Dixie County, Florida

Audit Report

September 30, 2023

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Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

INDEPENDENT AUDITOR'S REPORT

Honorable Board of County Commissioners
and Constitutional Officers
Dixie County, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Dixie County, Florida, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Dixie County, Florida's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Dixie County, Florida, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Dixie County, Florida, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Prior Period Adjustment

The classification of certain expenditures from prior periods as capital assets in the current period resulted in prior period adjustment. This adjustment is further discussed in Note 15. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Dixie County, Florida's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Dixie County, Florida's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Dixie County, Florida's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the pension schedules and the OPEB schedules, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical

context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Dixie County, Florida's basic financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and State Financial Assistance is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

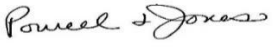
Other Information

Management is responsible for the other information included in the annual report. The other information is comprised of the combining financial statements, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 5, 2024, on our consideration of Dixie County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control over financial reporting and compliance.



Powell and Jones CPA
Lake City, Florida
August 5, 2024

This Management's Discussion and Analysis provides an objective and easily readable analysis of Dixie County's (the County) financial activities for fiscal year ended September 30, 2023. The analysis provides summary financial information for the County and should be read in conjunction with the County's financial statements.

FINANCIAL HIGHLIGHTS

- Dixie County's assets and deferred outflows exceeded liabilities and deferred inflows by $43,022,013 (net position). Of this amount, $(8,026,666) is unrestricted (deficit) net position, while $49,320,300 was net investment in capital assets. The remaining $2,969,983 is restricted net position.
- The County's total net position increased by $4,084,360 over the previous year.
- At September 30, 2023, the County's governmental funds reported a combined fund balance of $10,808,806.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information that may be of interest to the reader.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to a private-sector business. The two government-wide financial statements are the Statement of Net Position and a Statement of Activities.

The Statement of Net Position presents information on all assets, deferred outflows, liabilities, and deferred inflows of the County, with the difference reported as *net position*. Changes in net position over time may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information on all revenues and expenses of the County and the change in net position for the fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and accounts payable).

Both statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities of the County include general government services, public safety, physical environment, transportation, economic environment, human services, culture and recreation, and court related expenses. Dixie County had no business-type activities for the year ended September 30, 2023.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that are segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided in two categories: governmental funds and fiduciary funds.

Governmental Funds **–** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be used in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate comparison between governmental funds and governmental activities.

The County maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Clerk Operating, County Transportation Trust, Emergency Medical Services (EMS) Fund, Sheriff Operating and the Solid Waste Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements in the other information section of this report as referenced in the table of contents.

Fiduciary Funds **–** Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the County's own programs.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements, and accompanying notes, this report also presents certain required supplementary information containing budget to actual comparison for the General Fund and major special revenue funds, schedules of changes in the County's total OPEB liability, and the schedules of proportionate shares of net pension liability and pension employer contributions.

Supplementary Information

During the fiscal year the County spent over $750,000 in federal awards and state financial assistance requiring single audits. The supplementary information section of this report contains the Schedule of Expenditures of Federal Awards and State Financial Assistance as required for these audits.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

The following schedule summarizes the statement of net position as of September 30, 2023 and September 30, 2022:

	Governmental Activities	
	2023	2022
Current and other assets	$ 12,730,812	$ 14,131,668
Capital assets	50,836,955	44,998,774
Total assets	63,567,767	59,130,442
Deferred outflows	7,233,718	4,412,922
Other liabilities	2,594,162	7,602,750
Long-term liabilities	23,852,460	15,624,295
Total liabilities	26,446,622	23,227,045
Deferred inflows	1,332,850	1,625,708
Net position:		
Net investment in capital assets	49,320,300	43,347,638
Restricted	2,969,983	3,251,160
Unrestricted	(9,268,270)	(7,908,187)
Total net position	$ 43,022,013	$ 38,690,611

The largest portion of the County's net position reflects its net investment in capital assets (e.g., land, parks, roads, buildings, and equipment), net of depreciation and any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Restricted net position represents resources that are subject to restrictions imposed externally (e.g. creditors, grantors or other governments) or those imposed by law through constitutional provisions or enabling legislation.

STATEMENT OF ACTIVITIES

The following schedule summarizes revenues and expenses for the fiscal years ended September 30, 2023 and September 30, 2022:

	Governmental Activities	
	2023	2022
Program revenues:		
Charges for services	$ 4,862,003	$ 7,595,407
Operating grants and contributions	2,045,211	3,087,179
Capital grants and contributions	8,045,465	2,618,270
General revenues:		
Property taxes	11,009,526	7,526,255
Other taxes	3,492,619	2,147,419
Shared revenues	6,037,599	5,466,146
Other	2,704,962	1,350,755
Total revenues	38,197,385	29,791,431
Expenses:		
General government	11,576,239	4,158,425
Public safety	13,089,377	13,793,630
Physical environment	2,104,258	2,060,582
Transportation	4,808,820	3,963,357
Economic environment	482,778	1,647,997
Human services	500,345	563,041
Culture-recreation	755,183	729,568
Court-related	751,400	977,977
Interest on long-term debt	44,625	16,326
Total expenses	34,113,025	27,910,903
Change in net position	4,084,360	1,880,528
Net position – beginning of year	38,690,611	36,810,083
Prior period adjustment	247,042	-
Net position – end of year	$ 43,022,013	$ 38,690,611

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County used fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Highlights of 2023

The General Fund's fund balance increased $1,685,548. Airport fund balance increased by $74,988. The fund balance of the County Transportation Trust Fund decreased approximately $(340,544), primarily due to intergovernmental revenue related to capital projects. The Clerk Operating fund balance increased by $31,069. The EMS fund balance decreased by $(612,038) and the Solid Waste fund increased by $221,405.

Governmental Funds

At year-end, the County's governmental funds reported a combined fund balance of $10,808,806, an increase of approximately $1,072,878. The overall increase is due to an overall increase in grant revenue primarily in the General Fund and the County Transportation Trust Fund.

At the current time, the County has seven major governmental funds. They are 1) the General Fund; 2) the Airport Fund; 3) the County Transportation Trust Fund; 4) the Clerk Operating Fund; 5) the EMS fund; 6) the Sheriff Operating Fund; 7) the Solid Waste Fund.

Various County Funds Discussion

- The General Fund is the chief operating fund of the County. At the end of fiscal year 2023, unassigned fund balance of the General Fund was $6,340,252.
- The Airport Fund had a fund balance of $154,647.
- The County Transportation Trust Fund accounts for the maintenance of roads, bridges, rights-of-way, and drainage systems, and is primarily funded by gas taxes and state grants. Transportation projects, including those that span multiple years, were budgeted in fiscal year 2023. The fund had a total fund balance deficit of $(5,191) at year end. This was a decrease of $134,894 from the prior year.
- The Clerk Operating Fund had a fund balance of $43,818.
- The Emergency Medical Service Fund had a total fund balance of $960,668 at year end. Revenues are from fees charged for emergency medical services, grants and property taxes from a MSTU.
- The Sheriff Operating Fund did not have a fund balance. The Sheriff Operating Fund is funded by the General Fund and the E-911 Fund of the Board of County Commissioners. All funds that have not been spent by the end of the fiscal year are returned to the Board, so the fund does not maintain a fund balance.
- The Solid Waste Fund had a fund balance of $102,320 at September 30, 2023.

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual total revenues were approximately $2,380,031 higher than anticipated in the final budget primarily due to an increase in intergovernmental grant revenue. Expenditures exceeded the budgeted expenditures by approximately $224,960, primarily in general government capital outlay expenditures. There were no significant changes between the original and final budgets.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Asset Activity

A summary of changes in capital assets follows:

	Beginning Balance	Prior Period Adjustment	Increases	Reclassification/ Decreases	Ending Balance
Capital Assets, not being depreciated:					
Land	$ 2,782,373	$ -	$ -	$ -	$ 2,782,373
Construction in Progress	2,615,393	-	6,427,094	(2,106,652)	6,935,835
Total capital assets, not being depreciated	5,397,766	-	6,427,094	(2,106,652)	9,718,208
Capital Assets, being depreciated:					
Buildings	13,920,765	247,042	354,277	-	14,522,084
Improvements	8,162,252	-	-	-	8,162,252
Infrastructure	43,075,738	-	-	2,106,652	45,182,390
Equipment - Board of County Commissioners	13,464,688	-	684,028	-	14,148,716
Leased assets	221,164	-	-	-	221,164
Equipment - Tax Collecttor	8,230	-	-		8,230
Equipment - Sheriff	2,547,399	-	299,556	-	2,846,955
Total capital assets, being depreciated	81,400,236	247,042	1,337,861	2,106,652	85,091,791
Less Accumulated Depreciation for:					
Buildings	9,146,295	-	311,275	-	9,457,570
Improvements	3,719,971	-	216,154	-	3,936,125
Infrastructure	16,545,177	-	821,160	-	17,366,337
Equipment - Board of County Commissioners	10,290,119	-	478,937	-	10,769,056
Leased assets	183,758	-	-	-	183,758
Equipment - Sheriff	1,913,910	-	346,289	-	2,260,199
Total Accumulated Depreciation	41,799,229	-	2,173,815	-	43,973,044
Total Capital Assets, being depreciated, net	39,601,007	247,042	(835,954)	2,106,652	41,118,747
Capital Assets, net	44,998,773	247,042	5,591,140	-	50,836,955

Please refer to the Notes to Financial Statements for more detailed information about the County's capital assets.

Long-Term Debt

On September 30, 2023, the County's governmental outstanding debt was $24,524,616. This is comprised of $1,282,369 outstanding Notes Payable, $234,286 in Lease Obligations, $102,034 for closure and long-term care costs of landfills, $668,417 for compensated absences, $451,654 for other postemployment benefit liability and $21,785,856 for the County's proportionate shares of State of Florida's net pension liability. Please refer to the Notes to Financial Statements for more detailed information about the County's long-term liabilities.

NEXT YEAR'S BUDGET AND SIGNIFICANT FINANCIAL CONDITIONS

- The Solid Waste fee of $180 per household was increased in the current year.
- The Mosquito Control fee of $5 per household remains unchanged.
- The Fire fee was raised to $125 per household in the current year.
- The millage rate of 9.8 mills will remain unchanged.
- The EMS MSTU rate of 3.2 mills will remain unchanged.
- The Recreation/Library MSTU rate of 0.5 mills will remain unchanged.

The County plans to continue to seek grant funding in all departments as available and has been very successful in these efforts.

We are unaware of any conditions that are expected to have a significant impact on the County's financial position or results of operations. The County plans to continue to provide the best services possible to an ever-growing population base.

REQUESTS FOR INFORMATION

This report was prepared by Duane Cannon, County Manager. Questions concerning this report or request for additional information should be addressed to:

Board of County Commissioners
Dixie County
Duane Cannon, County Manager
P. O. Box 2600
Cross City, FL 32628-2600

FAX: 352-498-1471

Dixie County Florida
Statement of Net Position
September 30, 2023

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	$ 9,807,871
Accounts receivable - net	581,945
Due from custodial funds	380,607
Due from other governmental units	1,957,028
Prepaid expenses	3,361
Total current assets	12,730,812
Noncurrent assets:	
Capital assets not being depreciated	9,718,208
Capital assets being depreciated, net	41,118,747
Total capital assets net of depreciation and amortization	50,836,955
Total assets	63,567,767
DEFERRED OUTFLOWS OF RESOURCES	
Related to pensions and OPEB	7,233,718
LIABILITIES	
Current liabilities (payable from current assets):	
Accounts payable	254,887
Accrued salaries	116,981
Accrued liabilities	469,076
Due to other funds	
Due to other governmental units	1,347
Unearned revenues	1,079,715
Current portion accrued compensated absences	100,263
Current portion lease liability	75,491
Current portion notes payable	333,807
Current portion OPEB liability	162,595
Total current liabilities (payable from current assets)	2,594,162
Noncurrent liabilities	
Accrued compensated absences, net of current portion	568,154
Lease liability, net of current portion	158,795
Notes payable, net of current portion	948,562
OPEB obligation, net of current portion	289,059
Landfill post-closure costs	102,034
FRS pension liability	21,785,856
Total long-term liabilities	23,852,460
Total liabilities	26,446,622
DEFERRED INFLOWS OF RESOURCES	
Related to pensions and OPEB	1,332,850
NET POSITION	
Invested in capital assets, net of related debt	49,320,300
Restricted for:	
Road projects	2,969,983
Unrestricted	(9,268,270)
Total net position	$ 43,022,013

See notes to financial statements.

Dixie County, Florida
Statement of Activities
For the Fiscal Year Ended September 30, 2023

Functions/Programs	Expenses	Program Services: Charges for Services	Program Services: Operating Grants and Contributions	Program Services: Capital Grants and Contributions	Total Governmental Activities
Governmental Activities					
General Government	$ 11,576,239	$ 1,271,086	$ -	$ -	$ (10,305,153)
Public Safety	13,089,377	2,290,905	1,312,458	84,345	(9,401,669)
Physical Environment	2,104,258	243,416	132,642	-	(1,728,200)
Transportation	4,808,820	2,400	-	7,961,120	3,154,700
Economic Environment	482,778	-	375,055	-	(107,723)
Human Services	500,345	-	-	-	(500,345)
Culture/recreation	755,183	157,381	125,675	-	(472,127)
Court related	751,400	896,815	99,381	-	244,796
Interest on long-term debt	44,625	-	-	-	(44,625)
Total governmental activities	$ 34,113,025	$ 4,862,003	$ 2,045,211	$ 8,045,465	(19,160,346)
General revenues					
Taxes					11,009,526
License, permits, and special assessments					3,492,619
State shared revenue					6,037,599
Fines and forfeitures					94,671
Interest					63,740
Miscellaneous					2,546,551
Total general revenue					23,244,706
Change in net position					4,084,360
Net position - beginning					38,690,611
Prior period adjustment					247,042
Net position - ending					$ 43,022,013

See notes to financial statements.

Dixie County, Florida
Governmental Funds
Balance Sheet
September 30, 2023

		Special Revenue Funds						
	General Fund	Airport	County Transportation Trust	Clerk Operating	EMS	Sheriff Operating	Solid Waste	Other Governmental Funds	Total Governmental Funds
Assets									
Current assets									
Cash	$ 3,808,881	$ 111,630	$ 889,445	$ 102,425	$ 483,174	$ 57,832	$ 868,607	$ 3,485,877	$ 9,807,871
Accounts receivable	268,716	1,137	-	-	255,372	30,740	25,722	258	581,945
Prepaid expenses	-	-	-	-	-	-	-	3,361	3,361
Due from other funds	3,545,022	-	-	415,548	489,543	150,372	-	280,352	4,880,837
Due from other governmental units	183,232	114,426	1,308,406	54,309	218,275	-	9,723	68,657	1,957,028
Total assets	$ 7,805,851	$ 227,193	$ 2,197,851	$ 572,282	$ 1,446,364	$ 238,944	$ 904,052	$ 3,838,505	$ 17,231,042
Liabilities and fund balances									
Liabilities									
Accounts payable	$ 180,824	$ -	$ -	$ 5,987	$ -	$ 58,666	$ -	$ 9,410	$ 254,887
Accrued wages and payroll liabilities	33,194	-	-	-	-	-	-	83,787	116,981
Other payroll liabilities	144,472	-	44,624	11,405	96,036	137,190	33,425	1,924	469,076
Due to other funds	34,551	72,546	2,158,418	511,072	389,660	43,088	768,307	522,588	4,500,230
Due to other governmental units	519	-	-	-	-	-	-	828	1,347
Unearned revenues	1,072,039	-	-	-	-	-	-	7,676	1,079,715
Total liabilities	1,465,599	72,546	2,203,042	528,464	485,696	238,944	801,732	626,213	6,422,236
Fund balances									
Nonspendable									
Restricted	-	-	(5,191)	43,818	-	-	-	2,931,356	2,969,983
Assigned	-	-	-	-	960,668	-	-	280,936	1,241,604
Unassigned	6,340,252	154,647	-	-	-	-	102,320	-	6,597,219
Total fund balances	6,340,252	154,647	(5,191)	43,818	960,668	-	102,320	3,212,292	10,808,806
Total liabilities and fund balances	$ 7,805,851	$ 227,193	$ 2,197,851	$ 572,282	$ 1,446,364	$ 238,944	$ 904,052	$ 3,838,505	$ 17,231,042

See notes to financial statements.

