land Acquisition Procedures.*
SOURCE: *County Ordinance 19-08.*

RECOMMENDATION 4.4-3 – Strengthen internal controls by developing and implementing a land acquisition policy. (Land Acquisition)

INDEBTEDNESS

To address the requirements of this subtask related to Indebtedness, the MJ Team interviewed the Director, Office of Management & Budget and County Clerk Accounting Director.

The County lacks a debt policy. A formal debt management policy provides a county with structured rules to issue and manage debt responsibly, protect its credit quality, and maintain long-term financial stability. It ensures transparency, controls borrowing costs, and aligns capital improvement goals with available resources. Benefits include strategic planning and transparency as follows:

- **Guides Capital Planning:** Integrates debt issuance directly with multi-year Capital Improvement Plans (CIP) to prioritize essential public projects
- **Ensures Legal Compliance:** Aligns local practices with state constitutional provisions, statutory limits, and federal tax regulations
- **Enhances Transparency:** Creates a shared understanding among elected officials, staff, and the public regarding how and when debt is used
- **Prohibits Operational Deficits:** Explicitly restricts long-term borrowing from being used to pay for ongoing day-to-day operational expenses

RECOMMENDATION 4.4-4 – Strengthen internal controls by developing and implementing a debt policy. (Debt)

CITIZEN COMMITTEE OVERSIGHT

To address the requirements of this subtask related to the Citizen Committee Oversight, the MJ Team interviewed the Chairman, Infrastructure Surtax Advisory Committee (Committee). The MJ Team reviewed the ordinances which define roles and responsibilities of the Committee. The independent oversight serves as a critical component in the internal control framework.

RESEARCH TASK 5

SCOPE

The MJ Team did not divide Research Task 5 into separate program areas because the County's public information, reporting, transparency, and correction processes are administered through a centralized and collaborative structure that serves all Surtax program areas. Unlike operational reviews that may require separate assessments by function, the systems and controls evaluated under Task 5 are applied consistently across Public Works, Law Enforcement/Public Safety, Finance, Legal, Public Information, the Surtax Program Office, and the Citizen Oversight Committee.

These program areas rely on the same public communication channels, reporting platforms, review procedures, and quality-control processes to provide information to residents. Financial and non-financial information is communicated through common County systems such as websites, dashboards, GIS tools, public reports, meeting records, and social media platforms, while review and approval responsibilities are shared among Finance, OMB, department leadership, program staff, and the Public Information Office. Likewise, the procedures for identifying, reviewing, correcting, and communicating errors in public information apply uniformly across all program areas.

FINDING SUMMARY

THE ACCURACY OR ADEQUACY OF PUBLIC DOCUMENTS, REPORTS, AND REQUESTS PREPARED BY THE COUNTY WHICH RELATE TO THE PROGRAM.

Overall, Okaloosa County meets Research Task 5.

The County demonstrated comprehensive processes, systems, and controls that ensure accurate, timely, transparent, and publicly accessible program information. The County provides extensive financial and non-financial information through public reports, project portals, GIS tools, meeting records, and dedicated surtax reporting platforms. Performance and cost information is readily available through Power BI dashboards, annual reports, project updates, and public communications, with engagement metrics used to assess effectiveness. A multi-level review process involving Finance, Budget, program staff, department leadership, and the Public Information Office helps ensure the accuracy and completeness of information before release. Formal procedures are in place to promptly identify and correct inaccurate or incomplete information, supported by documented review and correction protocols.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 5.1 – Assess whether the program has financial and non-financial information systems that provide useful, timely, and accurate information to the public.

OVERALL CONCLUSION

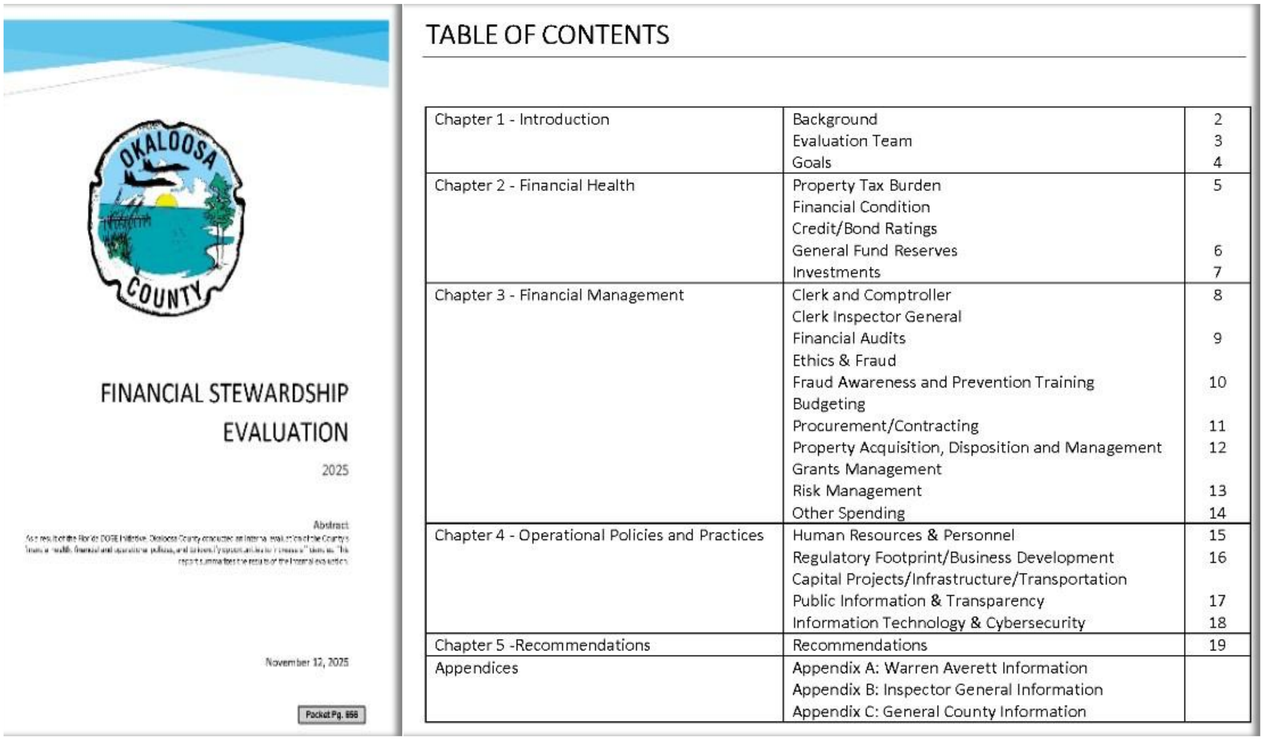
Overall, Okaloosa County (the "County") meets expectations for Subtask 5.1. The County demonstrated that it currently has financial and non-financial information systems in place that support the collection, management, reporting, and public dissemination of information through coordinated efforts among Finance, OMB, IT, the Clerk of Courts, and the Public Information Office. The County evaluated these systems through its Fiscal Stewardship Evaluation report, finalized in November 2025, and identified opportunities to enhance integration, reporting, analytics, and transparency. The planned implementation of an upgraded ERP system will further strengthen these capabilities by providing integrated, real-time financial and operational information and expanding public access through a citizen-facing portal. These systems ensure that information provided to the public is useful, timely, and accurate by supporting consistent data management practices, facilitating coordination across County departments, and enabling reliable communication of financial and operational information.

To reach this conclusion, the MJ Team conducted interviews and reviewed documentation related to the County's financial and operational information systems. The Okaloosa County Surtax Program Office, Public Information Office, Clerk of Courts Office, Office of Management and Budget (OMB), and Information Technology (IT) Department are primarily responsible for the collection, management, reporting, and communication of financial and non-financial information.

To address the requirements of this subtask, the MJ Team conducted interviews with County administration, project management, public information, finance, budgeting, GIS, and information technology personnel.

In addition to the interviews conducted, the MJ Team reviewed the *Okaloosa County Financial Stewardship Evaluation* report dated November 12, 2025. The evaluation was initiated in response to the federal and Florida Department of Government Efficiency (DOGE) initiatives, which emphasized governmental accountability, transparency, operational efficiency, and responsible stewardship of taxpayer resources. County leadership directed administrative, financial oversight, audit, and independent review functions to evaluate the County's financial condition, financial management practices, operational policies, and transparency efforts. The evaluation specifically examined how information is collected, managed, analyzed, and reported across County operations.

Figure 5-1 presents a snapshot of the cover and table of contents of the Fiscal Stewardship Evaluation report the County conducted to assess its financial management, operational practices, and transparency efforts to identify opportunities for improvements in efficiency, accountability, and public reporting. The evaluation specifically examined how information is collected, managed, and reported across County operations.



FINANCIAL STEWARDSHIP EVALUATION

2025

Abstract

November 12, 2025

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FIGURE 5-1: *Okaloosa County, Financial Stewardship Evaluation, 2025.*
SOURCE: *November 18, 2025, regular meeting of the Okaloosa Board of County Commissioners.*

A key recommendation of the evaluation was the implementation of an upgraded Enterprise Resource Planning (ERP) system during 2025-2026. According to the evaluation, the new software will serve as a countywide information system which better integrates:

- Financial Management
- Budgeting
- Payroll
- Human Capital Management (HR)
- Grants Management
- Project Management
- Analytics and Reporting

The evaluation describes the new software as a modern, cloud-based platform designed to consolidate information from multiple departments into a single enterprise system. By integrating financial and operational data, the system is expected to improve data consistency, reduce duplication, strengthen reporting capabilities, and provide real-time access to information for County leadership and program managers. The evaluation further states that the upgraded software will enhance operational performance, decision-making, and transparency through improved analytics and reporting capabilities. Additionally, a planned citizen-facing portal will expand public access to County information and further support transparency and accountability.

SUBTASK 5.2 – Determine whether the public has access to program performance and cost information that is readily available and easy to locate.

OVERALL CONCLUSION

Overall, Okaloosa County met expectations for Subtask 5.2. Based on the analysis performed, the County provides financial and non-financial program performance and cost information through multiple publicly accessible channels, including its website, Power BI surtax dashboard, public reports, meeting records, GIS tools, and social media platforms. County staff also monitor website traffic, GIS usage, and public engagement metrics to help ensure information remains accessible and relevant to residents. The documentation and exhibits reviewed demonstrate that financial and non-financial information is readily available, transparent, and easy for the public to locate.

To reach this conclusion, the MJ Team conducted interviews and reviewed supporting documentation. Financial and non-financial program performance and cost information **is** readily available to the public through the County's website, Power BI dashboard, reports, meeting records, and social media platforms. Supporting documentation demonstrates that project updates, expenditure data, and public engagement metrics are regularly monitored and communicated, reflecting a transparent and accessible approach to public reporting.

The Okaloosa County Surtax Program Office, Public Information Office, Clerk of Courts Office, Office of Management and Budget (OMB), and Information Technology (IT) Department are primarily responsible for communicating financial and non-financial information to the public. To assess the requirements of this subtask, the MJ Team conducted the following group interviews:

- Group Interview with the Deputy County Administrator, the Public Works Director, the County Engineer, and the Surtax Project Manager
- Group Interview with the Public Information Officer, GIS Information Technology Manager, Chief Financial Officer, OMB Director, and Accounting Director with the Clerk of Courts Office
- Group Interview with the County Clerk of Courts, the Accounting Director with the Clerk of Courts Office, the County Chief Financial Officer and the County OMB Director

In addition to the interviews conducted, the MJ Team assessed the following information:

- Financial and Non-Financial Related Website Postings
- Social Media Posting and Outreach Analytics
- The County’s Microsoft BI Surtax Dashboard
- Monthly Website Traffic Analytics

The interviews with surtax leadership provided information related to the administration, transparency, and public communication processes associated with planning for and overseeing the surtax funds. Financial information is made publicly available through a transparent dashboard, allowing residents to view project budgets, spending, and other relevant data.

