

Questions posed by Northwest Florida Daily News on May 13, 2011 with corresponding answers from Okaloosa Sheriff Larry Ashley:

In your previous e-mail, you mentioned that the OCSO has been absorbing costs associated with its municipal contracts. What are some of these costs and how has that strained your budget?

In the past, the OCSO has charged municipalities for only the very basic costs for services. These included salary, employee taxes, insurance, fuel, and very nominal charges for auto repairs, tires, uniforms, etc. Numerous other costs have not been passed on to the municipalities; so ultimately, they have been paid for by the tax payers of Okaloosa County. Some examples (not all inclusive) include administrative support, finance, IT, communications, employee assistance, H/R, purchasing, fleet, records, and legal. We feel it is only fair that the additional services that are being provided for in these municipal contracts be paid for by the citizens that are directly benefiting from these services. Otherwise, these costs are being borne by the citizens of Okaloosa County, the majority of which are not receiving these additional services. The County cannot continue to subsidize municipalities at the expense of county residents who are already receiving lower levels of service due to recent budget cuts. This of course is why consolidation of services makes so much sense. Consolidation allows for every citizen sharing an equal share in the cost of public safety and furthermore because it does away with duplication of shared services.

It is our intent to eventually bring these contracts to a cost reimbursable basis where our cost in administering the contracts will be passed to the affected clients on a dollar for dollar basis.

Also, is that largely what constitutes the increases the municipalities are seeing?

The increases that municipalities will see are due to the previously described changes which have been added to current contract services. These include the previously mentioned support services. They include communications, IT, H/R, finance, and fleet. Salaries have and continue to remain unchanged since fiscal 2008/2009. As we continue to face and meet budget challenges we can no longer afford to subsidize these contracted services.

Some city officials have said they are frustrated because their residents are also paying county taxes and some of that revenue goes to the OCSO. What's your response?

There is a funding formula administered by county officials which accounts for the difference in taxes paid for by city residents and county residents. Part of the taxes that city residents pay is for numerous countywide services (e.g. jails,

transportation, court security, sexual predator tracking, civil process, warrants, intelligence, courthouse security, screening, etc). We also conduct investigations, forensic examinations, intelligence operations, traffic enforcement and a multitude of other services within municipalities as a county wide service to all citizens. Those services that municipalities pay for via county taxes would and will continue to be provided for in the absence of any contract for service or a standing police department. The services however that the OCSO provides for under contract to the municipalities are an additional service above and beyond those provided for via county wide services and resources. Again, in the past, the contracted amount for these additional municipal services has not adequately funded said contract services.

What kind of budget shortfall is the OCSO looking at this upcoming budget year? How much has the OCSO been cut in the past, say, three years?

The Okaloosa County Sheriff's Office has seen more than a 9% budget reduction in the past 2 years which equates to a 3.6 million dollar reduction. We have seen a 6.3% reduction in manpower while additional requirements resulting from increased populations including the 7th Special Forces Group has occurred. Additional manning requirements for a new circuit judge and judicial facilities has also been required. Our budget including contracts in 2008/2009 was \$32.72M. We are currently operating under a \$29.95M budget for this fiscal year. In addition to these cuts we have also returned more than \$854,000 back to the county in the past two budget cycles. Our budget for the upcoming year is still in process and is due by June 1 of this year.

If the OCSO did not pass on these administrative costs, what are your other options? Would it include deputy cuts?

If we do not pass on some of these administrative costs to the municipalities that are directly benefiting from these contract services, those costs will have to come from somewhere. Currently over 85% of our budget is made up of personnel cost while operational cost including fuel continue to rise. Cutting the number of Deputies answering calls for service would be an absolute last resort and not something I will do until all other alternatives have been exhausted.

Feel free to add anything else about the municipal contracts....

Municipalities have an option which is not available to county residents. They can seek approval to raise taxes to cover the cost of additional law enforcement services, agree to cut law enforcement services, or look at consolidating services in

order to keep similar levels of service while lowering cost. Municipalities who currently contract with the Sheriff's Office for services are more than capable of providing their own analysis, seeking services elsewhere, or providing their own in house service via a police department. Those decisions rest with city councils and city residents. The Sheriff's Office will assist city and county officials in collecting data and performing analysis in regards to consolidation however we will continue to remain neutral in these discussions.

Please keep in mind the Okaloosa County Sheriff's Office does not operate on a profit model. As we negotiate these contracts for city police services we are simply trying to ensure that these services are paid for on a cost reimbursable basis. The tax payers in Okaloosa County can no longer afford to subsidize city police service contracts."