Dixie County, Florida
Governmental Funds
Reconciliation of Balance Sheet to the Statement of Net Position
Fiscal year Ended September 30, 2023

Fund balances - total governmental funds	$	10,808,806
Amounts reported for governmental activities in the statement of activities are different because:		
Capital assets used in governmental activities are not reported in the governmental funds		
Capital assets - net		50,836,955
Notes payable		(1,282,369)
Lease financings		(234,286)
Landfill closure and long-term care costs		(102,034)
Post employment benefits		(451,654)
Net pension liability		(21,785,856)
Compensated absences		(668,417)
Deferred outflows and inflows related to pensions and OPEB are reported in governmental activities but not in governmental funds.		
Deferred outflows - related to pension		7,153,940
Deferred outflows - related to OPEB		79,778
Deferred inflows - related to pension		(1,140,608)
Deferred inflows - related to OPEB		(192,242)
Net position of governmental activities	$	43,022,013

See notes to financial statements

Dixie County Florida
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended September 30, 2023

		Special Revenue Funds							
	General Fund	Airport	County Transportation Trust	Clerk Operating	EMS	Sheriff Operating	Solid Waste	Other Governmental Funds	Total Governmental Funds
REVENUES									
Taxes	$ 8,079,949	$ -	$ 534,871	$ -	$ 2,072,049	$ -	$ -	$ 322,657	$ 11,009,526
Permits licenses, special assessments	116,242	-	1,550	-	-	-	1,783,186	1,591,641	3,492,619
Intergovernmental	5,897,078	406,968	7,085,268	99,381	631,296	568,103	132,642	1,307,539	16,128,275
Charges for services	1,244,397	2,400	-	524,433	931,531	551,567	243,416	1,364,259	4,862,003
Fines and forfeitures	1,378	-	-	-	-	250	-	93,043	94,671
Miscellaneous	2,026,152	69,726	-	9,716	22,801	88,296	104,227	225,633	2,546,551
Interest	36,798	1,084	-	202	8,296	14	5,977	11,369	63,740
Total revenues	17,401,994	480,178	7,621,689	633,732	3,665,973	1,208,230	2,269,448	4,916,141	38,197,385
EXPENDITURES									
Current expenditures									
General government	2,538,870	-	-	620,978	-	-	-	2,120,870	5,280,718
Public safety	1,487,866	-	-	-	3,852,015	7,717,763	-	2,382,934	15,440,578
Physical environment	125,906	-	90,186	-	-	-	1,976,607	-	2,192,699
Transportation	-	89,696	3,792,221	-	-	-	-	-	3,881,917
Economic environment	80,241	-	-	-	-	-	-	402,537	482,778
Human services	422,054	-	-	-	-	-	40,667	-	462,721
Culture / recreation	-	-	-	-	-	-	-	504,252	504,252
Court related	136,340	-	-	-	-	-	-	606,946	743,286
Capital outlay									
General government	2,030,311	-	-	-	-	-	-	-	2,030,311
Public safety	48,480	-	-	-	377,201	299,556	-	199,575	924,812
Physical environment	-	-	-	-	-	-	101,780	-	101,780
Transportation	-	315,494	4,391,442	-	-	-	-	-	4,706,936
Culture / recreation	-	-	-	-	-	-	-	1,116	1,116
Debt service									
Principal	-	-	1,558,419	-	-	-	119,131	148,429	1,825,979
Interest	-	-	14,941	-	-	-	10,614	19,070	44,625
Total expenditures	6,870,068	405,190	9,847,209	620,978	4,229,216	8,017,319	2,248,799	6,385,729	38,624,508
Excess of revenues over (under) expenditures	10,531,926	74,988	(2,225,520)	12,754	(563,243)	(6,809,089)	20,649	(1,469,588)	(427,123)
OTHER FINANCING SOURCES (USES)									
Debt proceeds	-	-	1,500,000	-	-	-	-	-	1,500,000
Interfund transfers in	335,685	-	384,976	454,433	91,690	6,811,082	321,341	2,289,784	10,688,991
Interfund transfers out	(9,182,063)	-	-	(436,118)	(140,485)	(1,993)	(120,585)	(807,747)	(10,688,991)
Total other financing sources (uses)	(8,846,378)	-	1,884,976	18,315	(48,795)	6,809,089	200,756	1,482,037	1,500,000
Net change in fund balances	1,685,548	74,988	(340,544)	31,069	(612,038)	-	221,405	12,449	1,072,877
Fund balances at beginning of year	4,654,704	79,659	335,353	12,749	1,572,706	-	(119,085)	3,199,843	9,735,929
Fund balances at end of year	$ 6,340,252	$ 154,647	$ (5,191)	$ 43,818	$ 960,668	$ -	$ 102,320	$ 3,212,292	$ 10,808,806

See notes to financial statements.

Dixie County, Florida
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities

Net change in fund balances - total governmental funds		$ 1,072,877
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. Losses on dispositions are not recorded in governmental funds.		
Expenditures for capital assets	7,764,955	
Less current year depreciation	(2,173,815)	5,591,140
Repayments of notes, capital leases and bonds are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Debt proceeds increase fund balance in governmental funds but are increases in liabilities in the Statement of Net Position.		
Notes principal payments and other reductions	350,243	
Proceeds from lease acquisitions	(208,160)	142,083
Some expenses reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.		
Net change in compensated absences	236,823	
Net change in landfill closure liability	178,505	
Net change in the OPEB obligation and related deferred inflows and outflows	(25,953)	
Net change in net pension liability	(6,224,769)	
Net change in deferred inflows and outflows	3,113,654	(2,721,740)
		$ 4,084,360

See notes to financial statements.

Dixie County Florida
Statement of Fiduciary Net Position
September 30, 2023

		Custodial Funds
ASSETS		
Cash	$	1,833,983
Accounts receivable		11,764
Due from other funds		6,972
Due from other governmental units		16,341
Total assets	$	1,869,060
LIABILITIES		
Accounts payable	$	45,007
Due to other funds		387,579
Due to other governmental units		578,490
Other current liabilities		38,573
Total liabilities		1,049,649
NET POSITION		
Restricted - held for others	$	819,411

See notes to financial statements.

Dixie County, Florida
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended September 30, 2023

	Custodial Funds
ADDITIONS	
Funds held for others	$ 754,381
Cash bonds	13,351
Property taxes and licenses collected for other governmental units	19,848,210
Sheriff civil fees	51,161
Fines, fees and court costs and payments	3,056,908
Total additions	23,724,011
DEDUCTIONS	
Funds held for others	1,177,202
Cash bonds	11,941
Fines, fees and court costs and payments	3,039,413
Property taxes and licenses collected for other governmental units	19,802,409
Sheriff civil fees	51,161
Total deductions	24,082,126
Change in net position	(358,115)
Net position - beginning of year	1,177,526
Net position - end of year	$ 819,411

See notes to financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Dixie County (the County) conform to accounting principles generally accepted in the United States of America as applicable to governments. Following is a summary of the more significant policies.

Reporting Entity

The County is a non-charter, general purpose local government established under the legal authority of the Constitution of the State of Florida. It is composed of an elected Board of County Commissioners, the legislative and governing body of the County, and elected constitutional officers, Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections that operate as separate County agencies. The accompanying financial statements present the County as the primary government.

The County uses the criteria established in GASB Statement No. 14, as amended, to define the reporting entity and identify component units. Component units are entities for which the County is considered to be financially accountable or entities that would be misleading to exclude. The County is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the County. The County may also be financially accountable for governmental organizations that are fiscally dependent on it.

There are no blended component units or discretely presented component units included in the County's financial reporting entity.

Joint Ventures

The governments of Taylor, Madison, Jefferson and Dixie Counties established the Aucilla Area Solid Waste Administration (the Administration) through an interlocal agreement. The Administration is an organization established for the purpose of providing a regional approach to solid waste management without regard to political or governmental boundaries. The Administration is governed by a governing board made up of a commissioner from each participating County.

The County has an ongoing financial interest in the Administration. The County also has an ongoing financial responsibility to the Administration in that the tipping fees paid to the Administration ($404,296 in 2023) are applied by the Administration to the County's portion of the Administration's operating costs.

The County's share in Aucilla Area Solid Waste Administration's assets, liabilities and equity as of September 30, 2023, based on its 17.2% ownership is as follows:

Assets	$	5,425,919
Deferred Outflows of Resources		18,742
Liabilities		(2,327,175)
Deferred Inflows of Resources		(9,377)
Net Position	$	3,108,109

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A copy of the Administration's separate financial statements may be obtained from its office in Greenville, Florida. In order to equalize transportation costs in transporting waste to the Aucilla Area Solid Waste Administration landfill, participating counties agreed to reimburse Dixie County for its additional mileage. The interlocal agreement provides that Dixie County will be compensated from the time the landfill opened. The County's share of the reimbursement cost, according to the agreement, is not to exceed $44,000 per year.

The governments of Lafayette, Dixie, Taylor and Gilchrist Counties established the Three Rivers Regional Library System (the Library) through an interlocal agreement. The Library is an organization established for the purpose of providing a regional approach to library services without regard to political or governmental boundaries. The Library is governed by a governing board made up, in part, of a commissioner from each participating County.

The County does not have an ongoing financial interest in the Library. However, the County does have an ongoing financial responsibility to the Library in that the Library's continued existence depends on the County's continuing participation. A copy of the Library's separate financial statements may be obtained from its offices in Mayo, Florida.

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees charged to external parties. The County has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include: charges for services that are directly related to a given function and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements, but all nonmajor funds are aggregated and displayed in a single column. The governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds. The County reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund consists of the board of county commissioners' countywide general fund as well as each constitutional officer's general fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Airport Fund - This fund is used to account the operations of the county-owned Cross City Airport.

EMS Fund – This fund (Emergency Medical Services Fund) is used to account for and report the operations of the Emergency Medical Services Department. Revenues are primarily from ambulance fees charged for emergency transport and medical services, and from ad valorem taxes.

Clerk Operating Fund – This fund is used to account for the operations of the Clerk of the Circuit Court in the capacity of Clerk to the Board of County Commissioners.

County Transportation Trust Fund – This fund is used to account for and report the operations of the road and bridge department. Financing is provided primarily by gasoline taxes that are imposed locally and those that are levied by the State and shared with the County.

Sheriff Operating Fund – This fund is used to account for the general operations of the Sheriff's Department.

Solid Waste Fund - This fund is used to account for the operations of the County's solid waste administration.

Additionally, the County reports the following fund type:

Fiduciary funds – Custodial funds account for resources held in a purely custodial capacity.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Taxes and certain intergovernmental revenues constitute the most significant sources of revenue considered susceptible to accrual. In governmental funds, expenditures are generally recognized when the related liability is incurred. However, debt service expenditures, and expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Deposits

Deposits of the county consist of cash placed in banks that qualify as "qualified public depositories", as required under the Florida Security for Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

to be determined by the Chief Financial Officer. The Chief Financial Officer is required by this law to ensure that all funds are entirely insured or collateralized throughout the fiscal year pursuant to Chapter 280, Florida Statutes.

The County invests surplus funds pursuant to the guidelines established in Section 218.415, Florida Statutes, which authorizes investments in the following instruments: The Local Government Surplus Funds Trust Fund; Securities and Exchange Commission registered money market funds with the highest credit quality rating; savings accounts and certificates of deposit in qualified public depositories; and direct obligations of the U.S. Treasury.

The County has adopted GASB Statement No. 72, "*Fair Value Measurement and Application"*, and GASB Statement No. 79, *"Certain External Investment Pools and Pool Participants"*. These standards require categorization of fair value measurements within the fair value hierarchy, based on the valuation inputs used to measure the fair value of the asset. Investments in external pools, though measured at fair value, are not categorized within the fair value hierarchy. The County has no investments as of September 30, 2023.

Receivables

Accounts receivable of $581,945 are reported net of an allowance for uncollectible accounts. The allowance represents approximately 39% of gross ambulance service accounts receivables at September 30, 2023.

Capital Assets

Capital assets are valued at historical cost or estimated historical cost. Donated capital assets are recorded at estimated acquisition value on the date donated. The threshold for capitalizing property and equipment is generally $5,000.

Depreciation is calculated using the straight-line method over the following estimated useful lives:

Buildings	30 – 50 yrs.
Improvements and infrastructure	10 – 50 yrs.
Equipment	5 – 15 yrs.

Compensated Absences

Personnel policies of the various county agencies allow a limited accumulation and vesting of unused employee vacation and sick leave. A liability is accrued when incurred in the government-wide financial statements. However, a liability is reported in governmental funds only when payment is due.

Leases

The County is a lessee for noncancellable leases of equipment. A lease liability and an intangible right-to-use asset are recognized in the government-wide financial statements. The lease liability is initially measured at the present value of the payments made at or before the lease commencement date and is amortized on a straight-line basis over its useful life. Key estimates and judgements related to leases include the determination of the (1) discount rate, (2) lease term, and (3) lease payments. The County monitors changes in circumstances that would require a remeasurement of a lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Net Position

In the accompanying Statement of Net Position, *restricted net position* is subject to restrictions beyond the County's control. The restriction is either externally imposed (for instance, by creditors, grantors, contributors, or laws/regulations of other governments) or is imposed by law through constitutional provisions or enabling legislation. It is the practice of the County to utilize restricted assets before unrestricted assets.

Approximately $2,969,983 is included in restricted net position.

Fund Balance

The County follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications.
The classifications comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.
The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the County's highest level of decision-making authority, which is an ordinance of the County. Committed amounts cannot be used for any other purpose unless the County removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the Board of County Commissioners or constitutional officer or (b) a body or official to which the Board of County Commissioners or constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund. The County's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan and Health Insurance Subsidy Program and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions)

are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

A *deferred outflow of resources* is a consumption of net assets that applies to a future reporting period. A *deferred inflow of resources* is an acquisition of net assets that applies to a future reporting period.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 2 – PROPERTY TAXES

In governmental funds, property tax revenues are recognized when levied, to the extent that they result in current receivables. Details of the property tax calendar are presented below:

Lien date	January 1
Levy date	October 1
Discount periods	November – February
No discount period	March
Delinquent date	April 1

NOTE 3 – INTERFUND BALANCES AND TRANSFERS

At September 30, 2023, interfund balances consisted of:

	Receivable	Payable
General Fund	$ 3,545,022	$ 34,551
Special Revenue Funds:		
Airport	-	72,546
Clerk Operating	415,548	511,072
Clerk Court	-	179,355
County Transportation Trust	-	2,158,418
Court Facility	729	
E-911	-	325
EMS	489,543	389,660
Fine and Forfeiture	8,101	223
Fire District	100	43,895
Impact Fees	14,951	-
Law Enforcement	9,434	-
Law Library	1,615	-
Property Appraiser Operating	-	46,779
Public Records Modernization Trust	136,160	-
Recreation	-	7,150
Resolution	109,197	145,000
Sheriff Operating	150,372	43,088
SHIP	-	90,213
Solid Waste	-	768,307
Supervisor of Elections Operating	-	208
Tax Collector Operating	65	9,440
Custodial Funds:		
Clerk:		
Domestic Relations	6,972	-
Traffic	-	15,805
Trust	-	371,774
	$ 4,887,809	$ 4,887,809

The interfund balances resulted from the normal course of operations and are expected to be paid within one year.

Interfund transfers are summarized below:

Transfers to:		
General Fund	$	335,685
County Transportation		384,976
Clerk Operating		454,433
EMS		91,690
Solid Waste		321,341
Fine and Forfeiture		25,390
Law Library		9,105
Recreation		97,805
Transfers Constitutional Officers:		
Sheriff Operating		6,811,082
Property Appraiser		964,194
Supervisor of Elections		384,977
Tax Collector		808,313
	$	10,688,991

The interfund transfers were made in the normal course of operations and are consistent with the activities of the fund making the transfer.

NOTE 4 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

At September 30, 2023, General Fund payables consisted of approximately 30% payable to vendors in the normal course of business. The remaining balance was due to wages and benefits.

The payables of the other governmental funds consist primarily of amounts due for goods and services received in the normal course of business.

NOTE 5 – FUND BALANCE CLASSIFICATIONS

Fund balance is restricted for the following purposes:

	County Transportation Trust	Clerk Operating	Other Governmental	Total
General government	$ -	$ 43,818	$ -	$ 43,818
Public safety	-	-	1,645,522	1,645,522
Transportation	(5,191)	-	-	(5,191)
Economic environment	-	-	782,134	782,134
Culture recreation	-	-	102,175	102,175
Court related	-	-	401,525	401,525
Total restricted fund balance	$ (5,191)	$ 43,818	$ 2,931,356	$ 2,969,983

Fund balance is assigned for the following purposes:

	EMS	Sheriff Inmate Welfare	Total
Public safety	$ 960,668	$ 280,936	$ 1,241,604
Total assigned fund balance	$ 960,668	$ 280,936	$ 1,241,604

NOTE 6 – CAPITAL ASSETS

A summary of changes in capital assets follows:

	Beginning Balance	Prior Period Adjustment	Increases	Reclassification/ Decreases	Ending Balance
Capital Assets, not being depreciated:					
Land	$ 2,782,373	$ -	$ -	$ -	$ 2,782,373
Construction in Progress	2,615,393	-	6,427,094	(2,106,652)	6,935,835
Total capital assets, not being depreciated	5,397,766	-	6,427,094	(2,106,652)	9,718,208
Capital Assets, being depreciated:					
Buildings	13,920,765	247,042	354,277	-	14,522,084
Improvements	8,162,252	-	-	-	8,162,252
Infrastructure	43,075,738	-	-	2,106,652	45,182,390
Equipment - Board of County Commissioners	13,472,918	-	684,028	-	14,156,946
Leased assets	221,164	-	-	-	221,164
Equipment - Sheriff	2,547,399	-	299,556	-	2,846,955
Total capital assets, being depreciated	81,400,236	247,042	1,337,861	2,106,652	85,091,791
Less Accumulated Depreciation for:					
Buildings	9,146,295	-	311,275	-	9,457,570
Improvements	3,719,971	-	216,154	-	3,936,125
Infrastructure	16,545,177	-	821,160	-	17,366,337
Equipment - Board of County Commissioners	10,290,119	-	478,937	-	10,769,056
Leased assets	183,758	-	-	-	183,758
Equipment - Sheriff	1,913,910	-	346,289	-	2,260,199
Total Accumulated Depreciation	41,799,229	-	2,173,815	-	43,973,044
Total Capital Assets, being depreciated, net	39,601,007	247,042	(835,954)	2,106,652	41,118,747
Capital Assets, net	$ 44,998,773	$ 247,042	$ 5,591,140	$ -	$ 50,836,955

Depreciation expense was charged to governmental activities as follows:

Governmental activities:		
General Government	$	90,124
Public Safety		770,055
Physical Environment		90,064
Transportation		926,903
Human Services		37,624
Culture/Recreation		250,931
Court Related		8,114
	$	2,173,815

NOTE 7 – LONG-TERM LIABILITIES

At September 30, 2023, the County's long-term liabilities consisted of:

Notes Payable

Notes payable at September 30, 2023, consist of the following:

An agreement with a financial institution entered into on July 03, 2019, for purchase of a packer truck; payable from non ad valorem tax revenues. The note is payable in annual installments of $59,025 including interest of 3.50%.