The Surtax Project Manager and the Public Information Officer described the process for informing the public about completed and ongoing projects, financial performance, and surtax activities on the County website and using dashboards, reports, and social media platforms such as Facebook and LinkedIn. The Surtax Project Manager and the Public Information Officer provide weekly updates to keep the public informed about project progress and the use of surtax funds.

Figure 5-2 provides multiple examples of financial and non-financial documents available to the public on the County's website that provide useful, timely, and accurate information to the public.

Sample Okaloosa County Documents Available to the Public	
Financial Information	**Description/Purpose**
Annual Comprehensive Financial Report (ACFR) Fiscal Year 2025	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 public can view information about the County's revenues, expenditures, assets, and liabilities, as well as detailed data on various funds and components. https://myokaloosa.com/bcc/budget https://myokaloosa.com/sites/default/files/Users/piouser/FY25%20Audit.pdf
Adopted Budget Fiscal Year 2026	This document was prepared in accordance with *Florida Statutes* 125.74(d). The adopted budget is balanced and provides a financial plan focusing on public safety, quality of life, and providing the services the community expects. This budget was developed based on Board of County Commissioners (BOCC)

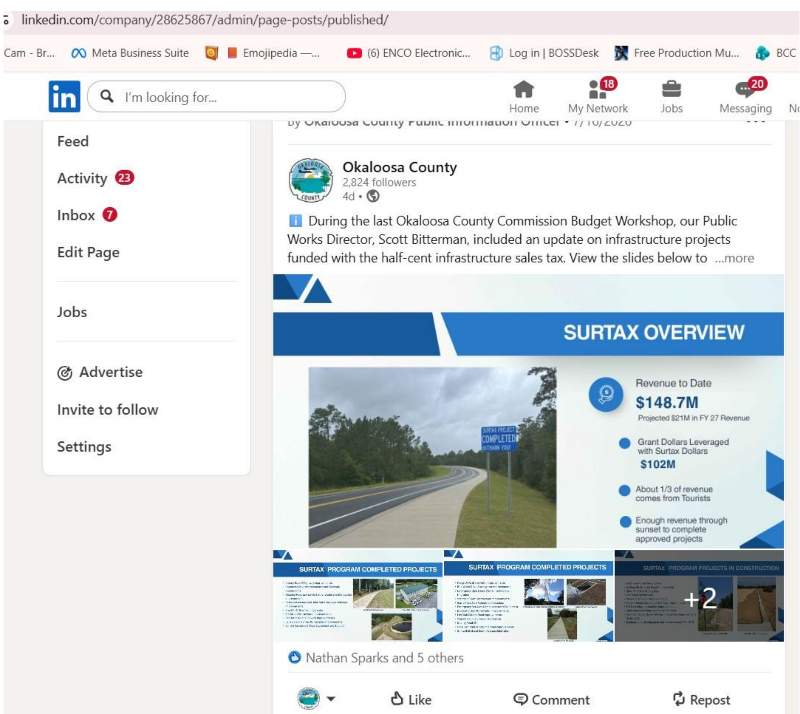
Sample Okaloosa County Documents Available to the Public	
	directives and prior considerations. https://myokaloosa.com/bcc/budget https://myokaloosa.com/sites/default/files/Users/piouser/smallBudget%20Book%20FINAL%20-%2010.1.25.pdf
Single Audit Report Fiscal Year 2025	Within the Annual Comprehensive Financial Report (ACFR) the County provides a comprehensive breakdown of its financial statements to ensure compliance with government standards regarding its use of federal programs and funds. https://myokaloosa.com/bcc/budget https://myokaloosa.com/sites/default/files/Users/piouser/FY25%20Audit.pdf
Annual Report Fiscal Year 2025	This report highlights the County's significant achievements over the past year. Throughout the report, viewers can discover information about project completions, advancements in resiliency planning, public safety improvements, ongoing land preservation, and water resource protection. https://myokaloosa.com/cc/county-connection https://portal.printingcenterusa.com/flipbook_share.php?code=967850&title=2025%20Okaloosa%20County%20Annual%20Report&desc=2025%20Okaloosa%20County%20Annual%20Report
Financial Stewardship Evaluation Fiscal Year 2025	Following the establishment of the "Department of Governmental Efficiency" (DOGE) in January 20, 2025, the County conducted an internal evaluation in order to identify opportunities to increase efficiency related to its financial health and operational policies. This report includes information regarding the financial health of funds managed by the Okaloosa Board of County Commissioners, a description of financial and operational practices of the County, and recommendations for enhancements to efficiency and performance. https://myokaloosa.com/bcc/budget https://myokaloosa.com/sites/default/files/Users/piouser/FiscalStewardshipReviewReport-Nov2025.pdf
Financial Reports – Payable Reports & Warrants	Public board that hosts monthly documentation summarizing all pending charges and warrants regarding open accounts and pending transactions overseen by the County for ease of access to the public. https://myokaloosa.com/bcc/budget https://okaloosaclerk.com/about-finance-accounting/warrants/ https://okaloosaclerk.com/uploads/2026/07/Warrant-Listing-June-2026.pdf
Non-Financial Information	**Description/Purpose**
Okaloosa County Project Portal	The public can access resources and information concerning fees, timelines, ordinances and policies related to ongoing and upcoming public and private development projects. https://myokaloosa.com/gm/home https://energovweb.myokaloosa.com/energov_prod/selfservice/#/home

Sample Okaloosa County Documents Available to the Public	
Meeting Agenda and Minutes	Archive of public meeting agendas and recordings of previous meetings so that community members are kept appraised of relevant issues and decisions discussed by the Board. The County maintains these records on a third-party website: https://okaloosacountyfl.iqm2.com/Citizens/Default.aspx
BOCC Public Meetings	Meetings are held on Tuesdays at 8:30am/9am. They are open to the public and citizens to voice their opinions, concerns, and suggestions. • The County Commission is comprised of five (5) members. Utilizing their legislative authority, the County Commission enacts ordinances and resolutions to create policies and programs aimed at safeguarding the health, safety, and overall well-being of the County's residents. The county provides a simple overview and guide of how the public can access and form part of the Commission's weekly meetings on the following page: https://myokaloosa.com/bcc/meeting-procedures https://myokaloosa.com/board-county-commissioners https://okaloosacountyfl.iqm2.com/Citizens/Default.aspx
Public Safety Resources	This databank stores educational programs, coordination of multi-agency plans and responses and interaction with state agencies and other public outreach measures that provide the residents of Okaloosa County with documents, videos, digital management resources, and guides that can ensure timely and effective preparation and management in case of natural disasters or emergencies. https://myokaloosa.com/emergency-management
News and Social Media	Okaloosa County maintains an ongoing news center providing relevant and timely updates to the public regarding current events and relevant changes that could affect the welfare of its residents. The County provides both an archive of written articles as well as easily accessible links to all its social media platforms where it posts consistent and continuous updates that are relevant to the public. https://myokaloosa.com/your-county-connection-news-releases https://myokaloosa.com/cc/social-media
Comprehensive Growth Management Plan	The Comprehensive Growth Plan is a multi-year planning instrument used to identify needs and financing sources for public infrastructure maintenance and improvements. This Plan is reviewed and updated every seven years through what is called the Evaluation and Appraisal Report process. Reviewed on 2024 in accordance with the state coordinated review process set forth in sections 163.3184(2) and (4), *Florida Statutes* (F.S.), the County's CIP was determined to have successfully adopted amendment that meet the requirements of Chapter 163, Part II, F.S., for compliance, as defined in section 163.3184(1)(b), F.S. https://myokaloosa.com/gm/planning/plan https://myokaloosa.com/sites/default/files/users/gmuser/EAR2024.pdf
GIS Map Data and Aerial Imagery	The County manages and updates two distinct independent databases to provide the public easy access to comprehensive geographic information. The public can obtain and freely download PDF and mobile friendly versions of County maps in the GIS Okaloosa County Maps website. (https://myokaloosa.com/gis_maps). Alongside the PDF archive, the County

Sample Okaloosa County Documents Available to the Public	
	hosts and maintains the Okaloosa County GIS Portal (https://okportal.myokaloosa.com/arcgis/apps/sites/#/okaloosa-explore) repository of GIS applications targeted towards specific maps, projects, data, or interests which presents the public with different digital tools to access and manage geographic information. https://myokaloosa.com/gis_homepage
Public Records Request	Detailed instructions and process for submitting forms in order to request documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material related to the Board of County Commissioners and county affairs regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business. https://myokaloosa.com/risk-management-records-request

FIGURE 5-2: *Current Financial and Non-Financial Information on the website.*
SOURCE: *Examples of financial and non-financial documents available to the public on the County's website identified by the MJ Team.*

Figure 5-3 provides multiple examples of weekly updates presented to the public through the County's social media sites.



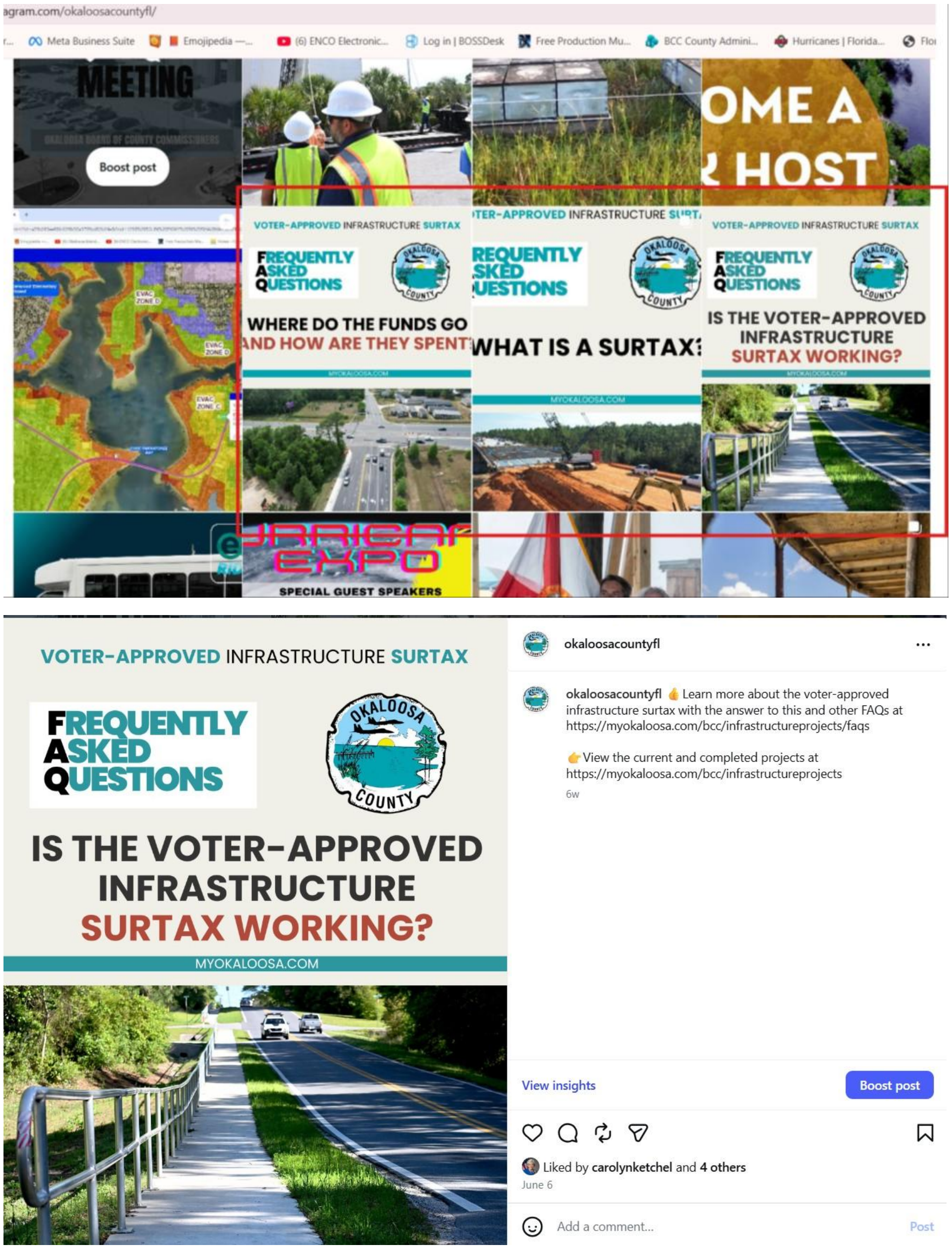


FIGURE 5-3: *Posts Providing Updates and Information on Surtax Funded Projects in the County's Social Media.*
SOURCE: *Okaloosa County Surtax Project Administration.*

