



County Administrator's Office

State of Florida

September 4, 2014

Members of the Okaloosa County Commission:

You have been provided with a balanced budget document for Fiscal Year 2014-15. This budget is the result of a cooperative effort from many individuals over the last several months. This proposed budget is similar to last year's in that it is lean but adequate.

The County Commission held five budget workshops during the months of July and August. Previous to these meetings, staff worked for several months fine-tuning the accuracy of the County's anticipated revenue. During this same period, much work went into identifying required expenditures in the many areas of County government. This up-front work enabled staff to present detailed information to the County Commission during these several workshops.

This recommended budget continues what we started last year. The County Commission adopted a budget that reversed a five-year trend of 1) reducing staff and operating expenses, 2) delaying of equipment and vehicle replacement, 3) limiting of capital projects and, 4) drawing down on discretionary reserves.

The County budget seven years ago, in Fiscal Year 2008, was \$313 million; this proposed budget, including the anticipated cost of building and renovation projects of approximately \$23 million, is \$310 million. Additionally, property taxes collected seven years ago amounted to \$60 million. The property taxes that will be collected if this proposed budget is adopted is \$47 million. This will represent an amount that is 21.7% less than seven years ago.

Because of pressing needs in the County's stormwater management, this budget calls for a very slight increase in the MSTU millage that will be used for stormwater projects. The increase will generate an additional \$781,000.

Additional positions have been added in this budget that will enable us to regain some ground lost in several departments. Emergency Medical Services (EMS) and Corrections account for most of these additions. Also, this proposed budget will allow employees to receive a \$500 per year salary increase. This increase is covered by our Proshare dollars that comes back to the County in the form of insurance rebates.

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This budget allows Okaloosa County to continue to invest now, in order to save in the future. It is important to note that Okaloosa, relative to many comparable counties, has low debt. For years this County has taken a “pay-as-you-go” approach. Many counties have to budget a large amount every year in order to service long-term debt. Also, Okaloosa continues to have the lowest millage rate in the State of Florida.

Last but not least, this proposed budget will allow us to increase our general fund reserve by \$426,436 for a total reserve of \$3,796,231.

Respectfully submitted,

Ernie Padgett
Okaloosa County Administrator