An agreement with a financial institution entered into on July 20, 2022, for purchase of a crawler dozer in the amount of $197,500; payable from non ad valorem tax revenues. The note is payable in three annual installments of $70,833 including interest of 3.550%, beginning July 20, 2023.

An agreement with a financial institution entered into on July 20, 2022 for the purchase of an excavator amount of $303,500; payable from non ad valorem tax revenues. The note is payable in five annual installments of $64,368 including interest of 1.960%, beginning November 4, 2022.

An agreement with a financial institution entered into on July 20, 2022 for the purchase of a Freightliner pumper in the amount of $748,615; payable from non ad valorem tax revenues. The note is payable in five annual installments of $115,137 including interest of 1.88%, beginning January 15, 2023.

An agreement with a financial institution entered into on July 20, 2022 for the purchase of air compressors in the amount of $246,604; payable from non ad valorem tax revenues. The note is payable in five annual installments of $52,240 including interest of 1.920%, beginning December 7, 2022.

Line of Credit

A revolving line of credit with a financial institution entered into on August 23, 2023 for the purpose of grant assistance and cash flow was established. The first year of the line of credit is interest free, after which the interest rate would be 5.986%. At the end of the fiscal year, the balance was paid in full.

Leases Payable

The County leases equipment under various long-term operating lease commitments that qualify as long-term lease agreements. These agreements qualify as intangible, right-to-use assets and not financed purchases, as the County and Officers of the County will not own the assets at the end of the contract term and the noncancelable term of the agreements surpass one year.

As of September 30, 2023, the value of the lease liability is $234,286. The leases have an interest rate 3.5%.

The future minimum lease payments required and the present value of the net minimum lease payments at September 30, 2023 are as follows:

Year ending September 30,	Principal	Interest	Total
2024	$ 75,491	$ 14,935	$ 90,426
2025	79,917	9,171	89,088
2026	71,659	3,139	74,798
2027	6,958	119	7,077
2028	261	2	263
Total	$ 234,286	$ 27,366	$ 261,652

Landfills Closure and Long-Term Care Costs

The Florida Department of Environmental Protection (DEP) requires landfill operators to fund landfill closure costs before receiving a permit for landfill closure. Rules of DEP mandate that the closure costs be fully funded by the end of the design life of the landfill as specified in the approved closure plan. The County has accrued $102,034 for the closure of its Construction and Demolition (C & D) Landfill based on the capacity used to date. This amount represents the complete closure costs for Phase I, which was effectively closed in June 2018, and Phase II closure costs pro-rated based on capacity used, which was approximately 7.7% as of September 30, 2023.

Additionally, state and federal laws require landfill owners to perform certain maintenance and monitoring functions at the landfill sites for a number of years after closure. The County was released by the DEP from these requirements on its closed Central Landfill in a prior year.

The County will recognize the remaining estimated cost of closure and long-term care of approximately $231,475 associated with its C & D Landfill as the remaining estimated capacity is used (estimated to be approximately 26 years for Phase II, as Phase I is effectively closed). All amounts recognized are based on what it would cost to perform all post-closure care at year-end. Actual costs are subject to changes such as the effects of inflation, revision of laws and other variables. The County anticipates funding the closure and long-term care costs from non-ad valorem assessments and user charges

DEP also requires the County to deposit in an escrow account, by the end of each fiscal year, funds sufficient to cover closure costs. The County has set aside $318,806 for that requirement.

Compensated Absences
The General Fund has historically been used to liquidate approximately 60% of compensated absences, while other funds have liquidated the remaining 40%.

NOTE 8 – CHANGES IN LONG-TERM LIABILITIES

A summary of changes in long-term liabilities follows:

	Balance at 09/30/22	Additions	Adjustments/ Deletions	Balance at 09/30/23	Due Within One Year
Governmental activities:					
Direct Borrowings:					
Notes payable - Packer Truck	$ 112,129	$ -	$ (55,100)	$ 57,029	$ 57,029
Notes payable - Excavator	303,500	-	(58,420)	245,080	59,498
Notes payable - Crawler	197,500	-	(64,030)	133,470	65,895
Notes payable - Freightliner Pumper	748,615	-	(100,990)	647,625	103,084
Notes payable - Air Compressors	246,604	-	(47,439)	199,165	48,301
Ameris bank loan	-	1,500,000	(1,500,000)	-	-
Lease liability	42,788	215,762	(24,264)	234,286	75,491
	1,651,136	215,762	(1,850,243)	1,516,655	409,298
Other liabilities -					
Landfill closure liability	280,539	-	(178,505)	102,034	-
Compensated absences	905,240	-	(236,823)	668,417	100,263
Other post-employment benefits	425,701	25,953	-	451,654	162,595
FRS retirement liability	15,561,087	6,224,769	-	21,785,856	-
	$ 18,823,703	$ 6,466,484	$ (2,265,571)	$24,524,616	$ 672,156

NOTE 9 – STATE OF FLORIDA PENSION PLANS

Defined Benefit Plans

The County participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided

Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by $5. The minimum payment is $30 and the maximum payment is $150 per month, pursuant to Section 112.363, Florida Statutes.

Contributions

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates for the year ended September 30, 2023, were as follows:

	FYE June 30, 2022		FYE June 30, 2023	
Class	FRS	HIS	FRS	HIS
Regular Class	11.91%	1.66%	13.57%	1.66%
Special Risk Class	27.83%	1.66%	32.67%	1.66%
Special Risk Administrative Support	38.65%	1.66%	39.82%	1.66%
County Elected Officers Class	57.00%	1.66%	58.68%	1.66%
Senior Management Class	31.70%	1.66%	34.52%	1.66%
Deferred Retirement Option Program (DROP)	18.60%	1.66%	21.13%	1.66%

The employer's contributions for the year ended September 30, 2023, were $2,071,037 to the FRS and $191,834 to the HIS.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2023, the County reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2023.

The County's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net pension liability	$ 17,154,517	$ 4,631,339
Proportion at:		
Current measurement date	0.04305%	0.02916%
Prior measurement date	0.03517%	0.02336%
Pension expense (benefit)	$ 3,766,794	$ 1,850,193

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
Description	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,610,661	$ -	$ 67,800	$ (10,870)
Changes in assumptions	1,118,274	-	121,757	(401,321)
Net difference between projected and actual earnings on investments	716,419	-	2,392	-
Changes in proportion and differences between County contributions and proportionate share of contributions	2,086,382	(668,176)	716,291	(60,241)
County contributions subsequent to the measurement date	650,176	-	63,790	-
Total	$ 6,181,912	$ (668,176)	$ 972,028	$ (472,432)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2023.

Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending September 30,	FRS	HIS
2023	$ 662,841	$ 76,146
2024	(262,615)	46,168
2025	3,977,350	76,814
2026	377,815	150,665
2027	108,168	79,809
Thereafter	-	6,203
Total	$ 4,863,560	$ 435,805

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2023. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2023. The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary increases	3.25%	3.25%
Investment rate of return	6.70%	N/A
Discount rate	6.70%	N/A
Municipal bond rate	N/A	3.54%
Mortality rate	**Pub-2010 base table**	**Pub-2010 base table**

Morality assumptions for both plans were based on the PUB-2010 base tables projected generationally with Scale MP-2018.

For both plans, the actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

Other actuarial assumptions were as follows for the FRS plan:

Valuation Timing	Actuarially determined contribution rates for a given plan year are calculated in the valuation conducted as of the beginning of the preceding plan year (e.g., rates for the 2023-2024 plan year are calculated in the 7/2022 actuarial valuation).
Actuarial Cost Method	Individual Entry Age
Amortization Method	
Level percent of level dollar	Level percent
Closed, open, or layered periods	Closed, layered
Amortization period	Effective July 1, 2021: New bases are amortized over 20 years Bases established prior to July 1, 2020: amortized over 20 years
2019 actuarial cost method change	Amortized over 30 years as level percentage of Tier I pay
Payroll growth rate	3.25%
Asset Valuation Method	
Smoothing period	5 years
Recognition period	Asymptotic
Corridor	80% - 120% of fair market value
Inflation	2.40%
Salary Increases	Varies by membership class and length of service; detail in funding actuarial valuation report
Investment Rate of Return	6.70%
Investment Return Assumption used for the discount rate	6.7% - FRS
Cost of Living Adjustments	3% for pre-July 2011 benefit service; 0% thereafter
Retirement Age	Varies by tier, membership class, and sex; details in funding actuarial valuation report
Turnover	Varies by membership class, length of service, age, and sex; details in funding actuarial valuation report

The FRS plans's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees if future experience follows assumptions and the Actuarially Determined Contribution (ADC) is contributed in full each year. Therefore the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

The following changes in key actuarial assumptions occurred in 2023:

FRS:

- The long-term expected rate of return was decreased from 6.80% to 6.70%.

HIS:

- The demographic assumptions for the Special Risk class were updated to reflect plan changes due to HB5007, HB689,/SB838.
- The election assumption for vested terminated members was updated from 20% to 50% to reflect recent experience.
- The municipal bond rate used to determine total pension liability was increased from 3.54% To 3.65%

For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation.

Asset Class	Target Allocation*	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Annual Deviation
	Target	**Annual Arithmetic**	**Compound Annual (Geometric)**	**Standard**
Cash Equivalents	1.0%	2.6%	2.6%	1.1%
Fixed Income	19.8%	4.4%	4.4%	3.2%
Global equity	54.0%	8.8%	7.3%	17.8%
Real estate	10.3%	7.4%	6.3%	15.7%
Private equity	11.1%	12.0%	8.9%	26.3%
Strategic investments	3.8%	6.2%	5.9%	7.8%
	100.0%			
Assumed inflation-mean			2.4%	1.3%

Discount Rate

FRS:
The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.70%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

HIS:
The discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS plan sponsor. The Bond Buyer General Obligation 20-Bond Muncipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

	FRS			HIS		
	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
County's proportionate share of the net pension liability	$ 29,303,409	$ 17,154,517	$ 6,990,516	$ 5,283,635	$ 4,631,339	$ 4,090,630

Pension Plans' Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the State's separately issued financial reports.

Defined Contribution Plan

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan (FRS Investment Plan), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class. Required employer contributions made to the plan during the year ended September 30, 2023, totaled $3,880.

NOTE 10 – RISK MANAGEMENT

Public Entity Risk Pool

The County is exposed to various risks of loss related to general liability, professional law enforcement liability, and worker's compensation. The County participates in various public entity risk pools operating as common risk management and insurance programs for member governmental entities. The County pays annual premiums to the pools for its coverage. The premiums are designed to fund the liability risks assumed by the pools and are based on certain actual exposures of each member.

NOTE 11 – DEFICIT FUND BALANCES

At September 30, 2023, the following fund had negative fund balance. The County intends to resolve this deficits through interfund transfers.

Solid Waste Fund	$(119,084)

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description – The County administers a single employer defined benefit plan for postemployment benefits other than pension benefits (OPEB Plan). The OPEB Plan provides for medical and life insurance for retirees and eligible dependents of the Board of County Commissioners and all Constitutional Officers. The benefits are provided explicitly and in the form of an implicit rate subsidy where retirees receive health insurance coverage by paying a combined retiree/active rate or reduced subsidy rate. Benefit provisions are established and may be amended by the Dixie County Board of County Commissioners.

The County provides health care coverage through a PPO plan offered through Av-Med and life insurance through The Standard.

Eligibility – Employees of the Board of County Commissioners, Sheriff, Clerk of Courts, Tax Collector, Property Appraiser and Supervisor of Elections are eligible at age 62 and 6 years of service, or 30 years of service, regardless of age, which is normal retirement.

Employees may retire early at age 43 and 6 years of service. Service-incurred disabled employees may retire immediately, while non-duty related disabled employees may retire upon completion of 8 years of service. Once a retiree waives coverage, he is not eligible to participate in the future. Surviving spouses of deceased retirees are eligible for COBRA insurance coverage for 36 months if they were covered prior to the retiree's death.

The following table shows the key components of the County's OPEB valuation for the fiscal year ending September 30, 2023 under GASB 75:

Total OPEB Liability as of the Measurement Date	$	451,664
OPEB Expense For the Fiscal Year ending September 30, 2023	$	25,638
Covered Employee Payroll (Projected)	$	8,185,347
County's Total OPEB Liability as a percentage of Covered Employee Payroll		5.52%
Census Information as of October 1, 2022		
Active Participants		183
Retirees, Beneficiaries and Disabled Members		2
Covered Spouses		0
Total Participants		185

A separate stand-alone financial statement is not prepared for the OPEB Plan.

Funding Policy – The contribution requirements of the plan members and the County are established and may be amended by the Dixie County Board of County Commissioners. A trust has not been established for the plan. Contributions are being made based on pay-as-you-go financing requirements.

Currently, retirees contribute 100% of the active participant's premium rates.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – The County has elected to implement GASB Statement No. 75 prospectively with implementation beginning in 2018.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 72,425	$ 63,932
Changes in Assumptions	7,353	128,310
Total	$ 79,778	$ 192,242

Changes in assumptions reflect a change in the discount rate form 4.77% to for the reporting period ended September 30, 2023, to 4.87% for the reporting period ended September 30, 2023. Also reflected as assumption changes are updated health care costs and premiums and updated mortality rates.

Deferred outflows of resourced related to changes in assumptions will be recognized as a reduction of the total OPEB liability in the reporting period ending:

Year Ended September 30,	
2023	$(17,544)
2024	$(17,544)
2025	$(17,544)
2026	$(17,545)
2027	$(28,518)
Thereafter	$(28,647)

Actuarial Assumptions and Other Inputs – Calculations of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continue revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial assumptions are:

Discount rate	4.87%
Salary increase rate	Varies by Service
Inflation rate	2.50%
Initial trend rate	7.50%
Ultimate trend rate	4.00%
Years to ultimate	53

All mortality rates were based on the Pub-2010 mortality tables. All mortality rates are those outlined in Milliman's July 1, 2021 Florida Retirement System (FRS) valuation report. All tables include fully generational adjustments for mortality improvements using gender-specific improvement scale MP-2021.

Changes in the Total OPEB Liability:

Reporting Period September 30, 2022	$ 425,701
Changes for the Year:	
Services cost	20,514
Interest	20,992
Differences Between Expected and Actual Experience	-
Changes in Assumptions	(3,110)
Changes in Benefit Terms	-
Contributions - Employer	-
Benefits Payments	(12,443)
Other Changes	-
Net Changes	25,953
Reporting Period Ending September 30, 2023	$ 451,654

Covered Employee Payroll was projected one year forward from the valuation date for the reporting period ending September 30, 2023.

Differences Between Expected and Actual Experience – Differences Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation at October 1, 2022.

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

The following presents the County's total OPEB Liability, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percent lower or 1 percent higher than the current discount rate:

	1% Decrease 3.87%	Current Discount Rate 4.87%	1% Increase 5.87%
Total OPEB Liability	$ 483,666	$ 451,664	$ 421,668

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the County's total OPEB liability, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percent lower or 1 percent higher than the current healthcare cost trend rate:

	1% Decrease 3.00% - 6.50%	Healthcare Cost Trend Rates 4.00% - 7.50%	1% Increase 5.00% - 8.50%
Total OPEB Liability	$ 403,679	$ 451,664	$ 507,097

NOTE 13 – COMMITMENTS/CONTINGENCIES

The County is involved in litigation matters arising from the normal operation of a local government. The outcome of these legal claims against the County cannot at this time be determined.

The County participates in State and Federal assisted grant programs which may be subject to future program compliance audits by the grantors.

NOTE 14 – FUTURE ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board has issued statements that will become effective in the upcoming fiscal years. The statements address the following:

- Compensated Absences – Effective 2025 Fiscal year (GASB 101)

The County is currently evaluating the effects that these statements will have on its financial statements.