As seen in **Figure 5-4**, the County utilizes a Power BI dashboard to present project budgets and spending information. Data displayed on the dashboard is verified by finance staff and reviewed through established oversight channels. Additional supporting information is published online, including annual funding reports, project update summaries, meeting minutes, and public comments.

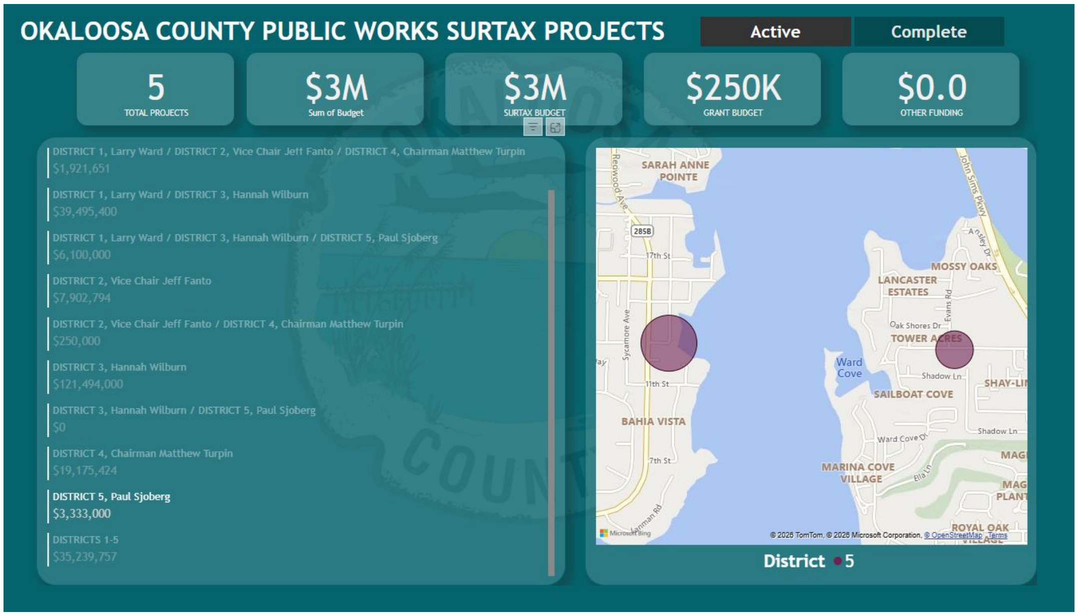


FIGURE 5-4: *Okaloosa County Public Works Surtax Project Dashboard.*
SOURCE: *Okaloosa County Surtax Project Administration Website.*

Figure 5-5 to **Figure 5-7** present how website and GIS analytics are monitored on a regular basis using Google Analytics and GIS-specific tools to measure overall public engagement with online resources. While page visits and general traffic can be tracked, there are limitations in measuring engagement with specific dashboard elements or individual project views. **Figure 5-8** shows how social media outreach is also used to increase public awareness and direct users to available information.

RE: Surtax web numbers

Eddie Quinlan
To Nick Tomecek

Reply | Reply All | Forward

Fri 1/23/2026 4:24 PM

General\All Employees (unrestricted)

Nov 547 views

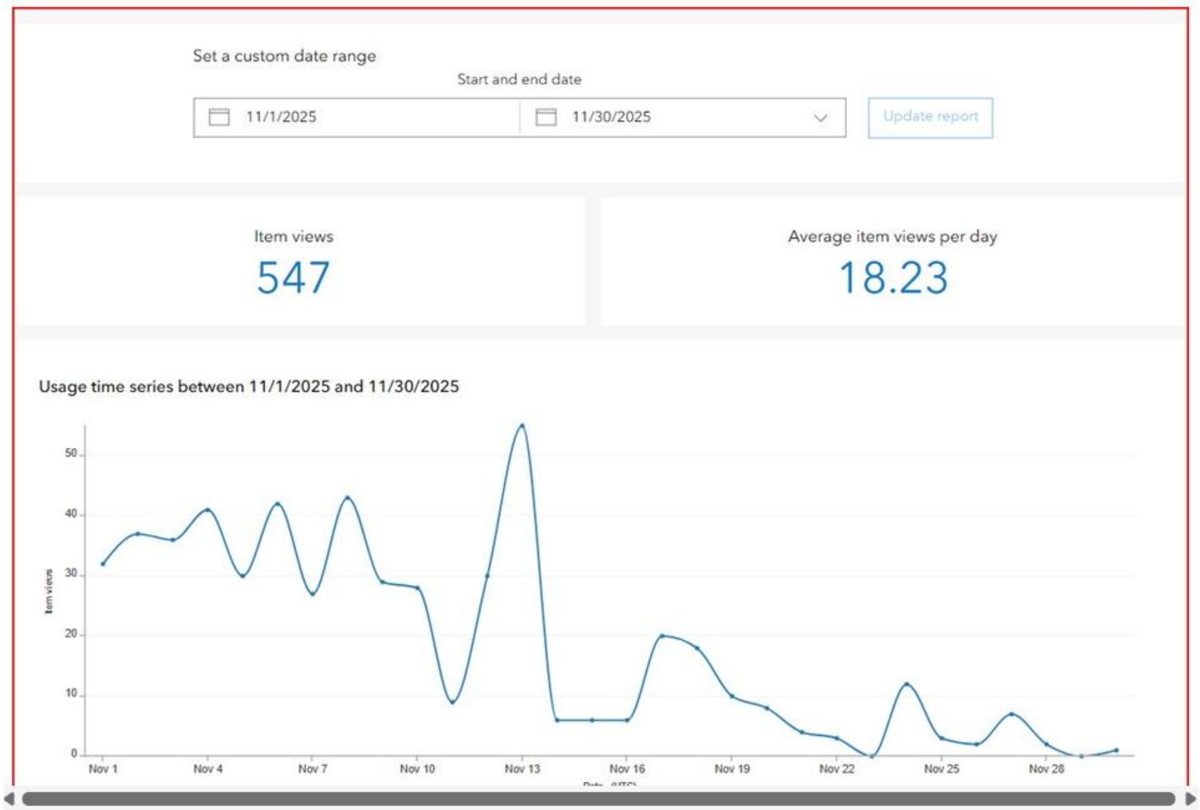
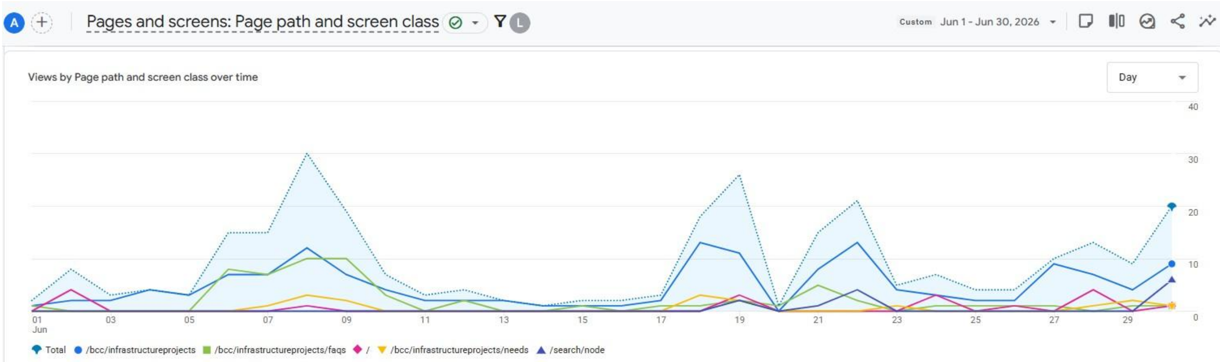
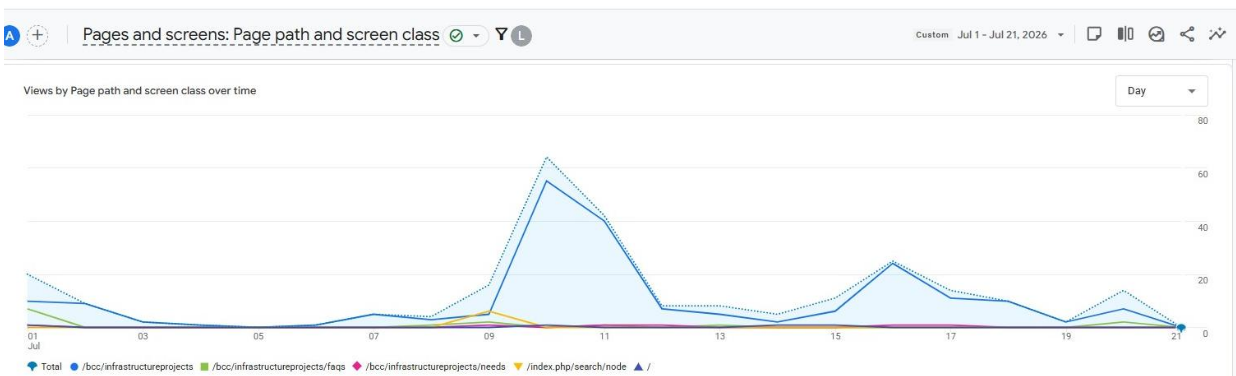


FIGURE 5-5: *Okaloosa County Public Works Surtax GIS Monthly Viewer Traffic.*
SOURCE: *Okaloosa County Surtax Project Administration Website.*