NOTE 15 – PRIOR PERIOD ADJUSTMENT

In the prior year, $247,042 of capital improvements were incorrectly included in expense. The financial statements for the fiscal year ended September 30, 2022 have been restated to correct these errors. The effect of these restatements on those financial statements is summarized in the table below:

	Unadjusted 9/30/2022	Prior Period Adjustment	Adjusted 9/30/2022
Statement of Net Position			
Capital assets being depreciated, net	$ 39,563,602	$ 247,042	$ 39,810,644
Net Position			
Invested in capital assets, net of related debt	43,347,638	247,042	43,594,680
Statement of Activities			
General government			
Expenses	4,158,425	(247,042)	3,911,383
Net Position - Ending	43,347,638	247,042	43,594,680
Statement of Revenues, Expenditures and Changes in Fund Balance			
General Fund			
Current expenditures			
General government	1,453,832	(247,042)	1,206,790
Capital outlay			
General government	$ 53,737	$ 247,042	$ 300,779

Required Supplementary Information

Dixie County, Florida
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Taxes	$ 7,222,448	$ 7,224,003	$ 8,079,949	$ 855,946
Licenses and permits	123,999	124,025	116,242	(7,783)
Intergovernmental	6,927,832	6,962,494	5,897,078	(1,065,416)
Charges for services	963,047	963,256	1,244,397	281,141
Fines and forfeitures	1,442	1,442	1,378	(64)
Miscellaneous	32,605	81,439	2,026,152	1,944,713
Interest	989	989	36,798	35,809
Total revenues	15,272,362	15,357,648	17,401,994	2,044,346
EXPENDITURES				
Current expenditures				
General government	2,948,732	2,944,223	2,538,870	405,353
Public safety	1,832,777	1,832,777	1,487,866	344,911
Physical environment	144,435	144,435	125,906	18,529
Economic environment	276,412	288,912	80,241	208,671
Human services	576,110	576,110	422,054	154,056
Court related	332,297	332,297	136,340	195,957
Capital outlay				
General government	183,321	179,321	2,030,311	(1,850,990)
Public safety	-	-	48,480	(48,480)
Debt services				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	6,294,084	6,298,075	6,870,068	(571,993)
Excess of revenues over (under) expenditures	8,978,278	9,059,573	10,531,926	1,472,353
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	-	-	335,685	335,685
Interfund transfers out	(9,447,801)	(9,529,096)	(9,182,063)	347,033
Total other financing sources (uses)	(9,447,801)	(9,529,096)	(8,846,378)	682,718
Net change in fund balance	(469,523)	(469,523)	1,685,548	2,155,071
Fund balance at beginning of year	4,654,704	4,654,704	4,654,704	-
Fund balance at end of year	$ 4,185,181	$ 4,185,181	$ 6,340,252	$ 2,155,071

See notes to financial statements.

Dixie County, Florida
Airport Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ 4,696,400	$ 5,419,848	$ 406,968	$(5,012,880)
Charges for services	1,900	2,000	2,400	400
Miscellaneous	56,525	59,500	69,726	10,226
Interest	19	20	1,084	1,064
Total revenues	4,754,844	5,481,368	480,178	(5,001,190)
EXPENDITURES				
Current expenditures				
Transportation	214,070	214,070	89,696	124,374
Capital outlay				
Transportation	4,557,400	5,195,348	315,494	4,879,854
Total expenditures	4,771,470	5,409,418	405,190	5,004,228
Excess of revenues over (under) expenditures	(16,626)	71,950	74,988	3,038
Net change in fund balance	(16,626)	71,950	74,988	3,038
Fund balance at beginning of year	79,659	79,659	79,659	-
Fund balance at end of year	$ 63,033	$ 151,609	$ 154,647	$ 3,038

See notes to financial statements.

Dixie County, Florida
County Transportation Trust Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Taxes	$ 508,104	$ 508,104	$ 534,871	$ 26,767
Licenses and permits	2,851	2,851	1,550	(1,301)
Intergovernmental	22,814,507	27,454,587	7,085,268	(20,369,319)
Miscellaneous	17,462	17,462	-	(17,462)
Interest	95	95	-	(95)
Total revenues	23,343,019	27,983,099	7,621,689	(20,361,410)
EXPENDITURES				
Current expenditures				
Physical enviornment	820,770	820,770	90,186	730,584
Transportation	2,389,009	2,389,009	3,792,221	(1,403,212)
Capital outlay				
Transportation	20,803,716	25,443,796	4,391,442	21,052,354
Debt service				
Principal	64,500	64,500	1,558,419	(1,493,919)
Interest	-	-	14,941	(14,941)
Total expenditures	24,077,995	28,718,075	9,847,209	18,870,866
Excess of revenues over (under) expenditures	(734,976)	(734,976)	(2,225,520)	(1,490,544)
OTHER FINANCING SOURCES				
Debt proceeds	-	-	1,500,000	1,500,000
Interfund transfers in	384,976	384,976	384,976	-
Total other financing sources	384,976	384,976	1,884,976	1,500,000
Net change in fund balance	(350,000)	(350,000)	(340,544)	9,456
Fund balance at beginning of year	335,353	335,353	335,353	-
Fund balance at end of year	$ (14,647)	$ (14,647)	$ (5,191)	$ 9,456

See notes to financial statements.

Dixie County, Florida
Clerk of Courts Operating Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ 106,006	$ 106,006	99,381	$ (6,625)
Charges for services	501,312	501,312	524,433	23,121
	-	-	9,716	9,716
Interest	295	295	202	(93)
Total revenues	607,613	607,613	633,732	26,119
EXPENDITURES				
Current expenditures				
General government	591,037	591,037	620,978	(29,941)
Total expenditures	591,037	591,037	620,978	(29,941)
Excess of revenues over expenditures	16,576	16,576	12,754	(3,822)
OTHER FINANCING SOURCES (USES)				
Interfund transfers net	18,315	18,315	18,315	-
Total other financing sources (uses)	18,315	18,315	18,315	-
Net change in fund balance	34,891	34,891	31,069	(3,822)
Fund balance at beginning of year	12,749	12,749	12,749	-
Fund balance at end of year	$ 47,640	$ 47,640	$ 43,818	$ (3,822)

See notes to financial statements.

Dixie County, Florida
EMS Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Taxes	$ 2,126,283	$ 2,019,968	$ 2,072,049	$ 52,081
Licenses and permits	-		-	-
Intergovernmental	527,806	527,806	631,296	103,490
Charges for services	1,205,000	1,144,750	931,531	(213,219)
Miscellaneous	17,000	16,150	22,801	6,651
Interest	100	95	8,296	8,201
Total revenues	3,876,189	3,708,769	3,665,973	(42,796)
EXPENDITURES				
Current expenditures				
Public safety	4,029,915	4,029,915	3,852,015	177,900
Capital outlay				
Public safety	420,059	420,059	377,201	42,858
Debt service				
Principal	50,000	50,000	-	50,000
Total expenditures	4,499,974	4,499,974	4,229,216	270,758
Excess of revenues over (under) expenditures	(623,785)	(791,205)	(563,243)	227,962
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	57,000	57,000	91,690	34,690
Interfund transfers out	(105,795)	(105,795)	(140,485)	(34,690)
Total other financing sources (uses)	(48,795)	(48,795)	(48,795)	-
Net change in fund balance	(672,580)	(840,000)	(612,038)	227,962
Fund balance at beginning of year	1,572,706	1,572,706	1,572,706	-
Fund balance at end of year	$ 900,126	$ 732,706	$ 960,668	$ 227,962

See notes to financial statements.

Dixie County, Florida
Sheriff Operating Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ 568,103	$ 568,103	$ 568,103	$ -
Charges for services	551,567	551,567	551,567	-
Fines and forfeitures	-	-	250	250
Miscellaneous	234,336	234,336	88,296	(146,040)
Interest	100	100	14	(86)
Total revenues	1,354,106	1,354,106	1,208,230	(145,876)
EXPENDITURES				
Current expenditures				
Public safety	7,184,519	7,184,519	7,717,763	(533,244)
Capital outlay				
Public safety	258,405	258,405	299,556	(41,151)
Total expenditures	7,442,924	7,442,924	8,017,319	(574,395)
Excess of revenues over (under) expenditures	(6,088,818)	(6,088,818)	(6,809,089)	(720,271)
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	6,088,818	6,088,818	6,811,082	722,264
Interfund transfers out	-	-	(1,993)	(1,993)
Total other financing sources (uses)	6,088,818	6,088,818	6,809,089	720,271
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	$ -	$ -	$ -	$ -

See notes to financial statements.

Dixie County, Florida
Solid Waste Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Special assessments	$ 1,788,276	$ 1,788,276	$ 1,783,186	$ (5,090)
Intergovernmental	130,710	130,710	132,642	1,932
Charges for services	121,328	121,328	243,416	122,088
Miscellaneous	154,158	154,158	104,227	(49,931)
Interest	95	95	5,977	5,882
Total revenues	2,194,567	2,194,567	2,269,448	74,881
EXPENDITURES				
Current expenditures				
Physical environment	2,386,688	2,386,688	1,976,607	410,081
Human services	75,385	75,385	40,667	34,718
Capital outlay				
Physical environment	300,000	300,000	101,780	198,220
Human services	5,000	5,000	-	5,000
Debt service				
Principal	129,250	129,250	119,131	10,119
Interest	-	-	10,614	(10,614)
Total expenditures	2,896,323	2,896,323	2,248,799	647,524
Excess of revenues over (under) expenditures	(701,756)	(701,756)	20,649	722,405
OTHER FINANCING SOURCES (USES)				
Debt proceeds	200,000	200,000	-	(200,000)
Interfund transfers in	287,418	287,418	321,341	33,923
Interfund transfers out	(86,662)	(86,662)	(120,585)	(33,923)
Total other financing sources (uses)	400,756	400,756	200,756	(200,000)
Net change in fund balance	(301,000)	(301,000)	221,405	522,405
Fund balance at beginning of year	(119,085)	(119,085)	(119,085)	-
Fund balance at end of year	$ (420,085)	$ (420,085)	$ 102,320	$ 522,405

See notes to financial statements.

DIXIE COUNTY, FLORIDA

SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS

For the Fiscal Year Ended September 30, 2023

	September 30, 2022	September 30, 2021	September 30, 2020	September 30, 2019	September 30, 2018
Total OPEB Liability					
Service Cost	$ 28,672	$ 30,428	$ 50,225	$ 49,986	$ 16,500
Interest Cost	12,885	13,073	23,891	18,135	6,500
Changes in Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	(89,504)	-	168,993	-	-
Other changes	-	-	-	171,978	-
Changes in Assumptions	(111,013)	(11,981)	(82,176)	16,548	-
Benefit payments	(12,724)	(29,106)	(27,920)	(13,024)	(11,000)
Net Change in Total OPEB Liability	(171,684)	2,414	133,013	243,623	12,000
Total OPEB Liability - Beginning of Year	597,385	594,971	461,958	218,335	206,335
Total OPEB Liability - End of Year	$ 425,701	$ 597,385	$ 594,971	$ 461,958	$ 218,335
Covered-employee payroll	$ 7,795,569	$ 7,624,990	$ 7,261,896	$ 7,326,747	$ 7,190,278
Total OPEB liability as a percentage of covered-employee payroll	5.46%	7.83%	8.19%	6.31%	3.04%

Notes to the schedules:
GASB Statement No. 75 was implemented in 2018. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.
Covered Employee Payroll was projected one year forward from the valuation date for the reporting period ending September 30, 2023.
Differences Between Expected and Actual Experience. Differences between expected and actual experience reflects the impact of changes to the census data from the prior Valuation to the valuation of October 1,2022.
Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending September 30, 2021:	2.43%
Fiscal Year Ending September 30, 2021:	2.14%
Fiscal Year Ending September 30, 2021:	3.58%

Also reflected as assumption changes are updated health care costs and premiums and updated mortality rates.

Benefit payments: The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2023. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

DIXIE COUNTY, FLORIDA

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY

For the Fiscal Year Ended September 30, 2023

Florida Retirement System	**2023**	**2022**	2021	2020	2019	2018	2017	2016	2015
County's proportion of the net pension liability (asset)	0.0431%	0.0352%	0.0342%	0.0373%	0.0383%	0.0388%	0.0394%	0.0405%	0.0425%
County's proportionate share of the net pension liability (asset)	$ 17,154,517	$ 13,087,359	$ 2,584,209	$ 16,148,615	$ 13,193,668	$ 11,676,939	$ 11,665,096	$ 10,237,985	$ 5,484,238
County's covered-employee payroll (2)	$ 11,725,901	$ 9,750,056	$ 8,690,689	$ 7,619,711	$ 7,370,747	$ 7,277,331	$ 7,191,039	$ 7,093,803	$ 7,496,858
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	146.30%	134.23%	29.74%	211.93%	179.00%	160.46%	162.22%	144.32%	73.15%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

Health Insurance Subsidy Program	**2023**	**2022**	2021	2020	2019	2018	2017	2016	2015
County's proportion of the net pension liability (asset)	0.0058%	0.0016%	0.0218%	0.0216%	0.0218%	0.0221%	0.0229%	0.0230%	0.0247%
County's proportionate share of the net pension liability (asset)	4,631,339	$ 2,473,729	2,671,963	$ 2,632,772	$ 2,434,211	$ 2,339,967	$ 2,447,012	$ 2,677,411	$ 2,519,874
County's covered-employee payroll (2)	$ 11,725,901	$ 9,750,056	$ 8,690,689	$ 7,619,711	$ 7,370,747	$ 7,277,331	$ 7,191,039	$ 7,093,803	$ 7,496,858
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	39.50%	25.37%	30.75%	34.55%	33.03%	32.15%	34.03%	37.74%	33.61%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

Note 1) The amounts presented for each year were determined as of the June 30 of the current fiscal year

Note 2) Covered-employee payroll includes defined benefit plan actives, investment plan members and members in DROP.

*GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled,
only those years for which information is available is presented.

DIXIE COUNTY, FLORIDA

SCHEDULE OF EMPLOYER CONTRIBUTIONS

For The Fiscal Year Ended September 30, 2023

Florida Retirement System	**2023**	**2022**	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	2,071,037	$ 1,500,916	$ 1,562,661	$ 1,253,670	$ 1,292,861	$ 1,121,767	$ 1,054,937	# $ 1,045,863	$ 1,030,289
Contributions in relation to the contractually required contribution	2,071,037	1,500,916	1,562,661	1,253,670	1,292,861	1,121,767	1,054,937	1,045,863	1,030,289
Contribution deficiency (excess)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's covered-employee payroll (1)	$ 11,725,900.87	$ 9,750,056	$ 8,690,689	$ 7,731,103	$ 7,326,747	$ 7,190,277	$ 7,190,277	$ 7,380,745	$ 7,421,285
Contributions as a percentage of covered-employee payroll	17.66%	15.39%	17.98%	16.22%	17.65%	15.60%	14.67%	14.17%	13.88%

Health Insurance Subsidy Program		**2022**	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 191,834	$ 141,321	$ 144,745	$ 128,336	$ 121,490	$ 119,117	$ 119,359	# $ 122,635	$ 100,139
Contributions in relation to the contractually required contribution	$ 191,834	141,321	152,737	128,336	121,490	119,117	119,359	122,635	100,139
Contribution deficiency (excess)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's covered-employee payroll (1)	$ 11,725,900.87	$ 9,750,056	$ 8,690,689	$ 7,731,103	$ 7,326,747	$ 7,190,277	$ 7,190,277	$ 7,380,745	$ 7,421,285
Contributions as a percentage of covered-employee payroll	1.64%	1.45%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.35%

Note 1) Covered-employee payroll includes defined benefit plan actives, investment plan members and members in DROP

*GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled,
only those years for which information is available is presented.

Dixie County, Florida
Notes to the Required Supplementary Information
For the Fiscal Year Ended September 30, 2023

Budgetary Information:

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental and enterprise funds. All annual appropriations lapse at fiscal year end.

The County generally follows these procedures in establishing the budgetary data for the governmental and enterprise funds as reflected in the financial statements:

Prior to September 30, the Clerk of the Circuit Court, serving as Budget Officer submits to the Board of County Commissioners a tentative budget for the fiscal year commencing the following October. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted by the Board of County Commissioners to obtain taxpayer comments.

Prior to September 30, the budget is legally enacted through passage of a resolution by the Board of County Commissioners.

The Constitutional Officers submit, at various times, to the Board and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them, as set forth in chapter 129 of Florida Statutes.

The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and the Property Appraiser, which are classified as separate special revenue funds.

The Board of County Commissioners is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund, or appropriate for special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.

Formal budgetary integration is employed as a management control device in all governmental funds.

Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2023, are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. The Enterprise Fund budget is adopted on the accrual basis except that depreciation is not budgeted.

Legal control of the budget is exercised pursuant to applicable provisions of Florida Statutes.

Appropriations for the County lapse at the close of the fiscal year.

Pension Plan:

Net Pension Liability

The components of the collective net pension liability of the participating employers for each defined benefit plan for the measurement date of September 30, 2023, are shown below:

	FRS	HIS
Total Pension Liability	$ 226,204,201,000	$ 16,563,148,691
Plan fiduciary net position	(186,357,365,968)	(681,814,936)
Net Pension Liability	$ 39,846,835,032	$ 15,881,333,755
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.38%	4.12%

The total pension liability for each plan was determined by the plans' actuary and reported in the plans GASB 67 valuation as of June 30, 2023. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

The total pension liability for the HIS was determined by the plan's actuary and reported in the plan's GASB 67 valuation as of June 30, 2023. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements.

Basis for Allocation

The employer's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the System's fiscal years ending June 30, 2013 through June 30, 2023, for employers that were members of the FRS and HIS during those fiscal years. For fiscal years June 30, 2015 through June 30, 2023, in addition to contributions from employers the required accrued contributions for the Division (paid on behalf of the Division's employees who administer the Plans) were allocated to each employer on a proportionate basis. The Division administers the Plans, and therefore, cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the employers' projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is acceptable. The aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's ACFR for that fiscal year.

The proportion calculated based on contributions for each of the fiscal years presented in the pension allocation schedules was applied to the net pension liability and other pension amounts applicable for that fiscal year to determine each employer's proportionate share of the liability, deferred outflows of resources, deferred inflow of resources and associated pension expense.

For the purposes of the pension allocation schedules, pension amounts are allocated to reporting employers. The pension amounts of participating employers whose payrolls are reported and contributions are remitted by another entity are included in the reporting employer's amounts and will be allocated to the participating employer by the reporting employer.

Actuarial Methods and Assumptions

The Florida Retirement System (FRS) Actuarial Assumption Conference is responsible for setting the assumptions used in the funding valuations of the defined benefit pension plan pursuant to section 216.136(10), Florida Statutes. The division determines the assumptions in the valuations for GASB 67 reporting purposes. The FRS Pension Plan's GASB 67 is performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013 through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both Plans is assumed at 2.40%. Payroll growth, including inflation, for both Plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for the FRS Pension Plan is 6.70%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 2.16% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both Plans were based on the PUB-2010 base table.

The following changes in actuarial assumptions occurred in 2023:

- HIS: The municipal bond rate used to determine total pension liability was increased from 3.54% to 3.65%.

SENSITIVITY ANALYSIS

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis show the impact to the collective net pension liability of the participating employers if the discount rate was 1.00% higher or 1.00%lower than the current discount rate at June 30, 2023:

FRS NET PENSION LIABILITY		
1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
$ 68,066,508,032	$ 39,846,835,032	$ 16,237,702,032
170.82%	100.00%	40.75%
$ (29,303,409)	$ (17,154,517)	$ (6,990,516)

HIS NET PENSION LIABILITY		
1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
$ 18,118,123,208	$ 15,881,333,755	$ 14,027,185,514
114.08%	100.00%	88.32%
$ (5,283,635)	$ (4,631,339)	$ (4,090,630)

PENSION EXPENSE AND DEFERRED OUTFLOWS / INFLOWS OF RESOURCES

In accordance with GASB 68, paragraphs 54 and 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current reporting period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes of assumptions or other inputs are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes in proportion and differences between contributions and proportionate share of contributions are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Differences between expected and actual earnings on pension plan investments – amortized over five years

Employer contributions to the pension plans from employers are not included in collective pension expense; however, employee contributions are used to reduce pension expense.

The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2023, was 5.3 years for FRS and 6.3 years for HIS. The components of collective pension expense reported in the pension allocation schedules for the fiscal year ended June 30, are presented below for each plan.

FRS

Description	Recognized in Expense Reporting Period Ended 2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Service Cost	$ 2,635,672,488	$ -	$ -
Interest Cost	14,012,135,121	-	-
Effect of plan changes	99,285,000	-	-
Effect of economic, demographic, gains of losses (difference between expected and actual experience)	770,756,657	1,767,166,815	-
Effects of assumptions changes or inputs	3,024,039,521	4,582,325,338	-
Member contributions	(769,227,774)	-	-
Projected investment earnings	(13,486,916,285)	-	-
Changes in proportion and differences between Pension Plan contributions and proportionate share of contributions	-	1,518,682,253	(1,518,682,253)
Net difference between projected and actual investment earnings	(1,083,277,220)	2,456,841,704	-
Administrative expenses	22,494,571	-	-
Total	$ 5,224,962,079	$ 10,325,016,110	$ (1,518,682,253)

HIS

Description	Recognized in Expense Reporting Period Ended 2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Service Cost	$ 290,824,676	$ -	$ -
Interest Cost	275,385,816	-	-
Effect of plan changes	5,215,372	-	-
Effect of economic, demographic, gains of losses (difference between expected and actual experience	76,234,960	321,479,995	(46,603,942)
Effects of assumptions changes or inputs	(95,499,894)	607,117,164	(1,638,513,312)
Member contributions	(48,424)	-	-
Projected investment earnings	(10,646,011)	-	-
Changes in proportion and differences between Pension Plan contributions and proportionate share of contributions	-	483,666,109	(483,666,109)
Net difference between projected and actual investment earnings	6,287,188	15,334,367	-
Administrative expenses	189,390	-	-
Total	$ 547,943,073	$ 1,427,597,635	$ (2,168,783,363)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension lability in the subsequent reporting period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized as follows:

Year Ending September 30,	FRS	HIS
2023	$ 1,090,697,536	$ (131,960,417)
2024	(432,129,269)	(80,007,514)
2025	6,544,684,576	(133,116,070)
2026	621,690,549	(261,098,273)
2027	177,989,544	(138,306,216)
Thereafter	-	(10,749,795)
Total	$ 8,002,932,936	$ (755,238,285)

Combining Financial Statements

Dixie County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023

	Special Revenue Funds									
	Clerk of Courts		Property Appraiser	Sheriff				Supervisor of Elections	Tax Collector	
	Clerk Court	Public Records Moderniza-tion Trust	Property Appraiser Operating	Animal Control	Employee Welfare	Resolution	Sheriff Inmate Welfare	Supervisor Operating	Tax Collector Operating	
ASSETS										
Current Assets										
Cash	$ 245,288	$ 103,409	$ 61,944	$ -	$ 11,092	221,831	$ 280,936	$ 208	$ 21,027	
Accounts receivable	-	-	203	-	-	-	-	-	-	
Prepaid expenses	-	-	-	-	-	-	-	-	3,361	
Due from other funds	-	136,160	-	-	-	109,197	-	-	65	
Total assets	$ 245,288	$ 239,569	$ 62,147	$ -	$ 11,092	$ 331,028	$ 280,936	$ 208	$ 24,453	
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Current Liabilities										
Accounts payable	$ 4,369	$ -	$ 1,810	$ -	$ -	$ -	$ -	$ -	$ 3,231	
Accrued wages and payroll liabilities	-	-	-	-	-	-	-	-	-	
Other payorll liabilities	10,595	-	12,730	-	-	-	-	-	11,782	
Due to other funds	179,355	-	46,779	-	-	145,000	-	208	9,440	
Due to other governmental units	-	-	828	-	-	-	-	-	-	
Total liabilities	194,319	-	62,147	-	-	145,000	-	208	24,453	
FUND BALANCES										
Restricted	50,969	239,569	-	-	11,092	186,028	-	-	-	
Assigned	-	-	-	-	-	-	280,936	-	-	
Unassigned	-	-	-	-	-	-	-	-	-	
Total fund balances	50,969	239,569	-	-	11,092	186,028	280,936	-	-	
Total liabilities and fund balances	$ 245,288	$ 239,569	$ 62,147	$ -	$ 11,092	$ 331,028	$ 280,936	$ 208	$ 24,453	

(continued)

See notes to financial statements.

Dixie County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023 (Continued)

	Special Revenue Funds									
	Board of County Commissioners									
	Court Facility	E-911	Fine and Forfeiture	Fire District	Impact Fees	Law Enforcement	Law Library	Recreation	SHIP	Total Nonmajor Funds
ASSETS										
Current Assets										
Cash	$ 82,212	$ 97,507	$ 20,168	$ 165,463	$ 907,647	$ 279,015	$ 102,262	$ 213,039	$ 672,829	$ 3,485,877
Accounts receivable	-	-	-	-	-	-	-	50	5	258
Prepaid expenses	-	-	-	-	-	-	-	-	-	3,361
Due from other funds	729	-	8,101	100	14,951	9,434	1,615	-	-	280,352
Due from other governments	-	12,130	-	55,674	-	-	-	853	-	68,657
Total assets	$ 82,941	$ 109,637	$ 28,269	$ 221,237	$ 922,598	$ 288,449	$ 103,877	$ 213,942	$ 672,834	3,838,505
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Current Liabilities										
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,410
Accrued liabilities	-	1,924	-	-	-	-	-	-	-	1,924
Accrued wages	-	-	-	41,401	-	-	-	7,279	-	83,787
Due to other funds	-	325	223	43,895	-	-	-	7,150	90,213	522,588
Due to other governmental units	-	-	-	-	-	-	-	-	-	828
Unearned revenues	-	-	-	-	-	5,974	1,702	-	-	7,676
Total liabilities	-	2,249	223	85,296	-	5,974	1,702	14,429	90,213	626,213
FUND BALANCES										
Restricted	82,941	107,388	28,046	135,941	922,598	282,475	102,175	199,513	582,621	2,931,356
Assigned	-	-	-	-	-	-	-	-	-	280,936
Total fund balances	82,941	107,388	28,046	135,941	922,598	282,475	102,175	199,513	582,621	3,212,292
Total liabilities and fund balances	$ 82,941	$ 109,637	$ 28,269	$ 221,237	$ 922,598	$ 288,449	$ 103,877	$ 213,942	$ 672,834	$ 3,838,505

See notes to financial statements.

Dixie County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended September 30, 2023

	Special Revenue Funds								
	Clerk of the Circuit Court		Property Appraiser	Sheriff				Supervisor of Elections	Tax Collector
	Clerk Court	Public Records Moderniza-tion Trust	Property Appraiser Operating	Animal Control	Employee Welfare	Resolution	Inmate Welfare	Supervisor Operating	Tax Collector Operating
REVENUES									
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Permits licenses, special assessments	-	-	-	-	-	-	-	-	-
Intergovernmental	281,972	-	17,769	-	-	-	-	-	-
Charges for services	223,986	101,614	1,871	-	-	598,952	-	-	-
Fines and forfeitures	87,927	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	5,680	1,202	154,667	117	-
Interest	141	-	7	-	-	-	-	-	6
Total revenues	594,026	101,614	19,647	-	5,680	600,154	154,667	117	6
EXPENDITURES									
Current expenditures									
General government	-	-	936,235	-	-	-	-	384,886	799,749
Public safety	-	-	-	-	7,088	10,689	68,291	-	-
Court related	585,411	-	-	-	-	-	-	-	-
Capital outlay									
Public safety	-	-	-	-	-	63,128	70,465	-	-
Total expenditures	585,411	-	936,235	-	7,088	73,817	138,756	384,886	799,749
Excess of revenues over (under) expenditures	8,615	101,614	(916,588)	-	(1,408)	526,337	15,911	(384,769)	(799,743)
OTHER FINANCING SOURCES (USES)									
Interfund transfers in	-	-	964,194	-	-	-	-	384,977	808,313
Interfund transfers out	-	-	(47,606)	-	-	(632,869)	(31,759)	(208)	(8,570)
Total other financing sources (uses)	-	-	916,588	-	-	(632,869)	(31,759)	384,769	799,743
Net change in fund balances	8,615	101,614	-	-	(1,408)	(106,532)	(15,848)	-	-
Fund balances at beginning of year	42,354	137,955	-	-	12,500	292,560	296,784	-	-
Fund balances at end of year	$ 50,969	$ 239,569	$ -	$ -	$ 11,092	$ 186,028	$ 280,936	$ -	$ -

(Continued)

See notes to financial statements.

Dixie County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended September 30, 2023 (Continued)

	Board of County Commissioners									
	Court Facility	E-911	Fine and Forfeiture	Fire District	Impact Fees	Law Enforcement	Law Library	Recreation	SHIP	Total Nonmajor Funds
REVENUES										
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 322,657	$ -	$ 322,657
Permits licenses, special assessments	-	-	-	1,404,982	186,659	-	-	-	-	1,591,641
Intergovernmental	-	74,086	-	457,958	-	-	-	125,754	350,000	1,307,539
Charges for services	46,782	151,593	24,818	740	-	56,522	93,123	64,258	-	1,364,259
Fines and forfeitures	-	-	-	-	-	5,116	-	-	-	93,043
Miscellaneous	-	-	11,220	10,725	-	-	-	2,090	39,932	225,633
Interest	349	211	32	1,377	7,083	(58)	21	728	1,472	11,369
Total revenues	47,131	225,890	36,070	1,875,782	193,742	61,580	93,144	515,487	391,404	4,916,141
EXPENDITURES										
Current expenditures										
General government	-	-	-	-	-	-	-	-	-	2,120,870
Public safety	-	268,192	50,551	1,942,894	9,286	25,943	-	-	-	2,382,934
Economic environment	-	-	-	-	-	-	-	-	402,537	402,537
Culture / recreation	-	-	-	-	-	-	-	504,252	-	504,252
Court related	21,084	-	-	-	-	-	451	-	-	606,946
Capital outlay										
Public safety	-	33,092	-	32,890	-	-	-	-	-	199,575
Culture / recreation	-	-	-	-	-	-	-	1,116	-	1,116
Debt service										
Principal	-	-	-	148,429	-	-	-	-	-	148,429
Interest	-	-	-	19,070	-	-	-	-	-	19,070
Total expenditures	21,084	301,284	50,551	2,143,283	9,286	25,943	451	505,368	402,537	6,385,729
Excess of revenues over (under) expenditures	26,047	(75,394)	(14,481)	(267,501)	184,456	35,637	92,693	10,119	(11,133)	(1,469,588)
OTHER FINANCING SOURCES (USES)										
Interfund transfers in	-	-	25,390	-	-	-	9,105	97,805	-	2,289,784
Interfund transfers out	-	-	-	(70,205)	-	-	-	(16,530)	-	(807,747)
Total other financing sources (uses)	-	-	25,390	(70,205)	-	-	9,105	81,275	-	1,482,037
Net change in fund balances	26,047	(75,394)	10,909	(337,706)	184,456	35,637	101,798	91,394	(11,133)	12,449
Fund balances at beginning of year	56,894	182,782	17,137	473,647	738,142	246,838	377	108,119	593,754	3,199,843
Fund balances at end of year	$ 82,941	$ 107,388	$ 28,046	$ 135,941	$ 922,598	$ 282,475	$ 102,175	$ 199,513	$ 582,621	$ 3,212,292

See notes to financial statements.

Dixie County, Florida
Combining Statement of Fiduciary Net Position
Custodial Funds
September 30, 2023

	Clerk of the Circuit Court								Sheriff			Tax Collector	
	Bond	Domestic Relations	Juror	Registry of Court	Tax Deed	Traffic	Trust	Witness	Cash Bond	Individual Depositors	Inmate Trust	Tax	Total Custodial Totals
ASSETS													
Cash	$ 28,591	$ 8,657	$ 85,200	$ 72,275	$ 589,151	$ 91,733	$ 458,426	$ 246	$ 1,190	$ 11,773	$ 53,099	$ 433,642	$ 1,833,983
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	11,764	11,764
Due from other funds	-	6,972	-	-	-	-	-	-	-	-	-	-	6,972
Due from other governmental units	-	-	-	-	480	-	15,861	-	-	-	-	-	16,341
Total assets	$ 28,591	$ 15,629	$ 85,200	$ 72,275	$ 589,631	$ 91,733	$ 474,287	$ 246	$ 1,190	$ 11,773	$ 53,099	$ 445,406	$ 1,869,060
LIABILITIES													
Accounts payable	$ -	$ 1,282	$ -	$ -	$ 8,372	$ 6,351	$ 13,120	166	0	$ -	15,716	$ -	$ 45,007
Due to other funds	-	-	-	-	-	15,805	371,774	-	-	-	-	-	387,579
Due to other governmental units	-	-	-	-	22,808	69,577	89,393	-	-	11,773	-	384,939	578,490
Other current liabilities	-	-	-	-	-	-	-	-	1,190	-	37,383	-	38,573
Total liabilities	-	1,282	-	-	31,180	91,733	474,287	166	1,190	11,773	53,099	384,939	1,049,649
NET POSITION													
Restricted - held for others	$ 28,591	$ 14,347	$ 85,200	$ 72,275	$ 558,451	$ -	$ -	$ 80	$ -	$ -	$ -	$ 60,467	$ 819,411

See notes to financial statements.

Dixie County, Florida
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended September 30, 2023

	Clerk of the Circuit Court								Sheriff			Tax Collector		
	Bond	Domestic Relations	Juror	Registry of Court	Tax Deed	Traffic	Trust	Witness	Cash Bond	Individual Depositors	Inmate Trust	Tax	Totals	Custodial Funds
ADDITIONS														
Funds held for others	$ 14,504	$ -	$ 45,674	$ -	$ 407,119	$ -	$ -	$ 2	$ -	$ -	$ 287,082	$ -	$ 754,381	$ 754,381
Cash bonds	-	-	-	-	-	-	-	-	13,351	-	-	-	13,351	13,351
Property taxes and licenses collected for other governmental units	-	-	-	-	-	-	-	-	-	-	-	19,848,210	19,848,210	19,848,210
Sheriff civil fees	-	-	-	-	-	-	-	-	-	51,161	-	-	51,161	51,161
Fines, fees and court costs and payments	-	59,628	-	801,408	-	454,614	1,741,258	-	-	-	-	-	3,056,908	3,056,908
Total additions	14,504	59,628	45,674	801,408	407,119	454,614	1,741,258	2	13,351	51,161	287,082	19,848,210	23,724,011	23,724,011
DEDUCTIONS														
Funds held for others	23,816	-	6,555	-	853,474	-	-	4	2,000	-	291,353	-	1,177,202	1,177,202
Cash bonds	-	-	-	-	-	-	-	-	11,941	-	-	-	11,941	11,941
Fines, fees and court costs and payments	-	42,148	-	801,393	-	454,614	1,741,258	-	-	-	-	-	3,039,413	3,039,413
Property taxes and licenses collected for other governmental units	-	-	-	-	-	-	-	-	-	-	-	19,802,409	19,802,409	19,802,409
Sheriff civil fees	-	-	-	-	-	-	-	-	-	51,161	-	-	51,161	51,161
Total deductions	23,816	42,148	6,555	801,393	853,474	454,614	1,741,258	4	13,941	51,161	291,353	19,802,409	24,082,126	24,082,126
Change in net position	(9,312)	17,480	39,119	15	(446,355)	-	-	(2)	(590)	-	(4,271)	45,801	(358,115)	(358,115)
Net position - beginning of year	37,903	(3,133)	46,081	72,260	1,004,806	-	-	82	590	-	4,271	14,666	1,177,526	1,177,526
Net position - end of year	$ 28,591	$ 14,347	$ 85,200	$ 72,275	$ 558,451	$ -	$ -	$ 80	$ -	$ -	$ -	$ 60,467	$ 819,411	$ 819,411

See notes to financial statements.