		Page path and screen class	Views	Active users	Views per active user	Average engagement time per active user	Event count All events	Key events All events	Total revenue
☑		Total	276 100% of total	148 100% of total	1.86 Avg 0%	24s Avg 0%	744 100% of total	0.00	$0.00
☑	1	/bcc/infrastructureprojects	145 (52.54%)	107 (72.3%)	1.36	17s	416 (55.91%)	0.00 (–)	$0.00 (–)
☑	2	/bcc/infrastructureprojects/faqs	60 (21.74%)	48 (32.43%)	1.25	10s	161 (21.64%)	0.00 (–)	$0.00 (–)
☑	3	/	17 (6.16%)	7 (4.73%)	2.43	16s	31 (4.17%)	0.00 (–)	$0.00 (–)
☑	4	/bcc/infrastructureprojects/needs	16 (5.8%)	14 (9.46%)	1.14	56s	39 (5.24%)	0.00 (–)	$0.00 (–)
☑	5	/search/node	13 (4.71%)	5 (3.38%)	2.60	19s	29 (3.9%)	0.00 (–)	$0.00 (–)
☐	6	/boards_infrastructure_surtax	7 (2.54%)	6 (4.05%)	1.17	8s	20 (2.69%)	0.00 (–)	$0.00 (–)
☐	7	/gis_homepage	2 (0.72%)	1 (0.68%)	2.00	9s	3 (0.4%)	0.00 (–)	$0.00 (–)

FIGURE 5-6: *Okaloosa County Public Works Surtax Google Analytics Monthly Viewer Traffic June, 2026.*
SOURCE: *Okaloosa County Surtax Project Administration Website.*



		Page path and screen class	Views	Active users	Views per active user	Average engagement time per active user	Event count All events	Key events All events	Total revenue
☑		Total	261 100% of total	152 100% of total	1.72 Avg 0%	20s Avg 0%	766 100% of total	0.00	$0.00
☑	1	/bcc/infrastructureprojects	205 (78.54%)	149 (98.03%)	1.38	13s	625 (81.59%)	0.00 (–)	$0.00 (–)
☑	2	/bcc/infrastructureprojects/faqs	14 (5.36%)	7 (4.61%)	2.00	42s	34 (4.44%)	0.00 (–)	$0.00 (–)
☑	3	/bcc/infrastructureprojects/needs	6 (2.3%)	6 (3.95%)	1.00	19s	19 (2.48%)	0.00 (–)	$0.00 (–)
☑	4	/index.php/search/node	6 (2.3%)	1 (0.66%)	6.00	1m 40s	20 (2.61%)	0.00 (–)	$0.00 (–)
☑	5	/	4 (1.53%)	5 (3.29%)	0.80	5s	13 (1.7%)	0.00 (–)	$0.00 (–)
☐	6	/boards_infrastructure_surtax	4 (1.53%)	3 (1.97%)	1.33	1m 21s	10 (1.31%)	0.00 (–)	$0.00 (–)

FIGURE 5-7: *Okaloosa County Public Works Surtax Google Analytics Monthly Viewer Traffic July, 2026.*
SOURCE: *Okaloosa County Surtax Project Administration Website.*

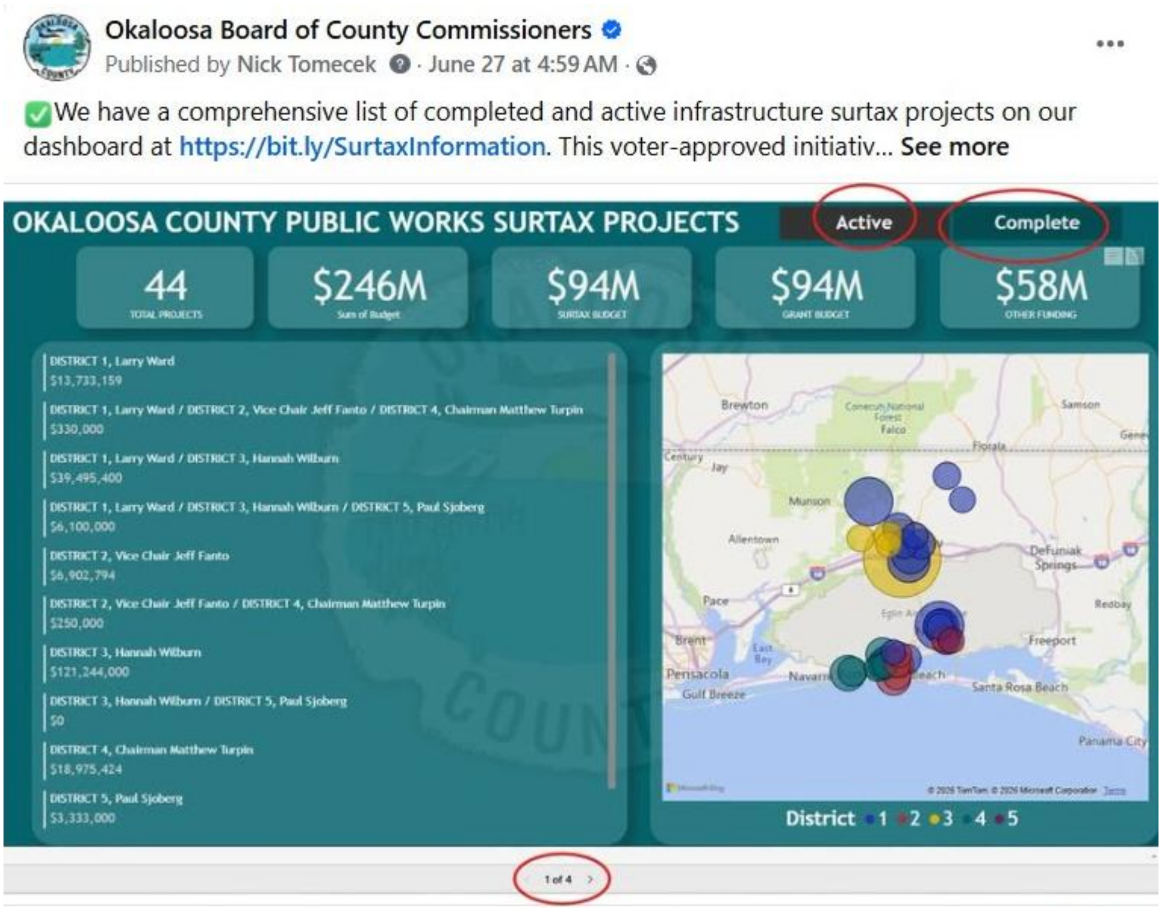


FIGURE 5-8: *Social Media Post Providing County Residents Access to the Surtax Project Dashboard.*
SOURCE: *Okaloosa County Surtax Project Administration.*

Surtax leadership interviews also addressed audit requirements related to evaluating both financial and non-financial information provided to the public. Requests were made for examples of public-facing materials, website traffic data covering six months to one year, and a roles-and-responsibilities matrix for the surtax program. The information, public-facing materials, and usage analytics provided by county leadership collectively demonstrate that the County has established accessible and transparent methods for communicating program performance and cost information to the public.

Financial and project information is published through a publicly accessible dashboard, the county website, reports, meeting records, and social media channels. Regular updates and outreach efforts help increase public awareness of available information, while website analytics are used to monitor engagement. Collectively, these practices demonstrate a transparent approach that provides the public with multiple, accessible avenues for obtaining surtax program performance and cost information.

SUBTASK 5.3 – Review processes the program has in place to ensure the accuracy and completeness of any program performance and cost information provided to the public.

OVERALL CONCLUSION

Overall, Okaloosa County met expectations for Subtask 5.3. Based on the analysis performed, the County has processes in place to ensure the accuracy and completeness of program performance and cost information provided to the public. Financial information is maintained within the County's financial management system and undergoes multiple levels of review and approval by finance, budget, and program staff prior to publication. These processes and controls help ensure that public information is accurate, complete, and reliable.

To reach this conclusion, the MJ Team assessed relevant areas of the County that will administer and/or benefit from the sales surtax.

Based on the MJ Team's assessment, the Public Information Office provided ample information on processes for evaluating accuracy and adequacy of public documents.

To address the requirements of this subtask, the MJ Team conducted group interviews with the individuals noted below.

- Group Interview with the Deputy County Administrator, the Public Works Director, the County Engineer, and the Surtax Project Manager
- Group Interview with the Public Information Officer, GIS Information Technology Manager, Chief Financial Officer, OMB Director, and Accounting Director with the Clerk of Courts Office
- Group Interview with the County Clerk of Courts, the Accounting Director with the Clerk of Courts Office, the County Chief Financial Officer and the County OMB Director

The interviews with surtax leadership provided information regarding financial administration, reporting, and oversight processes for surtax funds. Following project approval, Finance staff establish projects within the financial management system and prepare financial reports, which are reviewed by management to ensure compliance with accounting standards and internal controls.

Responsibility for ensuring the accuracy and completeness of publicly published information is shared across multiple functions. While the Finance team is responsible for maintaining accurate accounting records and financial reporting, surtax project staff and program leadership oversee the content and presentation of information provided to the public. Financial reports, including expense and revenue summaries, undergo multiple levels of review and approval before being provided to the Public Information Office for publication on the website.

The interviews with surtax leadership also highlighted the broader administration of surtax funds. OMB staff are responsible for developing budgets, reconciling revenues, managing grants, and overseeing purchasing activities associated with surtax-funded projects. These activities are coordinated closely with the surtax project staff, which leads much of the day-to-day financial administration and project oversight.

The program has established adequate processes to ensure the accuracy and completeness of performance and cost information disclosed to the public. Financial data is maintained within a controlled financial management system, subject to multiple levels of review and approval, and supported by clearly defined roles and responsibilities across finance, operational, and program management staff. Additionally, oversight of budgeting, revenue reconciliation, grants, and purchasing activities provide further assurance over the reliability of reported information. These controls collectively support the accuracy, completeness, and consistency of information published to the public.

Figure 5-9 presents the County's Surtax Project Dashboard and shows compiled financial information is checked and accessible to the public.

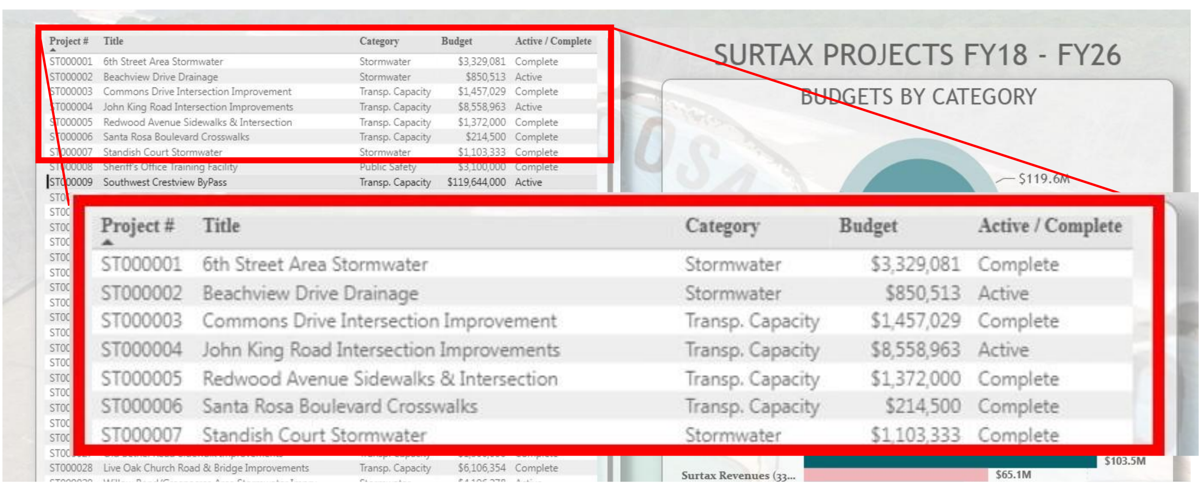


FIGURE 5-9: *Access to the Surtax Project Process and Budget Information within the County Dashboard.*
SOURCE: *Okaloosa County Surtax Project Administration.*

Based on the public information reviewed and interviews with program staff, the County has processes in place to ensure accuracy and completeness of any program performance and cost information provided to the public.