Supplementary Information

Schedule of Expenditures of Federal Awards and State Financial Assistance

Dixie County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2023

Federal Grantor/Pass Through Grantor Program Title	ALN#	GRANT #	AWARD AMOUNT	REPORTED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	MAJOR PROGRAM
FEDERAL AWARDS							
US DEPARTMENT OF THE TREASURY							
Passed through the Florida Department of Emergency Management							
American Resue Plan Act	21.027	1-1505-0271	$ 1,634,127	$ 713,386	$ 825,308	$ 825,308	
Passed though the State of Florida Department of Environmental Regulation							
State and Local Fiscal Recovery Funds	21.027	22FRP81	500,000	-	114,000	114,000	
US DEPARTMENT OF THE TRANSPORTATION							
Passed through the State of Florida Department of Transportation							
FAA Taxiway and Lighting Rehabilitation	20.106	3-12-0015-018-2022	1,679,948	-	1,287,117	1,287,117	*
FAA Taxilane	20.106	3-12-0015-019-2023	85,500	-	19,418	19,418	*
Airport Improvement Program- CARES	20.106	3-12-0015-014-2020	19,926	15,450	4,476	4,476	*
Airport Improvement Program- CARES	20.106	3-12-0015-016-2021	9,000	-	8,982	8,982	*
Highway Planning and Construction	20.205	G1I37	205,592	165,074	8,688	8,688	
Highway Planning and Construction	20.205	G2566	367,222	-	208,170	208,170	
US DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Health Resources and Services Administration							
Development and Coordination of Rural Health Services	93.223	GA1RH39548	234,201	-	169,493	169,493	
FEDERAL OFFICE OF CHILD SUPPORT ENFORCEMENT							
Passed through the Florida Department of Revenue							
Title IV-D Child Support Enforcement	93.563	COC23	99,905	-	99,905	99,905	
Total federal awards			**$ 4,835,421**	**$ 893,910**	**$ 2,745,557**	**$ 2,745,557**	

Dixie County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2023 (Continued)

State Grantor/Pass Through Grantor Program Title	CSFA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	MAJOR PROGRAM
STATE FINANCIAL ASSISTANCE							
Florida Division of Emergency Management							
Emergency Management Performance Grant 2022	31.063	A0266	$ 105,806	$ -	$ 87,976	$ 87,976	
Department of Environmental Protection							
Small County Solid Waste Grant Agreement	37.012	SC306	93,750	-	93,750	93,750	
State-wide Water Quality Restoration Projects	37.039	LPA0279	2,711,262	-	723,140	723,140	
Passed through Suwannee River Water Management District:							
Florida Springs Grant Program (Multi Basin Acquifer Recharge Project)	37.052	19/20/149 LPS0024	5,792,213	776,870	104,010	104,010	
Florida Housing Finance Corporation							
State Housing Initiatives Partnership Program	40.901		350,000	-	350,000	350,000	
Department of Health							
EMS Matching Grant	64.003	M3151	66,000	-	66,000	66,000	
Department of Agriculture and Consumer Services							
Arthropod Mosquito Control State Aid	42.003	29360	38,892	-	38,892	38,892	
Department of Financial Services							
Local Government Fire Service Grants	43.009	FM706	3,555,000	-	227,650	227,650	
Local Government Fire Service Grants	43.009	FM707	3,741,500	-	203,825	203,825	
Fire Decontamination Equipment Grant Program	43.013	FM733	6,843	-	6,843	6,843	
Florida Firefighter Assistance Grant Program	43.006	FM734	20,768	-	19,640	19,640	
Department of State							
State Aid to Libraries	45.03	23-ST-85	125,675	-	125,675	125,675	

Dixie County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2023 (Continued)

State Grantor/Pass Through Grantor Program Title	CSFA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	MAJOR PROGRAM
STATE FINANCIAL ASSISTANCE (continued)							
Florida Department of Transportation							
Aviation Grant Program							
Cross City Airport Design & Rehab R/W 4-22	55.004	G1267	$ 2,415,000	$ 329,027	$ 56,028	$ 56,028	
PTGA T-Hangars	55.004	G2H40	954,333	-	12,637	12,637	
Drainage Improvement Planning	55.004	G2H93	100,000	-	31,748	31,748	
Rehab Taxiway and Lighting	55.004	G2751	186,661	-	143,013	143,013	
Taxiway to T-Hangars	55.004	G2H39	70,667	-	2,158	2,158	
Small County Outreach Program							
N.E. 82nd Ave.	55.009	G2F86	2,389,589	-	134,178	134,178	*
CR 340	55.009	G1V56	3,593,490	-	2,992,465	2,992,465	*
NE 305TH Ave/443493-1	55.009	G1E46	1,375,000	965,535	211,176	211,176	*
Small County Road Assistance Program:							
CR 351	55.016	G2H32	3,000,000	-	216,000	216,000	*
NE 362 Ave,NE 364 Ave,NE 594,SR349	55.016	G1V55	1,600,000	113,500	805,772	805,772	*
Department of Law Enforcement							
Grill Guards	16.738	C-8C138	22,000	-	22,000	22,000	
Salary Assistance for Fiscally Constrained Counties	71.067	5V006	690,634	-	172,659	172,659	
Salary Assistance for Fiscally Constrained Counties	71.067	7G020	525,000	131,250	393,750	393,750	
Wireless 911 Board-911 Wireless State Funds							
Rural County Maintenance Grant	72.001	TC354	43,304	-	43,304	43,304	
Rural County Maintenance Grant	72.001	TC374	30,783	-	30,783	30,783	
Total state financial assistance			**$ 33,604,170**	**$ 2,316,182**	**$ 7,315,072**	**$ 7,315,072**	

Dixie County, Florida
Notes to the Schedule of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state award activity of the County under programs of the federal and state government for the year ended September 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulation Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General. Because this schedule presents only a selected portion of the operation of the County, it is not intended to and does not present the financial position or changes in net position of the County.

NOTE 2 – USE OF ESTIMATES

The preparation of this schedule requires management to make various estimates. Actual results could differ from those estimates.

NOTE 3 – INDIRECT COST RATE

The County did not elect to charge the 10% de minimis indirect cost rate allowed under the Uniform Guidance or any other indirect cost rate to any federal or state programs.

NOTE 4 – LOAN AND LOAN GUARANTEE PROGRAMS

The County does not participate in any loan or loan guarantee programs.

NOTE 5 – FEDERALLY FUNDED INSURANCE

The County does not receive any federally funded insurance.

NOTE 6 – NONCASH ASSISTANCE

The County did not receive or provide any noncash assistance related to Federal or State programs/projects.

NOTE 7 – SUBRECIPIENTS

No federal or state funds were passed through to subrecipients.

NOTE 8 – BASIS OF ACCOUNTING

This schedule was prepared on the accrual basis of accounting.

OTHER REPORTS AND LETTERS

Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

MANAGEMENT LETTER

The Honorable County Commissioners Dixie County, Florida

We have audited the financial statements of Dixie County, Florida (the County), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated August 5, 2024.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major State Project; Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Reports on examinations conducted in accordance with *AICPA Professional Standards*, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated August 5, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit report are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. See summary below for update on prior year findings.

Status of Prior Audit Findings:

Finding Number	FY 2023 Status
2017-003	Repeated as 2017-03
2022-001	Repeated as 2022-01

Financial Condition and Management

As required by the Rules of the Auditor General, the scope of our audit included a review of the provisions of Section 218.503, Florida Statutes, "Determination of Financial Emergency." In connection with our audit, we determined that the County has not met one or more of the conditions described in Section 218.503(1), Florida Statutes.

Also, as required by the Rules of the Auditor General, we applied financial condition assessment procedures, as of the end of the fiscal year, pursuant to Rule 10.556(8). It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by management. The application of such procedures did not reveal evidence of "deteriorating financial condition" as that term is defined in Rule 10.554.

Section 10.554(1)(i)(2), Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. We had no such recommendations required to be included herein.

Additional Matters

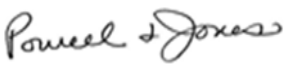
Section 10.554(2)(i)(3), Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we identified no additional matters.

As required by the Rules of the Auditor General, we performed separate audits of each of the County's constitutional officers. The comments included in those separately-issued reports should be considered in conjunction with this management letter.

Purpose of this Letter

This management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the County and its management, the Auditor General of the State of Florida, and Federal and other granting agencies, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



POWELL and JONES CPA
Lake City, Florida
August 5, 2024

Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

INDEPENDENT ACCOUNTANT'S REPORT ON EXAMINATION OF COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

To the Board of County Commissioners
and Constitutional Officers
Dixie County, Florida

We have examined Dixie County, Florida's (the County) compliance with the following requirements for the year ended September 30,2023:

1. Florida Statute 218.415 in regards to investments
2. Florida Statutes 28.35 and 28.36 in regards to certiain court-related functions
3. Florida Statutes 61.181 in regards to operation of a depository for alimony and child support
4. Florida Statutes 365.172 and 365.173 in regards to the E911 revenues and expenditures

Management is responsible for the County's and Clerk's respective compliance with those requirements. Our responsibility is to express an opinion on the County's and the Clerk's respective compliance based on our examinations.

Our examinations were conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the County's compliance with specified requirements.

In our opinion the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Board of County Commissioners of Dixie County, Florida, and its management, and is not intended to be, and should not be, used by anyone other than these specified

Powell & Jones

POWELL AND JONES CPA
Certified Public Accountants
August 5, 2024

Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable County Commissioners Dixie County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Dixie County, Florida (the "County"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated August 5, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify deficiencies in internal control, described in the accompanying schedule of audit findings and questioned costs as items 2017-003 and 2022-001 that we consider to be significant deficiencies.

Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts.

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our auditing procedures disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. We did identify certain other matters which are described in the accompanying schedule of findings and questioned costs as item 2017-003 and 2022-001.

County's Response to Findings

The County's response to the findings identified in our audit is described in its accompanying letter of response. The County's response was not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Powell & Jones

POWELL AND JONES CPA
Lake City, Florida
August 5, 2024

Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE *UNIFORM GUIDANCE*

To the Board of County Commissioners
and Constitutional Officers
Dixie County, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Dixie County, Florida's compliance with the types of compliance requirements described in the *0MB Uniform Supplement t*hat could have a direct and material effect on each of the Dixie County, Florida's major federal programs for the year ended September 30, 2023. Dixie County, Florida's major federal programs are identified in the summary of auditor's results in the accompanying schedule of findings and questioned costs for Federal Awards Programs.

In our opinion, Dixie County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than not detecting material noncompliance resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant

deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



POWELL and JONES CPA
Lake City, Florida
August 5, 2024

Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

To the Board of County Commissioners
and Constitutional Officers
Dixie County, Florida

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited the compliance of Dixie County, Florida with the types of compliance requirements described in the State of Florida, Department of Financial Services State Projects Compliance and Supplement, that could have a direct and material effect on its major State project for the year ended September 30, 2023. Dixie County, Florida's major State projects are identified in the summary of auditors' results section of the accompanying Schedule of Findings.

In our opinion, Dixie County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major State projects for the fiscal year ended September 30, 2023.

Basis for Opinion on Each Major State Project

We conducted our audit of compliance in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state project. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state projects.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's state projects

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than noncompliance that results from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major state project as a whole.

In performing an audit in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state project will not

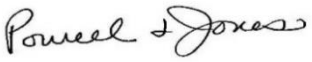
be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a

type of compliance requirement of a state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Pursuant to Chapter 119, *Florida Statutes*, this report is a public record, and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this report is intended solely for the information and use of the County's management, State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Powell and Jones CPA
Lake City, Florida
August 5, 2024

Dixie County, Florida
Schedule of Findings and Questioned Costs
September 30, 2023

Summary of Auditor's Results

Financial Statements	
Type of auditor's report issued:	Unmodified
Internal Control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	Yes
Noncompliance material to financial statements noted?	None reported
Federal Awards	
Internal control over major federal programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2CFR200.516(a)	No
Identification of major programs:	

Assistance Listing Number	Name of Federal Programs
20.106	Airport Improvement Program

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	No
State Financial Assistance	
Internal control over major state projects:	
Material weaknesses identified?	No
Significant deficiences identified?	None reported
Type of auditor's report issued on compliance for major state projects:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.557, Rules of the Auditor General?	No
Identification of major projects:	

CSFA Number	Name of State Projects
55.009	Small County Outreach Program
55.016	Small County Road Assistance Program

Dollar threshold used to distinguish between Type A and Type B projects:	$750,000

(Continued)

FINANCIAL STATEMENT FINDINGS

Board of County Commissioners

Significant deficiencies

2017-003 Physical Asset & Inventory Counts (previously 2016-003 and 2015-003)

Criteria: Per rule 69I-73.006, Florida Administrative Code, management is required to perform a physical inventory count of all tangible property.
Condition: The County did not perform a physical inventory count of tangible assets in the current year.
Cause: The staffing levels are not sufficient to perform the physical inventory count.
Effect: The risk of inaccuracies in the tangible property records is enhanced.

Clerk of Courts

Significant deficiencies

2022-001 Custodial Funds Schedules (Second year repeat finding)

Criteria – The custodial funds managed by the Clerk of Court's Office should have schedules kept on behalf of individuals to properly account for amounts held and disbursed in the custodial funds.
Condition – The Clerk of Court's Office does not carry any updated schedules that account for money held by individuals in the tax deed fund, cash bond fund, witness clerk fund, or juror fund.
Cause – The finance staff failed to properly complete and update these reports. Additionally, a documented review did not take place in which the reports were reconciled to the accounting records.
Effect – This condition can lead to noncompliance in reporting accurate and complete information, incorrect settle-up calculations, and can also result in future complications regarding money held for individuals that was not properly accounted for.
Recommendation — The Office should make a better effort to account for the transaction activity in the custodial funds and create schedules of balances held for individuals and reconcile them on at least a quarterly basis.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

None.

Clerk of the Circuit Courts Dixie County
Barbara Higginbotham

August 30,2024

Honorable Sherrill F. Norman
Auditor General, State of Florida
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

IN RE: RESPONSE TO AUDIT OF THE DIXIE COUNTY CLERK OF THE CIRCUIT COURT FOR THE FISCAL PERIOD ENDING SEPTEMBER 30, 2023.

Dear Ms. Norman:

As Clerk of the Circuit Court of Dixie County, Florida, I hereby submit my responses to the above referenced audit prepared by the firm of Powell and Jones, 1359 SW Main Blvd., Lake City, Florida 32025.

SCHEDULE OF FINDINGS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023
DIXIE COUNTY CLERK OF THE CIRCUIT COURT

2022-001

Criteria – The custodial funds managed by the Clerk of Court's Office should have schedules kept on behalf of individuals to properly account for amounts held and disbursed in the custodial funds.

Condition — The Clerk of Court's Office does not carry any updated schedules that account for money held by individuals in the tax deed fund, cash bond fund, witness fund or juror fund.

Cause – The finance staff failed to properly complete and update these reports. Additionally, a documented review did not take place in which the reports were reconciled to the accounting records.

Effect – This condition can lead to noncompliance in reporting accurate and complete information, incorrect settle-up calculations, and can also result in future complications regarding money held for individuals that was not properly accounted for.

Recommendation — The Office should make a better effort to account for the transaction activity in the custodial funds and create schedules of balances held for individuals and reconcile them on at least a quarterly basis.

Response- Our office has completed researching, reviewing, and reconciling the Tax Deed Funds and the Cash Bond Fund . These funds had to be researched back over 20 years. We are currently working on the other funds in question.

Respectfully submitted,

Barbara Higginbotham

Clerk of Court of Dixie County, Florida

214 NE Hwy 351, P.O. Box 1206, Cross City, Florida 32628 Phone #352-498-1200 Fax #352-498-1201

56 NE 210 Avenue
Post Office Box 2600
Cross City, Florida 32628

County Manager Office
Phone: (352)498-1426
Fax: (352)498-1277

DIXIE COUNTY BOARD OF COUNTY COMMISSIONERS

August 30,2024

Honorable Sherrill F. Norman
Auditor General, State of Florida
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

IN RE: RESPONSE TO AUDIT OF THE DIXIE COUNTY BOARD OF COUNTY COMMISSIONERS FOR THE FISCAL PERIOD ENDING SEPTEMBER 30, 2023.

Dear Ms. Norman:

I hereby submit to you my response to the above referenced audit as prepared by the firm of Powell & Jones, 1359 S.W. Main Boulevard, Lake City, Florida 32025.

FINANCIAL STATEMENT FINDINGS

2017-003 Physical Asset & Inventory Counts (previously 2016-003 and 2015-003)

Criteria: Per rule 69I-73.006, Florida Administrative Code, management is required to perform a physical inventory count of all tangible property.

Condition: The County did not perform a physical inventory count of tangible assets in the current year.