SUBTASK 5.4 – Determine whether the program has procedures in place that ensure that reasonable and timely actions are taken to correct any erroneous and/or incomplete program information included in public documents, reports, and other materials prepared by the County and that these procedures provide for adequate public notice of such corrections.

OVERALL CONCLUSION

Overall, Okaloosa County met expectations for Subtask 5.4. Based on the analysis performed, the County has established procedures to identify, review, and correct erroneous or incomplete information included in public communications. Public-facing materials are reviewed by County staff and the Public Information Office, and corrections to public notices are issued when needed to ensure the public receives accurate information. These procedures provide reasonable assurance that errors are corrected in a timely manner and that the public is notified of significant corrections.

Based on the public information reviewed and interviews with surtax leadership the County has processes in place to ensure accuracy and completeness of any program performance and cost information provided to the public.

To address the requirements of this subtask, the MJ Team conducted group interviews with the individuals noted below.

- Group Interview with the Deputy County Administrator, the Public Works Director, the County Engineer, and the Surtax Project Manager
- Group Interview with the Public Information Officer, GIS Information Technology Manager, Chief Financial Officer, OMB Director, and Accounting Director with the Clerk of Courts Office
- Group Interview with the County Clerk of Courts, the Accounting Director with the Clerk of Courts Office, the County Chief Financial Officer and the County OMB Director

Interviews covered the review, verification, and correction processes used to ensure the accuracy of public communications related to county initiatives. Staff collaborate with the County Public Information Office to review educational and informational content, including social media posts, press releases, and other public-facing materials. This review process serves as a quality-control measure to verify the accuracy of information before publication and identify any discrepancies requiring correction.

Figure 5-10 presents an excerpt from the Public Information Officer (PIO) Handbook. This document details the policy and procedures set in place to determine the responsibilities of County departments in ensuring the accuracy and completeness of information provided to the public. The policies and procedures set by the PIO Handbook also apply to Social Media and all publicly posted information.

Website Updates

The PIO will coordinate with Information Technology staff and Departments to maintain and update the County's website.

Public Notices

It is the responsibility of the Public Information Office or other administration staff to promptly post public notices on the County website and make available to the public for in-person inspection in accordance with Florida Sunshine Laws (Chapter 50) that may include meetings and gatherings that are deemed public. Any public notices that require changes must be posted as soon as the changes are discovered and must be posted in accordance with Florida Sunshine Laws (Chapter 50)

https://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0000-0099/0050/0050.html

Emergencies

- In the event that the Emergency Operations Center (EOC) is activated, the PIO will activate the EOC web page https://myokaloosa.com/eoc/home and display a link to the site on the home page, MyOkaloosa.com

Internal Staff Communications

- The PIO may identify opportunities to communicate information between departments and to Commissioners, if applicable with an awareness of Florida's Sunshine Laws (Okaloosa Sunshine Training - Appendix I)
- Okaloosa County employs more than 1,000 employees and most have interactions with the public throughout their workday. The PIO must work to keep employees informed about the many facets of the County's operations so that they understand how to respond to members of the public who may have questions or concerns. Correcting misinformation begins within Team Okaloosa.

FIGURE 5-10: *Excerpt from the Okaloosa County PIO Handbook.*
SOURCE: *Okaloosa County Surtax Project Administration.*

Financial reports and supporting materials are subject to review by multiple individuals to provide an additional layer of oversight and accuracy verification. Examples of related communications and review documentation were identified for audit support and testing purposes.

For public meeting notices, corrections are handled through a coordinated process involving operational departments, legal counsel (contracted), and the Public Information Officer. When errors such as incorrect meeting dates, times, or locations are identified, updated notices are issued to ensure the public receives corrected information.

SUBTASK 5.5 – Determine whether the county has taken reasonable and timely actions to correct any erroneous and/or incomplete program information.

OVERALL CONCLUSION

Overall, Okaloosa County met expectations for Subtask 5.5. Based on the analysis performed, the County has taken reasonable and timely actions to correct erroneous and/or incomplete program information. Examples reviewed included corrections to public notices and surtax-related social media communications, including an error that was identified and corrected on the same day it was posted. Therefore, the County has demonstrated that it takes timely corrective action when errors are identified.

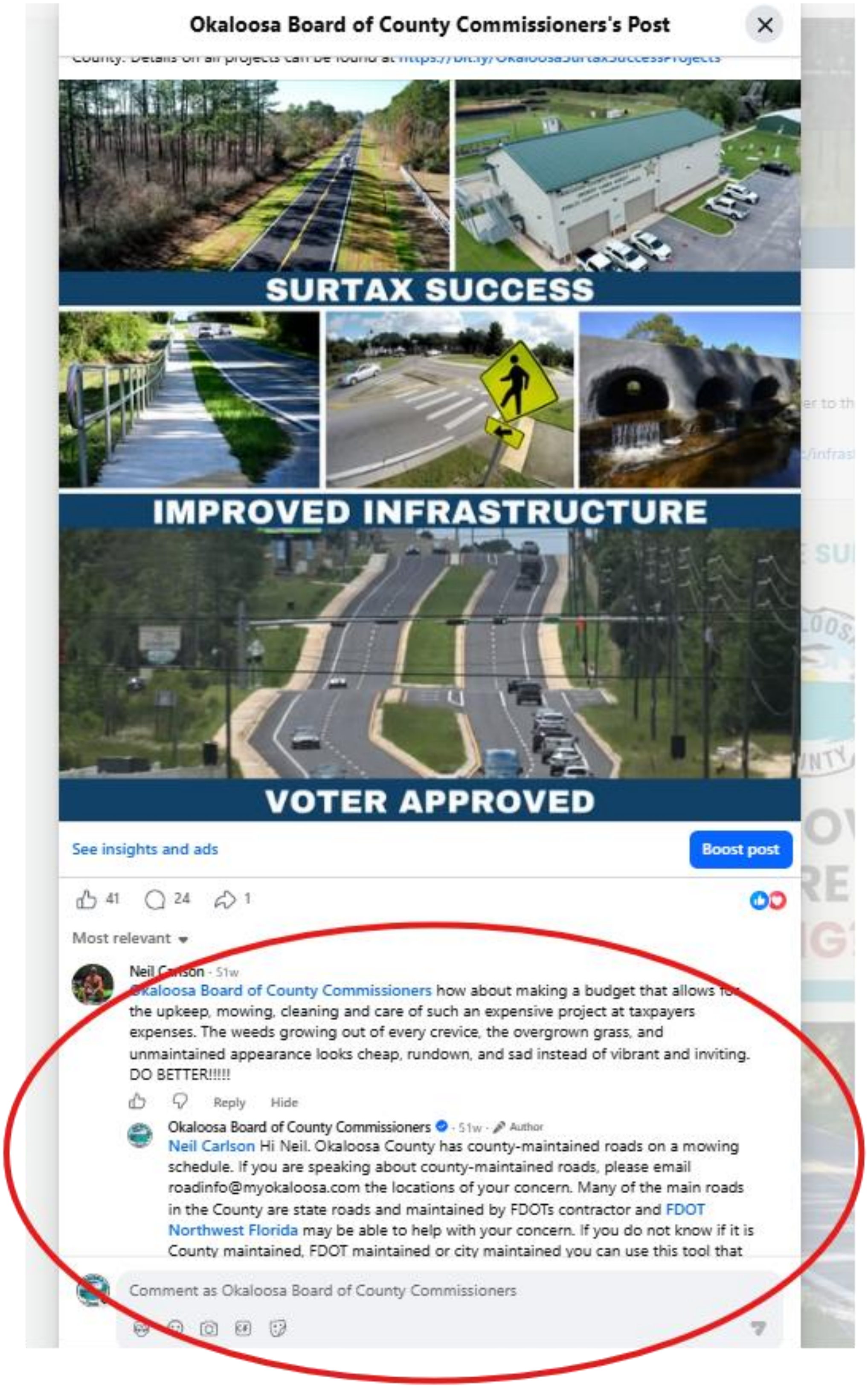
To reach this conclusion, the MJ Team conducted interviews and examined requested data.

To address the requirements of this subtask, the MJ Team conducted group interviews with the individuals noted below.

- Group Interview with the Deputy County Administrator, the Public Works Director, the County Engineer, and the Surtax Project Manager
- Group Interview with the County Attorney (Contract), the Chief Assistant County Attorney (Contract), the County Property & Finance Manager

During interviews, examples of public notices that required correction included changes in dates, times, and locations of Surtax Oversight Committee meetings and correction of social media postings related to the surtax funds.

Figure 5-11 presents an example of timely update and correction to a social media response in the County's Facebook. The County's Public Information Officer identified a miswritten word in response to the public on July 26, 2025. The error was corrected the same day by county staff.


Okaloosa Board of County Commissioners's Post
SURTAX SUCCESS
IMPROVED INFRASTRUCTURE
VOTER APPROVED
See insights and ads
Boost post
41
24
1
Most relevant
Neil Carlson · 51w
Okaloosa Board of County Commissioners how about making a budget that allows for the upkeep, mowing, cleaning and care of such an expensive project at taxpayers expenses. The weeds growing out of every crevice, the overgrown grass, and unmaintained appearance looks cheap, rundown, and sad instead of vibrant and inviting. DO BETTER!!!!!
Reply
Hide
Okaloosa Board of County Commissioners · 51w · Author
Neil Carlson Hi Neil. Okaloosa County has county-maintained roads on a mowing schedule. If you are speaking about county-maintained roads, please email roadinfo@myokaloosa.com the locations of your concern. Many of the main roads in the County are state roads and maintained by FDOTs contractor and FDOT Northwest Florida may be able to help with your concern. If you do not know if it is County maintained, FDOT maintained or city maintained you can use this tool that
Comment as Okaloosa Board of County Commissioners

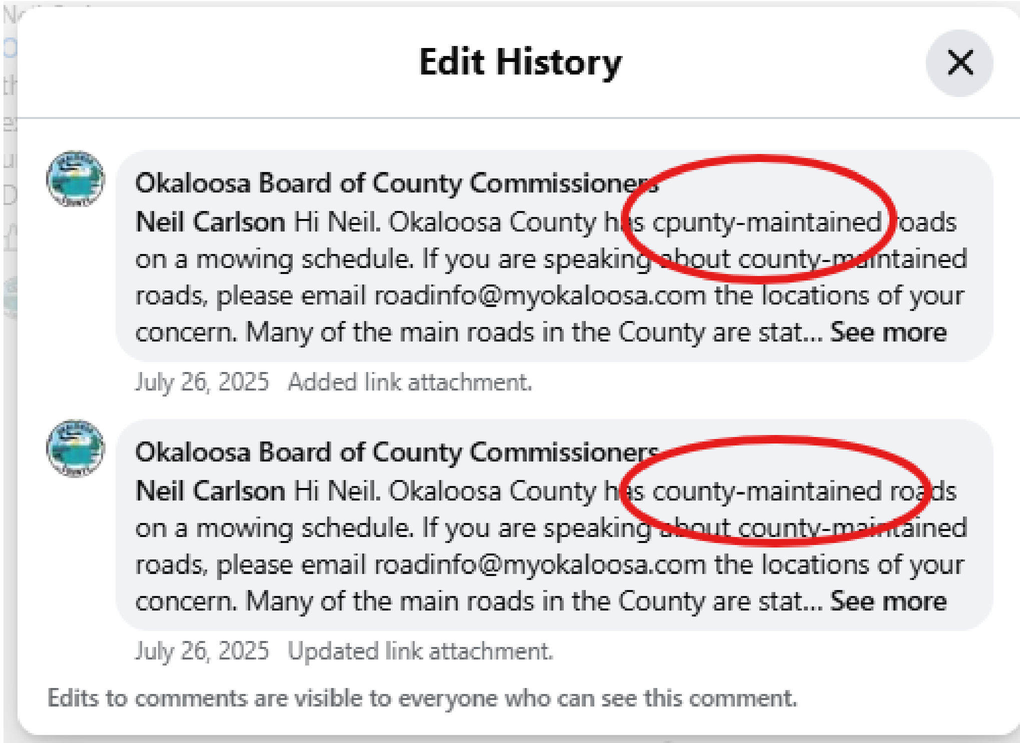


FIGURE 5-11: *Corrected Response in County Social Media Account.*
SOURCE: *Okaloosa County Surtax Project Administration.*

RESEARCH TASK 6

SCOPE

For purposes of the analyses in this section, the Transportation service area includes road and bridge, sidewalks, drainage and flood control, water quality, and public facility improvement. The Okaloosa County organizational leadership that administers the Surtax funds works within the purview of the Public Works Department, Law Enforcement/Public Safety Facilities functional areas, Financial/Debt Service and the Citizen Oversight Committee.