Cause: The staffing levels are not sufficient to perform the physical inventory count.

Effect: The risk of inaccuracies in the tangible property records is enhanced.

Response: Every effort will be made to perform the inventory and update our records.

Respectfully submitted,
Barbara Higginbotham
Clerk of Court
Dixie County, Florida

AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Barbara Higginbotham, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of Dixie County, Florida which is a local governmental entity of the State of Florida;
2. The governing body of the Board of County Commissioners of Dixie County adopted Ordinance No. 2009-01A implementing an impact fee; and
3. The Board of County Commissioners of Dixie County has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Barbie Higginbotham

Clerk of Court

State of Florida

County of Dixie

SWORN TO AND SUBSCRIBED before me this 28th day of August , 2024

Verna Mae N Wilson

NOTARY PUBLIC

Print Name Verna Mae Wilson

Personally known ✓ or produced identification ____

Type of Identification produced:_____

My Commission Expires:

VERNA MAE WILSON
MY COMMISSION # HH 161873
EXPIRES: December 4, 2025
Bonded Thru Notary Public Underwriters

Dixie County
Clerk of the Circuit Court

Audit Report
September 30, 2023

Dixie County Clerk
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Year Ended September 30, 2023

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Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

INDEPENDENT AUDITOR'S REPORT

To the Honorable Clerk of the Circuit Court, Barbie Higginbotham
Dixie County, Florida

Opinions

We have audited the accompanying financial statements of the major funds and aggregate remaining fund information of Dixie County, Florida Clerk of the Circuit Court (the "Clerk of the Court"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk of the Court's basic financial statements as listed in the table of contents. In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major funds and aggregate remaining fund information of the Clerk of the Court, as of September 30, 2023, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Dixie County Clerk of the Court and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The accompanying financial statements were prepared for the purpose of complying with Section 218.39(8), Florida Statues, and Rule 10.557(5) of Chapter 10.550, Rules of the Auditor General -Local Governmental Entity Audits. As described in Note 1 to the financial statements, the Clerk of the Circuit Court is part of the reporting for Dixie County, Florida. Accordingly, these financial statements are not a complete presentation of the reporting entity's basic financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk of the Court's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clerk of the Court's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk of the Court's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

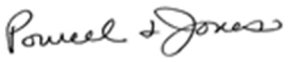
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the combining fund financial statements and our auditor's report thereon. Our opinions on the combining fund financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the combining fund financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the combining fund financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report August 5, 2024 on our consideration of the Clerk of the Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clerk of the Court's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in the Clerk of the Court's internal control over financial reporting and compliance.



POWELL AND JONES CPA
Lake City, Florida
August 5, 2024

Dixie County Clerk of the Circuit Court
Balance Sheet – Governmental Funds
September 30, 2023

	Operating Fund	Court Fund	Records Modernization Trust	Totals
ASSETS				
Current assets				
Cash	$ 102,425	$ 245,288	$ 103,409	$ 451,122
Accounts receivable				
Due from other funds	415,548	-	136,160	551,708
Due from other governmental units	54,309	-	-	54,309
Total assets	$ 572,282	$ 245,288	$ 239,569	$ 1,057,139
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	$ 5,987	$ 4,369	$ -	$ 10,356
Accrued liabiities	11,405	10,595	-	22,000
Due to other funds	74,954	179,355	-	254,309
Due to other governmental units	436,118	-	-	436,118
Total liabilities	528,464	194,319	-	722,783
FUND BALANCES				
Restricted	43,818	50,969	239,569	334,356
Total fund balances	43,818	50,969	239,569	334,356
Total liabilities and fund balance	$ 572,282	$ 245,288	$ 239,569	$ 1,057,139

Dixie County Clerk of the Circuit Court
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended September 30, 2023

	Operating Fund	Court Fund	Records Modernization Trust	Totals
REVENUES				
Intergovernmental	$ 99,381	$ 281,972	$ -	$ 381,353
Charges for services	524,433	223,986	101,614	850,033
Fines	-	87,927	-	87,927
Miscellaneous	9,716	-	-	9,716
Interest	202	141	-	343
Total revenues	633,732	594,026	101,614	1,329,372
EXPENDITURES				
Current expenditures				
General government	620,978	-	-	620,978
Court related	-	585,411	-	585,411
Total expenditures	620,978	585,411	-	1,206,389
Excess of revenues over (under) expenditures	12,754	8,615	101,614	122,983
OTHER FINANCING SOURCES (USES)				
Transfer from Board of County Commissioners, net	18,315	-	-	18,315
Total other financing sources (uses)	18,315	-	-	18,315
Net change in fund balances	31,069	8,615	101,614	141,298
Fund balances at beginning of year	$ 12,749	$ 42,354	$ 137,955	$ 193,058
Fund balances at end of year	$ 43,818	$ 50,969	$ 239,569	$ 334,356

See notes to financial statements.

Dixie County Clerk of the Circuit Court
Statement of Fiduciary Net Position
September 30, 2023

		Custodial Funds
ASSETS		
Cash	$	1,334,279
Due from other funds		6,972
Due from other governmental units		16,341
Total assets	$	2,261,199
LIABILITIES		
Accounts payable	$	29,291
Due to other funds		387,579
Due to other governmental units		181,778
Total liabilities		1,103,200
NET POSITION		
Restricted - held for others	$	758,944

See notes to financial statements.

Dixie County Clerk of the Circuit Court
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended September 30, 2023

		Custodial Funds
ADDITIONS		
Funds held for others	$	467,299
Fines, fees and court costs and payments		3,056,908
Total additions	$	3,136,318
DEDUCTIONS		
Funds held for others	$	883,849
Fines, fees and court costs and payments		3,039,413
Total deductions		2,659,455
Change in net position		(399,055)
Net position - beginning of year		1,157,999
Net position - end of year Restricted Held for Others	$	758,944

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Dixie County Clerk of the Circuit Court (the "Office") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Clerk of the Circuit Court is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Dixie County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office's financial statements are financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column.

The Office reports the following major governmental funds:

Operating Fund – The Operating Fund is the primary operating fund of the Clerk's Office. It is used to account for and report all financial resources not accounted for and reported in another fund.

Court Fund – The Court Fund is used to account for court related activities funded by state appropriations and court-related fees and service charges.

Records Modernization Trust Fund – The Records Modernization Trust Fund is used to account for fees and fines collected and expenditures related to the upgrade and modernization of the official records of the County, and to fund court technology and other court-related expenditures.

Additionally, the Office reports the following fiduciary funds:

Custodial Funds – Custodial Funds are used to account for assets held in a custodial capacity. Custodial funds are fiduciary in nature and used to account for assets held for the benefit of other governments or individuals.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resource's measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term liabilities are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Capital Assets and Long-Term Liabilities

Because of the current financial resource's measurement focus, the accompanying fund financial statements do not report capital assets or long-term liabilities. Such amounts are instead reported in the government-wide financial statements of the County.

Cash and Equivalents

All cash and equivalents are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security for Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year. All the deposits of the Office are entirely collateralized pursuant to Chapter 280, Florida Statutes.

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. The fund balance classifications specified in GASB Statement No. 54 are as follows:
Non-spendable Fund Balance **– Non-spendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.**

Restricted Fund Balance **– Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.**

Committed Fund Balance **– Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.**

Assigned Fund Balance **– Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.**

Unassigned Fund Balance **– Unassigned fund balance is the residual classification for the General Fund or negative balance in a special revenue fund.**

The Office's policy is to expend resources in the following order: restricted, committed, assigned and unassigned.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 2 – INTERFUND BALANCES

On September 30, 2023, interfund balances consisted of:

	Due from	Due to
Clerk operating fund	$ 74,954	$ 415,548
Court fund	179,355	-
Public Records modernization trust	-	136,164
Agency funds:		
General trust	297,403	75,523
Traffic	75,523	-
Total	$ 627,235	$ 627,234

The interfund balances above arose during the normal course of operations of the Office. All interfund balances are expected to be liquidated fully within the subsequent fiscal year.

NOTE 3 – COMPENSATED ABSENCES

The Clerk's liability for compensated absences is reported as noncurrent liabilities in the records of Dixie County as a whole. Because of their spending measurement focus, expenditure recognition for governmental funds is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities. The following is a summary of changes in compensated absences for the year ended September 30, 2023:

	Balance October 1, 2022	Additions	Deductions	Balance September 30, 2023
Compensated absences	$ 13,833	$ -	$ 982	$ 12,851
Total	$ 13,833	$ -	$ 982	$ 12,851

NOTE 4 - DEFINED BENEFIT PENSION PLAN

Plan Description - The Tax Collector contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System was employee noncontributory through June 30, 2011. Effective July 1, 2011, employees were required to contribute 3% of their gross wages. The Clerk of Courts is required to contribute at an actuarially determined rate. The rates from October 1, 2022 through June 30, 2023 and from July 1, 2023 through September 30, 2023, were as follows:

Class	October 1, 2022 - June 30, 2023	July 1, 2023 - September 30, 2023
Regular Class	11.91%	13.57%
Special Risk Class	27.83%	32.67%
Special Risk Administrative Support	38.65%	39.82%
County Elected Officers	43.77%	44.89%
Senior Management Class	31.57%	34.52%
Deferred Retirment Option Program (DROP)	18.60%	21.13%

The contribution requirements of plan members and the Clerk are established and may be amended by the Florida Legislature. The Clerk's contributions to the System for the years ending September 30, 2023, were $164,425, equal to the required contributions for each year.

Required Supplementary Information

Dixie County Clerk of the Circuit Court

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Operating Fund
Year ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ 106,006	$ 106,006	$ 99,381	$ (6,625)
Charges for Services	501,312	501,312	524,433	23,121
Miscellaneous	-	-	9,716	9,716
Interest	295	295	202	(93)
Total revenues	607,613	607,613	633,732	26,119
EXPENDITURES				
Current expenditures				
General government	591,037	591,037	620,978	29,941
Total expenditures	591,037	591,037	620,978	29,941
Excess of revenues over expenditures	16,576	16,576	12,754	(3,822)
OTHER FINANCING SOURCES (USES)				
Interfund transfers net	18,315	18,315	18,315	-
Total other financing sources (uses)	18,315	18,315	18,315	-
Net change in fund balance	34,891	34,891	31,069	(3,822)
Fund balance at beginning of year	12,749	12,749	12,749	12,749
Fund balance at end of year	$ 47,640	$ 47,640	$ 43,818	$ 8,927

See notes to financial statements.

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Dixie County Clerk of the Circuit Court

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Court Fund
Year ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ -	$ -	$ 281,972	$ 281,972
Charges for services	-	-	223,986	223,986
Interest	-	-	141	141
Total revenues	-	-	594,026	594,026
EXPENDITURES				
Current expenditures				
Court-related	-	-	585,411	(585,411)
Total expenditures	-	-	585,411	(585,411)
Excess of revenues over expenditures	-	-	8,615	8,615
balance	-	-	8,615	8,615
Fund balance at beginning of year	-	-	42,354	42,354
Fund balance at end of year	$ -	$ -	$ 50,969	$ 50,969

See notes to financial statements.

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. Pursuant to Section 28.36, Florida Statutes, the budget is subject to the General Appropriations Act of the Florida Legislature. The State of Florida releases this appropriation on a monthly basis. The fund is the legal level of control.

Dixie County Clerk of the Circuit Court

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Records Modernization Trust Fund
Year ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Charges for services	$ -	$ -	$ 101,614	$ 101,614
Total revenues	-	-	101,614	101,614
Excess of revenues over expenditures	-	-	101,614	101,614
Net change in fund balance	-	-	101,614	101,614
Fund balance at beginning of year	-	-	137,955	137,955
Fund balance at end of year	$ -	$ -	$ 239,569	$ 239,569

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

SUPPLEMENTARY INFORMATION

Dixie County Clerk of the Circuit Court
Combining Statement of Fiduciary Net Position
Custodial Funds
September 30, 2023

	Bond	Domestic Relations	Juror	Registry of Court	Tax Deed	Traffic	Trust	Witness	Total
ASSETS									
Cash	$ 28,591	$ 8,657	$ 85,200	$ 72,275	$ 589,151	$ 91,733	$ 458,426	$ 246	$ 1,334,279
Due from other funds	-	6,972	-	-	-	-	-	-	6,972
Due from other governmental units	-	-	-	-	480	-	15,861	-	16,341
Total assets	$ 28,591	$ 15,629	$ 85,200	$ 72,275	$ 589,631	$ 91,733	$ 474,287	$ 246	$ 1,357,592
LIABILITIES									
Accounts payable	$ -	$ 1,282	$ -	$ -	$ 8,372	$ 6,351	$ 13,120	$ 166	$ 29,291
Due to other funds	-		-	-	-	15,805	371,774	-	387,579
Due to other governmental units	-	-	-	-	22,808	69,577	89,393	-	181,778
Total liabilities	-	1,282	-	-	31,180	91,733	474,287	166	598,648
NET POSITION									
Restricted - held for others	$ 28,591	$ 14,347	$ 85,200	$ 72,275	$ 558,451	$ -	$ -	$ 80	$ 758,944

See notes to financial statements.

Dixie County Clerk of the Circuit Court
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
September 30, 2023

	Bond	Domestic Relations	Juror	Registry of Court	Tax Deed	Traffic	Trust	Witness	Totals
ADDITIONS									
Funds held for others	$ 14,504	$ -	$ 45,674	$ -	$ 407,119	$ -	$ -	$ 2	$ 467,299
Fines, fees and court costs and payments	-	59,628	-	801,408	-	454,614	1,741,258	-	3,056,908
Total additions	14,504	59,628	45,674	801,408	407,119	454,614	1,741,258	2	3,524,207
DEDUCTIONS									
Funds held for others	23,816	-	6,555	-	853,474	-	-	4	883,849
Fines, fees and court costs and payments	-	42,148	-	801,393	-	454,614	1,741,258	-	3,039,413
Total deductions	23,816	42,148	6,555	801,393	853,474	454,614	1,741,258	4	3,923,262
Change in net position	(9,312)	17,480	39,119	15	(446,355)	-	-	(2)	(399,055)
Net position - beginning of year	37,903	(3,133)	46,081	72,260	1,004,806	-	-	82	1,157,999
Net position - end of year Restricted Held for Other	$ 28,591	$ 14,347	$ 85,200	$ 72,275	$ 558,451	$ -	$ -	$ 80	$ 758,944

See notes to financial statements.

Additional Elements Required by the Rules of the Auditor General

MANAGEMENT LETTER

To the Honorable Clerk of the Circuit Court, Barbie Higginbotham
Dixie County, Florida

We have audited the financial statements of the office of the Dixie County Clerk of the Circuit Court (the "Office"), as of and for the year ended September 30, 2023, and have issued our report thereon dated August 5, 2024. That report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards; and Independent Accountant's Report on examinations conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated August 5, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Prior audit findings 2017-003, 2017-008; 2017-009 are repeated in the accompanying schedule of findings.

Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we do not have any recommendations.

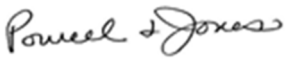
Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attentions of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Dixie County Clerk of the Circuit Court, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



POWELL AND JONES CPA
Lake City, Florida
August 5, 2024

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Clerk of the Circuit Court, Barbie Higginbotham
Dixie County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the office of the Dixie County Clerk of the Circuit Court (the "Office"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated August 5, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

We consider the deficiencies described in the accompanying schedule of findings as items 2017-008 and 2017-009 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

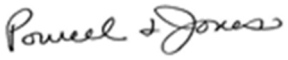
The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2017-008 and 2017-009.

The Office's Response to Findings

The Office's response to the findings identified in our audit is described in its accompanying letter of response. The Office's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



POWELL AND JONES CPA
Lake City, Florida
August 5, 2024

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Clerk of the Circuit Court, Barbie Higginbotham
Dixie County, Florida

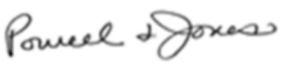
We have examined the office of the Dixie County Clerk of the Circuit Court's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, Local Government Investment Policies, during the year ended September 30, 2023. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements during year ended September 30, 2023.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.



POWELL AND JONES CPA
Lake City, Florida
August 5, 2024

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTIONS 28.35 AND 28.36, FLORIDA STATUTES

To the Honorable Clerk of the Circuit Court, Barbie Higginbotham
Dixie County, Florida

We have examined the office of the Dixie County Clerk of the Circuit Court's (the "Office") compliance with the requirements of Section 28.35, Florida Statutes, Florida Clerks of Court Operations Corporation, and Section 28.36, Florida Statutes, Budget Procedure, for the year ended September 30, 2023. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

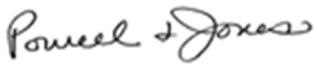
Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

Our examination disclosed material noncompliance with the aforementioned requirements, described in the accompanying schedule of findings as items 2017-009, applicable to the Office during the year ended September 30, 2023. These conditions were considered in determining the nature, timing, and extent of audit tests applied in our audit of the 2022 financial statements, and this report does not affect our report dated August 5, 2024, on those financial statements.

In our opinion, because of the effect of the noncompliance described in the preceding paragraph, the Office has not complied with the aforementioned requirements during the year ended September 30, 2023.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.