The MJ Team did not divide Subtask 6.1 related to legal compliance into separate program areas because the County's compliance with federal, state, and local laws, rules, and regulations is universal and applies to all County departments.

The MJ Team did not divide Subtask 6.2 into separate program areas because internal controls to determine compliance with applicable state laws, rules, and regulations apply to the County as a whole.

The MJ Team did not divide Subtask 6.3 into separate program areas because taking reasonable and timely actions to address any noncompliance with applicable state laws, rules, and regulations applies to the County as a whole.

The MJ Team did not divide Subtask 6.4 related to planned uses of the surtax into separate program areas because planned uses of the surtax and its compliance with applicable state laws, rules, and regulations applies to the County as a whole, including the Sheriff's Office.

FINDING SUMMARY

COMPLIANCE OF THE PROGRAM WITH APPROPRIATE POLICIES, RULES, AND LAWS.

Overall, Okaloosa County partially meets Research Task 6.

The County has processes to assess its compliance with applicable (i.e., relating to the program's operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies. Program internal controls are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures. However, some policies and procedures require timely updates.

Program administrators have not consistently taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means.

The County has processes in place to determine whether planned uses of the surtax were in compliance with applicable state laws, rules, and regulations.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 6.1 – Determine whether the program has a process to assess its compliance with applicable (i.e., relating to the program's operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.

OVERALL CONCLUSION

Overall, Okaloosa County meets expectations for Subtask 6.1. To reach this conclusion, the MJ Team conducted interviews and examined requested data. Based on interviews with the County Attorney, County Administrators, Public Works staff, Office of Management & Budget staff, Finance personnel, and citizen oversight representatives, the MJ Team verified that Okaloosa County employs a documented, multi-layered compliance review process. Evidence includes County Attorney review of contracts and ordinances, annual legislative updates provided to County leadership, project-level monitoring by assigned managers, grant compliance reviews by OMB grant managers, independent financial reviews by the Clerk of Court's Finance Department, monitoring of debt obligations, and a favorable Inspector General audit concluding that surtax expenditure controls were appropriately designed and operating effectively. Accordingly, the County has demonstrated an effective process to assess compliance with applicable laws, regulations, contracts, and grant agreements.

OVERARCHING LEGAL FRAMEWORK

An outside attorney provides legal services to the County. To determine whether the County has a process to assess compliance with applicable federal, state, and local laws, etc., the MJ Team discussed the following consultation actions,

- The attorney's annual spreadsheet listing legislative updates provided to the County
- The attorney signs ordinances dealing with laws and contracts
- The attorney attends meetings to discuss compliance with laws and regulations

COUNTY ADMINISTRATION

Compliance Monitoring

Compliance with applicable laws, rules, regulations, contracts, grant agreements and local policies and procedures for Public Works and associated Debt Service is monitored in several ways. Depending on the particular project being considered, there are multiple checks and balances built into all approval processes.

- The first step to contract compliance is review and approval of all contracts and task orders through Purchasing and the County Attorney's office. This review provides the foundation for all contract terms and ensures compliance with the applicable regulations/rules. Once the contract is reviewed, approved, and executed by all parties it is then managed by the appropriate staff member.

- Projects are managed daily by the assigned staff within the Engineering Division of Public Works. This could be a project manager within the Surtax section or by a Design Engineer. Regardless, the project manager serves as the primary point of contact for the contractor/consultant performing work on the project and the County. Project Managers are responsible for daily activities, project progress, and payment applications. Due to this staff member's intimate awareness of a particular project's status, the Project Manager is the first responsible person to ensure projects are compliant with necessary rules, regulations, and policies.
- Specifically related to funding compliance, when pay applications are provided by a contractor/consultant, the Project Manager receives the payment request and verifies it for accuracy related to both project progress (either design completion or field construction) and that the payment request is consistent with the terms of the project contract. Once the Project Manager is satisfied that the request is compliant, it is then forwarded to the next approval step; which is dependent on the project funding sources.
- Projects wholly funded by County controlled funds (i.e., no grant funding associated) are forwarded to the Department Director for review and approval. The Department Director is responsible for the development and execution of the department budget and ensures that adequate funds are available for the project and properly programmed. Assistance in this effort is provided through Finance Management staff within the Department, but ultimately the Department Director is the party that ensures funds are properly allocated and utilized.
- Projects that receive grant or other funding outside of County controlled funds are first routed to the assigned Grant Manager that is part of the Office of Management & Budget. Grant Managers are responsible for ensuring that funds requested for payment are consistent with the terms of the grant; including the scope of work performed, percent matching, and regularity of information provided to the granting agency as defined by the Grant agreement.
- Once approved by the Department Director and Grant Manager as required, the payment request is sent to the Finance Department within the Clerk of Court's office for final review and approval. Finance staff perform one additional review of the payment request to ensure that any payment made is done in accordance with the project contract.
- This process of payment approval provides multiple layers of review to ensure that specific terms and agreements with any and all projects are followed. Because the reviewing staff are housed in three different departments (Public Works, Office of Management & Budget, and Finance), the risk of collaborative error is greatly reduced. Any inconsistency found at any time causes the request to start through the review process over once corrected.
- In the current Surtax Program an audit was performed of the Infrastructure Surtax Expenditures by the Inspector General with the Clerk of Court. That audit report outlined the process of Surtax projects with the objective of verifying funds were used

appropriately. The summary finding of this audit is that the expenditure of Surtax funds was appropriately designed and operating effectively. A copy of that report is attached (Surtax Report Final.PDF).

- Regarding Debt Service, every year the County undergoes a thorough budget process that includes planning for debt service payments as a part of the programmed County budget. Payment terms are monitored by the Office of Management & Budget as well as the Finance Department to ensure that payments are made timely. Okaloosa County's financial position and historical performance have led to an AAA bond rating for its general obligation bonds. Further monitoring of the County's bonds and debt obligations is provided through a contract with Hilltop Securities, Inc.

County Attorney's Legislative Updates

- Annually the County Attorney's office provides a summary of legislative updates and changes to the Board of County Commissioners and all senior leadership on staff. Policy revisions that may be required due to legislative changes are made by staff and presented to the Board as required. Such updates are incorporated into the County's Purchasing Policy Manual and become part of standard operations from that point forward.
- The same presentation/information is also provided to each of the County's Department Directors with the expectation that they will incorporate any new regulations into department actions moving forward.
- The County Attorney provides a legislative update directly to the Board of County Commissioners.
- Additionally, the County Attorney's office works directly with staff on items they believe will require changes due to legislative updates.

TRANSPORTATION/PUBLIC WORKS

To address the requirements of all subtasks related to Transportation/Public Works, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Deputy County Administrator
- Public Works Director
- County Engineer

The County Attorney and County Administrators lead the County regarding legal matters.

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

To address the requirements of all subtasks related to Law Enforcement/Public Safety Facilities, the MJ Team interviewed individuals in the following positions:

- OCSO Major

- Deputy County Administrator – OPS

The County Attorney and County Administrators lead the County regarding legal matters.

LAND ACQUISITION

To address the requirements of all subtasks related to Land Acquisition, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Property & Finance Manager

The County Attorney and County Administrators lead the County regarding legal matters.

INDEBTEDNESS

To address the requirements of this subtask related to Indebtedness, the MJ Team interviewed the Director, Office of Management & Budget and County Clerk Accounting Director.

The County Attorney and County Administrators lead the County regarding legal matters.

CITIZEN COMMITTEE OVERSIGHT

To address the requirement of this subtask related to the Citizen Committee Oversight, the MJ Team interviewed the Chairman, Infrastructure Surtax Advisory Committee.

The County Attorney and County Administrators lead the County regarding legal matters.

SUBTASK 6.2 – Review program internal controls to determine whether they are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures.

OVERALL CONCLUSION

Overall, Okaloosa County partially met expectations for Subtask 6.2. The MJ Team discussed the key program internal controls in place and determined that they are reasonable to ensure compliance with applicable laws, rules, contracts, and policies and procedures. Although the programs document and implement a reasonable level of internal controls, a process is required to ensure that policies and procedures are maintained on a current basis and contain applicable references to laws and regulations. For example, the Grant Manual is dated June 2018, the Debt Management policy and procedures manual is in draft form, and the procedures for land acquisition remain in a September 2019 Ordinance instead of maintained in a policy and procedures manual.

A. INTERNAL CONTROLS

TRANSPORTATION/PUBLIC WORKS

To address the requirements of all subtasks related to Transportation/Public Works, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Deputy County Administrator
- Public Works Director
- County Engineer

County public works internal controls combine preventive and detective measures—such as segregation of duties, multi-tiered approval workflows, and regular reconciliations—to ensure operational activities comply with legal, contractual, and regulatory mandates. Because these projects involve high-dollar contracts, environmental permits, and sub-surface validation, controls must verify both financial accuracy and physical field compliance. Examples of the County’s internal controls include the following:

Contract and Procurement Management

- Enforce **segregation of duties** so that the staff member who creates project specifications cannot also approve vendor selection or sign off on final contractor payouts.
- Require **dual authorization thresholds** where public works change orders above a specific dollar amount need written sign-off from both the department director and the county legal or finance officer.
- Contracts require approval by BOCC.
- Contracts require review and approval by the County Attorney, Purchasing, and Risk Management.
- Standard pre-authorized contract templates are used.

Procurement & Pre-Construction Controls

- **Independent Estimate Matching:** Require a formal "engineer’s estimate" to be sealed and submitted before bids open, using a rigid variance threshold (e.g., ±10%) to flag collusive bidding or unbalanced vendor proposals.

Facilities & Vertical Construction Controls

- **Architect/Engineer (A/E) Sign-Off:** Mandate that progress payments for facility construction require third-party architect or structural engineer certification of completed work percentages prior to county payout.
- **Commissioning and Permitting Checklists:** Block final retention payouts until a formal occupancy permit is issued, and all HVAC, electrical, and structural systems pass independent commissioning agent testing.

- Require expert county staff and Sheriff's office staff to participate in project design, onsite monitoring, and walkthroughs to monitor for compliance with contract requirements, laws, and County policies and procedures

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

To address the requirements of all subtasks related to Law Enforcement/Public Safety Facilities, the MJ Team interviewed individuals in the following positions:

- OCSO Major
- Deputy County Administrator – OPS

For surtax projects, program staff provide technical expertise in monitoring projects for contract compliance and regulations.

LAND ACQUISITION

To address the requirements of all subtasks related to Land Acquisition, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Property & Finance Manager

For surtax projects, program staff provide technical expertise in monitoring projects for contract compliance and regulations. However, the land acquisition policy and procedures remain documented in a 2019 Ordinance without a corresponding policy and procedures manual.

INDEBTEDNESS

To address the requirements of this subtask related to Indebtedness, the MJ Team interviewed the Director, Office of Management & Budget and County Clerk Accounting Director.

For surtax projects, program staff work with third party expert financial advisors to monitor and ensure compliance with bond covenants and laws. However, the County lacks a debt management policy and procedures manual.

CITIZEN COMMITTEE OVERSIGHT

To address the requirement of this subtask related to the Citizen Committee Oversight, the MJ Team interviewed the Chairman, Infrastructure Surtax Advisory Committee.

For surtax projects, program staff monitor reasons for contract amendments and significant change orders and other critical project changes and meets with County Attorney if there are legal concerns.

B. ANNUAL FINANCIAL AUDIT AND GRANT MANAGEMENT POLICY

In addition to the program internal controls, the Countywide internal control includes the annual external audit. Such audits help to ensure that programs comply with the identified internal controls and strengthen the internal control environment. Based on the results of the recent audits, no significant deficiencies in internal controls have been reported.

An annual Comprehensive Annual Financial Report is completed by the Clerk of the Circuit Court and County Comptroller consisting of an independent CPA firm audit results and evaluation of internal controls. During an audit of a governmental entity, independent auditors perform procedures and issue reports that address the entity's internal controls.

Since the constitutional officers are considered a part of the Okaloosa County Primary Government, the General Fund includes the general operating funds of the Sheriff, Tax Collector, Property Appraiser, Supervisor of Elections, and Clerk of Circuit Court. As a recipient of federal and state financial assistance, the County is responsible for maintaining an adequate internal control framework to ensure compliance with applicable laws and regulations related to these programs. This internal control framework is reviewed by the County's independent auditor when it conducts the annual federal and state Single Audits, which cover major federal grant programs and state grant projects, respectively. The independent auditor's Single Audit reports, including any findings and recommendations, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of State Financial Assistance are available in a separately issued Single Audit Report.

The County Finance Department is responsible for supporting the Clerk's role as accountant and treasurer for the Board of County Commissioners (BOCC) as well as chief financial officer of the County as a whole. County Finance Department responsibilities include financial reporting such as the Annual Comprehensive Financial Reports (ACFRs) and coordination of the annual independent audit.

The County's independent auditors issued the reports in connection with their audit, which are summarized in **Figure 6-1**. The reports did not indicate any repeat audit findings or findings specifically related to the program area; however, the results indicated effective internal control environments based on the auditors' detailed compliance testing. The audit includes testing for compliance with applicable federal, state, and local laws rules, and regulations; contracts; grant agreements; and local policies and procedures.

Independent Auditor Reports Findings			
Report Description	Audited Financial Statements and Supplemental Information Dated March 27, 2026 Year Ended 9/30/2025	Audited Financial Statements and Supplemental Information Dated March 24, 2025 Year Ended 9/30/2024	Audited Financial Statements and Supplemental Information Dated March 25. 2024 Year Ended 9/30/2023
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other	• No findings that are required to be reported in accordance with	• One finding required to be reported in accordance with	• No findings that are required to be reported in accordance with

Independent Auditor Reports Findings			
Report Description	Audited Financial Statements and Supplemental Information Dated March 27, 2026 Year Ended 9/30/2025	Audited Financial Statements and Supplemental Information Dated March 24, 2025 Year Ended 9/30/2024	Audited Financial Statements and Supplemental Information Dated March 25. 2024 Year Ended 9/30/2023
Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	*Government Auditing Standards.*	*Government Auditing Standards.*	*Government Auditing Standards.*
Single Audit Report: Report on Compliance for Each Major Federal Program and State Project and On Internal Control Over Compliance Required by the Uniform Guidance and In Accordance with Chapter 10.550, Rules of the Auditor General and Schedule of Findings and Questioned Costs	• Compliance in all material respects with compliance requirements, that could have a direct and material effect on federal programs and state projects. • **Finding 2025-001 Equipment and Rental Property:** A significant deficiency in internal control over compliance that is not considered to be a material weakness. The fixed asset listing for assets acquired with federal and state awards did not contain all required elements. The County did not consistently follow their policy resulting in missing information such as funding source and award ID.	• Compliance in all material respects with compliance requirements, that could have a direct and material effect on federal programs and state projects. • **Finding 2024-001 Program Income and Interest Revenue Recognition:** A material weakness in internal control over financial reporting. Program income related to the Local Housing Assistance Trust Fund was deferred instead of recognized when received.	• Compliance in all material respects with compliance requirements, that could have a direct and material effect on federal programs and state projects. • No findings.
Status	• FY2025: County developed corrective action plans with target completion dates by October 1, 2026. • FY2024: Corrective action was taken for Finding 2024-001.	• FY2024: County developed corrective action plans with target completion dates by September 30, 2025. • FY2025: Closed. Corrective action was taken.	• No findings.
Independent Accountant's Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, Rules of the Auditor General	• Compliance in all material respects with the reported *Florida Statutes.*	• Compliance in all material respects with the reported *Florida Statutes.*	• Compliance in all material respects with the reported *Florida Statutes.*
Repeat/Similar Audit Findings?	• Not a repeat finding.	• Not a repeat finding.	• Not applicable.

FIGURE 6-1: *Summary of External Audit Reports Findings – Fiscal Year 2023 through Fiscal Year 2025.*
SOURCE: *Okaloosa County, Annual Comprehensive Financial Reports.* https://myokaloosa.com/bcc/budget.

In addition to the annual audit, the County maintains a Grants Manual Policy and Procedures manual dated June 5, 2018, which requires updates to ensure current references to applicable laws and regulations.

RECOMMENDATION 6.2-1 – Strengthen internal controls by developing and updating formal policies and procedures including updating the 2018 Grants Manual and maintaining policies and procedures for debt management and land acquisition to ensure current references to applicable laws and regulations.

SUBTASK 6.3 – Determine whether program administrators have taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means.

OVERALL CONCLUSION

Overall, the County partially meets this requirement. The implementation status of the County's November 2025 assessment report indicates recommendations with little or no corrective actions taken. Recommendations related to the Strategic Plan and performance measures impact all program areas.

To address the requirements of this subtask the MJ Team interviewed the Director, Office of Management & Budget and County Clerk Accounting Director to obtain the implementation status of the recommendations from the November 2025 report. Following is an overview of the assessment purpose and examples of key recommendations.

Financial Stewardship Assessment

On April 1, 2025, Okaloosa County Board of County Commissioners Chairman requested that County administration work with its external auditor and the Clerk of Court Inspector General (IG) department to evaluate the County's current financial position and operations to confirm its prudence in financial management and operational efficiencies. This action resulted from the Florida Governor's announcement on February 24, 2025, regarding the creation of the Florida State Department of Governmental Efficiency (DOGE) task force, tasked with eliminating waste within state and local government, saving taxpayers money, and ensuring accountability in Florida.

County administration issued a final report dated November 12, 2025, named *Financial Stewardship Evaluation*. This report includes information regarding the financial health of funds managed by the Okaloosa Board of County Commissioners, a description of financial and operational practices of the County, and recommendations for enhancements to efficiency and performance. The MJ Team reviewed the board meeting minutes dated November 18, 2025 noting that the BOCC received the report and approved submitting the report at the next legislation delegation. Although no further directives were provided, it is a best practice for the County to timely take corrective action for internal and external audit findings, assign clear single accountability, establish strict remediation deadlines and implement a continuous tracking dashboard. The more relevant recommendations from the November 2025 internal assessment and implementation status follow in **Figure 6-2.**

November 2025 Internal Assessment Recommendation	Status as of August 4, 2026 per County Administration
Develop a formal strategic plan. The County has not developed a formal strategic plan since 2018.	This is on hold.
Utilize new Enterprise Resource Planning (ERP) system for operational enhancements. The County, in partnership with the Clerk of Courts, will be implementing Workday, a new ERP system in 2025-2026. Workday's suite of applications spans finance, human capital management, payroll, grants, budgeting and analytics to bring the entire organization under one modern, agile, easy-to-use system delivered in the cloud. There are many advantages to the new system that will result in operational enhancements, including: streamlining operations, improving operational performance, enhancing reporting requirements for grants, project management, and the use of real time data and insights for decision making.	In Process: Implementation date is expected to occur April 1, 2027.
Partner with the Clerk's Finance office to identify opportunities to improve budgeting and financial management practices. The Clerk of Circuit Court serves as the County's comptroller; however, most budget and financial activities for the Board of County Commissioners are conducted within the Office of Management and Budget. Opportunities to regularly evaluate existing policies and processes relative to budgeting, investments, debt management and reserve policies may enhance operations and optimize financial management.	Implemented: The Clerk's Finance team and OMB Director regularly communicate regarding budget and financial activities. Meetings are scheduled on an as-needed basis to discuss policies and processes. One such meeting was held on July 9, 2026.
Enhance the use of performance measures and performance management systems and align with the annual budget. The County utilizes performance measures and metrics; however, opportunities exist to improve tracking and reporting and alignment with the annual budget	In Process: The Office Management & Budget Director will evaluate opportunities to improve performance measures tracking and reporting in conjunction with the ERP implementation
Budget versus Actual Variance Analysis. The report also includes an Additional Financial Analysis section which identifies opportunities to decrease spending. One of these opportunities includes detailed budget to actual review to examine variances, highlight overspending or flag underutilized allocations. Additional information has not been provided to specifically identify the issues and	Implemented: The Clerk's office provides this analysis on a quarterly basis.

November 2025 Internal Assessment Recommendation	Status as of August 4, 2026 per County Administration
recommendations beyond the current project management reports in place.	

FIGURE 6-2: Status of Key Internal Assessment Recommendations.
SOURCE: County's November 12, 2025, named ***Financial Stewardship Evaluation*.**

RECOMMENDATION 6.3-1 – Continue implementation of recommendations from the November 2025 internal assessment and escalate updating the Countywide Strategic Plan to provide clear and consistent vision and direction. Maintain a dashboard or other method for periodic status reporting.

TRANSPORTATION/PUBLIC WORKS

To address the requirements of all subtasks related to Transportation/Public Works, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Deputy County Administrator
- Public Works Director
- County Engineer

The County Attorney and County Administrators lead the County regarding legal matters.

This subtask is not applicable for this program as there were no audit findings requiring corrective action.

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

To address the requirements of all subtasks related to Law Enforcement/Public Safety Facilities, the MJ Team interviewed individuals in the following positions:

- OCSO Major
- Deputy County Administrator – OPS

The County Attorney and County Administrators lead the County regarding legal matters.

This subtask is not applicable for this program as there were no audit findings requiring corrective action.

LAND ACQUISITION

To address the requirements of all subtasks related to Land Acquisition, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager

- Property & Finance Manager

The County Attorney and County Administrators lead the County regarding legal matters.

This subtask is not applicable for this program as there were no audit findings requiring corrective action.

INDEBTEDNESS

To address the requirements of this subtask related to Indebtedness, the MJ Team interviewed the Director, Office of Management & Budget and County Clerk Accounting Director.

The County Attorney and County Administrators lead the County regarding legal matters.

This subtask is not applicable for this program as there were no audit findings requiring corrective action.

CITIZEN COMMITTEE OVERSIGHT

To address the requirement of this subtask related to the Citizen Committee Oversight, the MJ Team interviewed the Chairman, Infrastructure Surtax Advisory Committee.

This subtask is not applicable for this program as there were no audit findings requiring corrective action.

SUBTASK 6.4 – Determine whether program administrators have taken reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations.

OVERALL CONCLUSION

Overall Okaloosa County meets Subtask 6.4 for all program areas. Based on interviews with the board attorney and County Administrator as well as review of documents supporting the fact that program administrators took reasonable, timely actions to determine that planned uses of the surtax are in compliance with applicable law.

Florida Statutes 212.055 (6) authorizes county governments to levy the Local Government Infrastructure Surtax at a rate of either 0.5% or 1% on transactions subject to state sales tax provided the surtax is approved by a majority of county electors voting in a referendum.

The vast majority of the funds must go toward the acquisition, construction, reconstruction, or improvement of public facilities with a long life expectancy (typically 5+ years). This includes:

- **Transportation infrastructure:** Constructing or widening roads, building bridges, repairing stormwater drainage systems, and adding sidewalks or bicycle lanes
- **Public facilities:** Building or renovating administrative offices, courthouses, community centers, and public parks

- **Land acquisition:** Purchasing land necessary for environmental preservation, public parks, or future government facilities
- **Landfill closures:** Financing the closure of county-owned or municipally owned solid waste landfills
- Public Safety Equipment & Vehicles

In February 2026, the County posted notice of the public hearing scheduled for March 3, 2026. On March 3, 2026, the Board of County Commissioners (BOCC) approved the surtax ordinance thereby demonstrating that the County took timely actions.

COUNTY ADMINISTRATOR

Development of the Surtax Ordinance was done in coordination with the County Attorney's office. Final approval of the ordinance was made by the Board of County Commissioners on March 3, 2026, and included with that is approval by the County Attorney of the planned uses of the surtax.

Existing and proposed Surtax projects are all required to comply with the authorized use of Surtax funds. Projects were initially identified as part of the "Project Needs List" that was publicly shared prior to the 2018 referendum and staff has executed those projects.

Public Works was responsible for development of the compiled list of projects. Input was received from the Sheriff's Office to help create the compiled list. Debt is not a planned element of the Surtax program, however, should a bond or loan be acquired by the County the resulting debt obligation would be paid by Surtax funds. Because of that, approval from the Finance Department was not required or obtained, However, finance staff is directly involved in any debt service or bond issuance related to Surtax projects. An agenda item was submitted to the Surtax Advisory Committee from Public Works staff regarding the compiled Surtax Project List.

The Citizen Advisory Committee is the first line of transparency regarding the collection, allocation, and spending of Surtax funds. Not only is the committee utilized to ensure that projects are completed as stated in the project need list, but as excess funds became available, and may become available in the future, the Committee was the first source for approval of Surtax funds for project use.

TRANSPORTATION/PUBLIC WORKS

To address the requirements of all subtasks related to Transportation/Public Works, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Deputy County Administrator
- Public Works Director
- County Engineer

The County Attorney and County Administrators led the process for determining whether planned surtax uses complied with applicable state laws, rules, and regulations. Public Works and other departments meet and discuss their needs but do not evaluate for legal compliance.

LAW ENFORCEMENT/PUBLIC SAFETY FACILITIES

To address the requirements of all subtasks related to Law Enforcement/Public Safety Facilities, the MJ Team interviewed individuals in the following positions:

- OCSO Major
- Deputy County Administrator – OPS

The County Attorney and County Administrators led the process for determining whether planned surtax uses complied with applicable state laws, rules, and regulations.

OCSO prepared a needs assessment for the proposed surtax funds. PowerPoints were provided to the Surtax Committee listing the proposed uses of the fund on January 7, 2026. OCSO was invited to a discussion roundtable with local business leaders and chamber of commerce members to discuss the outcomes of completed surtax projects and which projects they foresee on the horizon if the surtax was to be renewed. The county team who manages surtax guides OCSO regarding what is an appropriate request for surtax funds and what would not be an appropriate request.

LAND ACQUISITION

To address the requirements of all subtasks related to Land Acquisition, the MJ Team interviewed individuals in the following positions:

- Surtax Project Manager
- Property & Finance Manager

The County Attorney and County Administrators led the process for determining whether planned surtax uses complied with applicable state laws, rules, and regulations. Departments meet and discuss their needs but do not evaluate for legal compliance.

INDEBTEDNESS

To address the requirements of this subtask related to Indebtedness, the MJ Team interviewed the Director, Office of Management & Budget and County Clerk Accounting Director. The County Attorney and County Administrators led the process for determining whether planned surtax uses complied with applicable state laws, rules, and regulations. Departments meet and discuss their needs, but do not evaluate for legal compliance.

CITIZEN COMMITTEE OVERSIGHT

To address the requirement of this subtask related to the Citizen Committee Oversight, the MJ Team interviewed the Chairman, Infrastructure Surtax Advisory Committee. The County Attorney and County Administrators led the process for determining whether planned surtax uses complied with applicable state laws, rules, and regulations.

OKALOOSA COUNTY-MANAGEMENT RESPONSE

Office of the County Administrator

OKALOOSA COUNTY, FLORIDA

John Hofstad
County Administrator

August 24, 2026

McConnel Jones, LLP
4828 Loop Central Drive, Suite 1000
Houston, TX 77081

SUBJECT: Official Response to the OPPAGA Performance Audit

Dear McConnell Jones Audit Team,

This letter is in response to the McConnell & Jones LLP report titled, "Performance Audit of Okaloosa County, August 20, 2026".

On behalf of Okaloosa County, thank you for the opportunity to review and respond to the draft performance audit report. The audit process provides a valuable opportunity to examine our operations, validate our successes, and identify areas where we can continuously improve our administration of public resources.

We are pleased that the broad majority of the audit's findings demonstrate that Okaloosa County is, in fact, a dedicated and effective steward of the public funds entrusted to us by our citizens. The findings reinforce our commitment to fiscal integrity, operational competence, and responsible governance across our departments.

The audit assessed 24 areas and found Okaloosa County met expectations in 14 areas, partially met expectations in 7 areas, and did not meet expectations in 3 areas.

A review of the report's overall findings reveals a theme: the audit recognized the County has adequate operational oversight, internal controls, and functional practices in place, but further improvements could be made by updating and formally adopting legacy processes into written standards.

Okaloosa County views these recommendations not as operational deficits, but as guidance to further strengthen our institutional structure. By formalizing performance metrics, updating administrative controls, and establishing written goals for advisory oversight, we can provide immutable, transparent proof of accountability to our taxpayers.

To properly evaluate our capital performance metrics, it is vital to emphasize the specific, targeted scope of the infrastructure surtax. The surtax program is not a general, county-wide operating fund; rather, it was structured with a strict, voter-approved mandate focused specifically on critical Transportation, Stormwater, and Public Safety capital infrastructure.

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When the voters of Okaloosa County approved the surtax initiative in 2018, the County made a clear promise regarding the key infrastructure projects that would be delivered. We are proud to report that the County is fully on schedule to deliver on those original commitments. Every single candidate project promised to the public in 2018 is either completely finished or currently in an active phase of design, engineering, or construction. Along with accomplishing the originally identified project needs list, the County was able to incorporate additional infrastructure improvement projects such as the Dirt Road Stabilization program where nearly 200 miles of dirt roads were stabilized to prevent continued erosion and environmental impacts and reduce the recurring annual maintenance costs. This is one specific "added value" project performed by the current surtax initiative.

Furthermore, our management of the surtax represents a landmark achievement in fiscal stewardship through strategic grant matching and revenue leveraging. While the surtax itself has generated more than $136 million, the County aggressively leveraged these local dollars to secure complementary grant funding. As a result, Okaloosa County effectively doubled the purchasing power of our taxpayers' investment, transforming $136 million in surtax revenues into over $279 million in total infrastructure capital projects. This proactive approach ensures that our community receives maximum value for every dollar invested.

The report identified three areas where the County did not meet specific audit criteria such as Subtask 3.2's requirement to formally document cost savings on contracted services. McConnell & Jones noted that Okaloosa County limits the growth of government and made in-house service delivery the exception rather than the standard approach. Because large-scale surtax infrastructure requires specialized industry capacity rather than expanded County payrolls, the County relies on competitive private contracting to ensure timely execution, resulting in minimal comparative documentation between internal crews and private vendors.

The County does not intend to compete with private contractors on major infrastructure builds, but we will analyze smaller surtax projects to determine if internal execution offers superior cost and schedule efficiencies.

Subtask 4.2 concerns the County's strategic plan and noted that it is over seven (7) years old. It includes a recommendation that the County update the 2018 strategic plan. It also recommends the Sheriff's office complete the development of their strategic plan.

Both of the recommendations from Subtask 4.2 are noted and the County will work on these plans.

Subtask 4.3 reviewed the measures and standards the County uses to evaluate program performance and cost and determined if they are sufficient to assess program progress toward meeting its stated goals and objectives. The recommendations from McConnell & Jones would replace informal practices with documented metrics and structured goals to prove performance and financial control.

The recommendations from Subtask 4.3 are noted and many of the suggestions can be integrated into the performance-based budgets for Public Works.

Subtasks 6.2 reviewed internal controls to ensure compliance with applicable federal, state, and local laws and found that although there are internal controls in place to reasonably ensure compliance with said laws, formal review and updating of the Grant Management policy is recommended.

As a result of this finding, the Office of Management and Budget Director and Grants Department will conduct a review of the 2018 Grants Manual and update the policy as appropriate during the 2027 calendar year. This will include formal adoption of the debt policy that has already been drafted.

Subtask 6.3 reviewed whether program administrators have taken reasonable and timely actions to address any non-compliance with applicable federal, state, or local laws, rules and regulations. It was noted that the County did perform an internal assessment in November of 2025 which was publicly shared as an informational item with the Board of County Commissioners on November 12, 2025. The Board did not give specific direction with respect to the recommendations, however staff will consider developing a strategic plan prior to the potential surtax renewal implementation date of January 1, 2028.

In closing, we extend our sincere gratitude to the audit team for their time, constructive feedback, and dedication throughout this audit process. Okaloosa County is proud of the statement provided in the closing of the cover letter,

> *"…the departments that expend funds have sufficient policies and procedures in place, supported by appropriate documentation, reports, monitoring tools, and personnel to address the statutory criteria defined in s. 212.055(11), Florida Statutes."*

Okaloosa County welcomes independent evaluation, as we are constantly seeking innovative ways to refine our operations and serve as even stronger stewards of our citizens' hard-earned money. We look forward to implementing the audit's guidance to ensure our administrative controls match the high standard of excellence set by our project delivery.

Sincerely,

John Hofstad, County Administrator
Okaloosa County, FL