POWELL AND JONES CPA
Lake City, Florida
August 5, 2024

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 61.181, FLORIDA STATUTES

To the Clerk of the Circuit Court
Dixie County, Florida

We have examined the office of the Dixie County Clerk of the Circuit Court's compliance with the requirements of Section 61.181, Florida Statutes, Depository for Alimony Transactions, Support, Maintenance, and Support, Payments; Fees, for the year ended September 30, 2023. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2023.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Powell & Jones

POWELL AND JONES CPA
Lake City, Florida
August 5, 2024

2017-003 (Reported in the preceding audit reports as items 2017-003 and 2016-003.)

Criteria – Cash on deposit should be reconciled to the bank balance.

Condition — The Office's subsidiary ledgers for its Registry Fund, Cash Bonds Fund and the Tax Deed Fund were improved during the year but still do not reconcile to the amount of cash on deposit in the bank.

Cause – The responsible personnel did not perform accurate or timely reconciliations, resulting in large unreconciled differences.

Effect – This condition can lead to improper distribution of funds held in agency.

Recommendation — The Office should continue its efforts to identify funds held in custodial capacity and consult with legal counsel as to the disposition of any unidentified funds.

Current Status – This finding was substantially corrected.

2017-008 **Criteria –** The reversion to the Dixie County BOCC at fiscal year-end should be in accordance with Section 218.36 Florida Statutes.

Condition — The Office did not keep an accurate accounting of all fees and expenditures in the General Fund and as such did not calculate the correct reversion to the Board of County Commissioners.

Cause – As per the cause in findings 2017-004, revenues and expenditures were not complete for the period and resulted in an incorrect calculation.

Effect – This condition can lead to material noncompliance as well as material misstatement in ending fund balance, accounts payable, and other financing uses.

Recommendation — In addition to the recommendations indicated at findings 2017-004, the Office should implement monitoring activities to ensure that revenues and expenditures are complete.

Current year status – **This finding was substantially corrected by the end of the year under audit.**

2017-009 **Criteria –** The Expenditure and Collection Report (the "EC Report") reported monthly to the CCOC should be prepared so that it agrees to the underlying accounting records.

Condition — The Office did not complete the FY17-19 EC Reports correctly. Jury expenditures were "double counted" in certain months and other expenditures that should have been accrued and recorded on the EC Report were not.

Cause – The finance staff were not adequately trained or experienced to properly complete this report. Additionally, a documented review was not taking place in which the report is reconciled to the accounting records prior to submission.

Effect – This condition can lead to noncompliance in reporting accurate and complete information to the CCOC, incorrect settle-up calculations, and can also result in future budget request shortages if all expenditures are not reported.

Recommendation — The Office should train employees to complete the EC Report correctly. It should also implement a review (with signature and date) to document that the reviewer was able to reconcile the report to the accounting records each month.

Current year status – **This finding was substantially corrected by the end of the year under audit.**

2022-001 **Criteria** – The custodial funds managed by the Clerk of Court's Office should have schedules kept on behalf of individuals to properly account for amounts held and disbursed in the custodial funds.

Condition – The Clerk of Court's Office does not carry any schedules that accounts for money held by individuals in the tax deed fund, cash bond fund, witness clerk fund, or juror fund.

Cause – The finance staff failed to properly complete these reports. Additionally, a documented review did not take place in which the reports were reconciled to the accounting records.

Effect – This condition can lead to noncompliance in reporting accurate and complete information, incorrect settle-up calculations, and can also result in future complications regarding money held for individuals that was not properly accounted for.

Recommendation — The Office should make a better effort to account for the transaction activity in the custodial funds and create schedules of balances held for individuals and reconcile them on at least a quarterly basis.

Dixie County
Property Appraiser

Audit Report
September 30, 2023

Dixie County Property Appraiser

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September 30, 2023

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Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

The Honorable Robert Lee
Property Appraiser
Dixie County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the major fund of Dixie County, Florida Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund of the Property Appraiser, as of September 30, 2023, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Dixie County Property Appraiser and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The accompanying financial statements were prepared for the purpose of complying with Section 218.39(8), Florida Statues, and Rule 10.557(5) of Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Tax Collector is part of the reporting for Dixie County, Florida. Accordingly, these financial statements are not a complete presentation of the reporting entity's basic financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Property Appraiser's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Property Appraiser's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Property Appraiser's ability to continue as a going concern for a reasonable period of time.

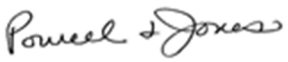
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 5, 2024 on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Property Appraiser's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in the Property Appraiser's internal control over financial reporting and compliance.



Powell and Jones CPA
Lake City, FL
August 5, 2024

FINANCIAL STATEMENTS

Dixie County Property Appraiser
Balance Sheet – General Fund
September 30, 2023

		Operating Fund
Assets		
Cash and equivalents	$	61,944
Other current assets		203
Total assets	$	62,147
Liabilities and fund balance		
Liabilities:		
Accounts payable	$	1,810
Accrued payroll liabilities		12,730
Due to other county agencies		47,607
Total Liabilities		62,147
Fund Balance		-
Total liabilities and fund balance	$	62,147

Dixie County Property Appraiser
Statement of Revenues, Expenditures, and Changes in Fund Balance – General Fund
September 30, 2023

	Operating Fund
Revenues	
Intergovernmental	17,769
Charges for services	1,871
Miscellaneous revenue	7
Total Revenues	19,647
Expenditures	
Current:	
General government services	936,234
Total expenditures	936,234
Deficit of revenues under expenditures	(916,587)
Other financing sources	
Appropriation from board of county commissioners	964,194
Reversion to board of county commissioners	(47,607)
Total other financing sources	916,587
Net change in fund balance	-
Fund Balance - October 1, 2022	-
Fund Balance - September 30, 2023	$ -

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the Dixie County, Florida Property Appraiser (the Property Appraiser).

A. Reporting Entity - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39, "Determining Whether Certain Organizations are Component Units an Amendment of GASB Statement 14," establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

The Property Appraiser, as established by Article VIII of the Constitution of the State of Florida, is an elected official of Dixie County, Florida (the County). Although the Property Appraiser's Office is operationally autonomous from the County, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Property Appraiser is reported as a part of the primary government of the County. The Property Appraiser's financial statements do not purport to reflect the financial position or the results of operations of the County, taken as a whole.

The financial statements of the Property Appraiser are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

B. Fund Accounting - Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund entity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds and account group utilized by the Property Appraiser are as follows:

(i) **Governmental Fund**

General Fund - The General Fund of the Property Appraiser is used to account for all financial resources, which are generated from operations of the office or any other resources not required to be accounted for in another fund.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) nonspendable in form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Property Appraiser's highest level of decision-making authority, which is a policy of the Property Appraiser. Committed amounts cannot be used for any other purpose unless the Property Appraiser removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Property Appraiser's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amount to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General fund.

The Property Appraiser's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

C. Basis of Accounting - The "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Property Appraiser currently maintains its accounting records on the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred.

D. Budget - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriations budget, which includes the operating budget of the Property Appraiser. The Property Appraiser's budget is also subject to approval by the Florida Department of Revenue.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Property Appraiser, which was amended during the year.

E. Cash and Investments - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2023, the book balance of the Property Appraiser's deposits was $61,944. The total bank balance was covered by federal depository insurance.

F. Inventories - It is the policy of the Property Appraiser to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

G. Fixed Assets - Fixed assets used in the Property Appraiser's operations are accounted for in the County's general fixed assets accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Depreciation on equipment is provided on the straight-line basis over useful lives of three to twelve years.

H. Compensated Absences - The Property Appraiser follows generally accepted accounting principles in accounting for accrued compensated absences. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid by the Property Appraiser and this practice is expected to continue in the future. The Property Appraiser maintained compensated absence records for the hours earned, used and available. As of September 30, 2023, the balance of compensated absences is $30,688.

I. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

J. Risk Management - The Property Appraiser is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others.

The Property Appraiser directly purchases insurance and participates in the risk management program through the County, which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

NOTE 3. PENSION PLAN

Plan Description - The Property Appraiser contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System is employee non-contributory through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their gross wages. The employer rates at September 30, 2023 were as follows:

Class	October 1, 2022 - June 30, 2023	July 1, 2023 - September 2023
Regular Class	11.91%	13.57%
Special Risk Class	27.83%	32.67%
Special Risk Class Administrative Support	38.65%	39.82%
County Elected Officers	57.00%	58.68%
Senior Management class	31.57%	34.52%
Deferred Retirement Option Program (DROP)	18.60%	21.13%

The contribution requirements of plan members and the Property Appraiser are established and may be amended by the Florida Legislature. The Property Appraiser's contributions to the System for the years ending September 30, 2023, 2022 and 2021 were $141,161, $121,056 and $108,629 respectively equal to the required contributions for each year.

REQUIRED SUPPLEMENTARY INFORMATION

Dixie County Property Appraiser
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual – Operating Fund
Year Ended September 30, 2023

	Operating Fund
Revenues	
Intergovernmental	17,769
Charges for services	1,871
Miscellaneous revenue	7
Total Revenues	19,647
Expenditures	
Current:	
General government services	936,234
Total expenditures	936,234
Deficit of revenues under expenditures	(916,587)
Other financing sources	
Appropriation from board of county commissioners	964,194
Reversion to board of county commissioners	(47,607)
Total other financing sources	916,587
Net change in fund balance	-
Fund Balance - October 1, 2022	-
Fund Balance - September 30, 2023	$ -

Additional Elements Required by the Rules of the Auditor General

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Property Appraiser, Robert Lee
Dixie County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the of the Dixie County, Florida Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements, and have issued our report thereon dated August 5, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Property Appraiser's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of the Property Appraiser's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

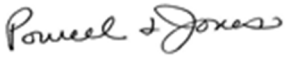
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Property Appraiser's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



POWELL AND JONES CPA
August 5, 2024

MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL

Honorable Property Appraiser, Robert Lee
Dixie County, Florida

We have audited the financial statements of the Dixie County, Florida Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2023, and have issued our report thereon dated August 5, 2024.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated August 5, 2024. Disclosures in that report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

FINANCIAL COMPLIANCE MATTERS

Financial Emergency Status – We have determined that the Property Appraiser did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)5.b. and 10.556(8)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

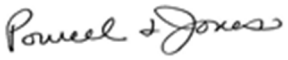
Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.554(1)(f).

Financial Management – Section 10.554(1)(i)2., Rules of the Auditor General requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters – Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we found no such compliance-related issues.

CONCLUSION

We have reviewed information regarding our audit with the Property Appraiser and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Office. We appreciate the overall high quality of the financial records and personnel in the Property Appraiser's Office. We also appreciate the helpful assistance and courtesy afforded us by these employees.



POWELL AND JONES CPA
Lake City, FL
August 5, 2024

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, *FLORIDA STATUTES, REGARDING INVESTMENT OF PUBLIC FUNDS*

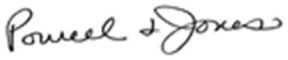
To The Property Appraiser, Robert Lee
Dixie County, Florida

We have examined the Dixie County, Florida Property Appraiser's (the Property Appraiser) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Property Appraiser's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Property Appraiser's compliance with specified requirements.

In our opinion, the Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

This report is intended solely for the information and use of the Dixie County, Florida Property Appraiser, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



Powell and Jones CPA
Lake City, FL
August 5, 2024

Dixie County Sheriff

Audit Report

September 30, 2023

DIXIE COUNTY SHERIFF

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Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

INDEPENDENT AUDITORS' REPORT

To the Honorable Sheriff Darby Butler
Dixie County, Florida

Opinions

We have audited the accompanying financial statements of the major funds and aggregate remaining fund information of the Dixie County, Florida Sheriff (the Sheriff), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major funds and aggregate remaining fund information of the Sheriff, as of September 30, 2023, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America (US GAAP).

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sheriff and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The accompanying financial statements were prepared for the purpose of complying with Section 218.39(8), Florida Statues, and Rule 10.557(5) of Chapter 10.550, Rules of the Auditor General -Local Governmental Entity Audits. As described in Note 1 to the financial statements, the Sheriff is part of the reporting for Dixie County, Florida. Accordingly, these financial statements are not a complete presentation of the reporting entity's basic financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with US GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report August 21, 2023, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in the Sheriff's internal control over financial reporting and compliance.



Powell and Jones, CPAs
Lake City, Florida
August 5, 2024

Dixie County Sheriff
Balance Sheet – Governmental Funds
September 30, 2023

	Operating Fund	Inmate Welfare Fund	Non-Major Governmental Funds	Total Governmental Funds
Assets				
Cash and equivalents	$ 57,832	$ 280,936	$ 232,923	$ 571,691
Accounts receivables	30,740	-	-	30,740
Due from other funds	150,372	-	109,197	259,569
Total assets	$ 238,944	$ 280,936	$ 342,120	$ 862,000
Liabilities and fund balances				
Liabilities:				
Accounts payable	$ 58,666	$ -	$ -	$ 58,666
Due to other funds	43,088	-		43,088
Due to other county agencies	-	-	145,000	145,000
Other current liabilities	137,190	-	-	137,190
Total liabilities	238,944	-	145,000	383,944
Fund balances:				
Assigned for inmate benefits	-	280,936	186,028	466,964
Unassigned	-	-	11,092	11,092
Total fund balances	-	280,936	197,120	478,056
Total liabilities and fund balances	$ 238,944	$ 280,936	$ 342,120	$ 862,000

See accompanying notes.

Dixie County Sheriff
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended September 30, 2023

	Operating Fund	Inmate Welfare Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues				
Intergovernmental revenue	$ 568,103	$ -	$ -	$ 568,103
Charges for services	551,567	-	613,952	1,165,519
Miscellaneous revenue	88,546	154,667	6,882	250,095
Interest	14	-	-	14
Total revenues	1,208,230	154,667	620,834	1,983,731
Expenditures				
Current:				
Public safety	7,717,763	68,291	32,777	7,818,831
Capital outlay:				
Public safety	299,556	70,465	63,128	433,149
Total expenditures	8,017,319	138,756	95,905	8,251,980
Excess of revenues over (under) expenditures	(6,809,089)	15,911	524,929	(6,268,249)
Other financing sources (uses)				
Appropriation from Board of County Commissioners	6,139,604	-	-	6,139,604
Transfers to Board of County Commissioners	(1,993)	(31,759)	-	(33,752)
Transfers in (out)	671,478	-	(632,869)	38,609
Total other financing sources (uses)	6,809,089	(31,759)	(632,869)	6,144,461
Net change in fund balances	-	(15,848)	(107,940)	(123,788)
Fund balances - October 1, 2022	-	296,784	305,060	601,844
Fund balances - September 30, 2023	$ -	$ 280,936	$ 197,120	$ 478,056

See accompanying notes.

Dixie County, Sheriff
Fiduciary Funds
Statement of Net Position
September 30, 2023

	Custodial Funds
Assets	
Cash and equivalents	$ 66,062
Liabilities	
Accounts payables	27,489
Current liabilities	38,573
Total liabilities	66,062
Net position	$ -

See accompanying notes.

Dixie County, Florida
Sheriff
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended September 30, 2023

		Custodial Funds
Additions		
Funds held for others	$	287,082
Cash bonds		13,351
Sheriff civil fees		51,161
Total additions		351,594
Deductions		
Funds held for others		293,353
Cash bonds		11,941
Sheriff civil fees		51,161
Total deductions		356,455
Change in net position		(4,861)
Net position - beginning of year		4,861
Net position - end of year	$	-

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Dixie County Sheriff (the Sheriff) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Sheriff is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Sheriff is an integral part of Dixie County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Sheriff's financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Sheriff has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in Dixie County's countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column.

The Sheriff reports the following major governmental funds:

Operating Fund – The Operating Fund is the primary operating fund of the Sheriff's Office. It is used to account for and report all financial resources not accounted for and reported in another fund.

Inmate Welfare Fund – The Inmate Welfare Fund accounts for and reports the Commissary operations of the County's detention facility. Revenues are provided by sales of products to inmates. The profits can only be spent for the benefit of the inmates.

The Sheriff also reports the following fiduciary funds:

Fiduciary Funds – Fiduciary Funds are used to account for assets held in a custodial capacity.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The Sheriff follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Sheriff is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Non-spendable Fund Balance – Non-spendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Sheriff's highest level of decision-making authority, which is a policy of the Sheriff. Committed amounts cannot be used for any other purpose unless the Sheriff removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Sheriff's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Sheriff's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current, financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Cash and Equivalents

Cash and equivalents consist of deposits placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security for Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

Capital Assets and Long-Term Liabilities

Because of the current financial resource measurement focus, the accompanying fund financial statements do not report capital assets or long-term liabilities. Such amounts are instead reported in the government-wide financial statements of the County.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 2 – RISK MANAGEMENT

The Sheriff participates in the Florida Sheriff's Risk Management Fund for risk related to professional law enforcement liability. Aggregate coverage is two million dollars. The Sheriff had no settlements that exceeded coverage in the last two years. The Sheriff also participates in the Florida Sheriff's Association Vehicle Risk Management Program for risk related to its automobile fleet, and participates in the Board of County Commissioners' group health insurance.

NOTE 3 – CAPITAL ASSETS

Fixed assets used in governmental fund type operations are accounted for in the Sheriff's Capital Assets Accounts, except for its infrastructure fixed assets which the County has elected not to report. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. A summary of changes in fixed assets follows:

	Equipment	Accumulated Depreciation	Net Assets
Beginning Balance October 1, 2022	$ 2,547,399	$ (1,913,910)	$ 633,489
Additions	299,556	(346,289)	(46,733)
Ending Balance September 30, 2023	$ 2,846,955	$ (2,260,199)	$ 586,756

NOTE 5 - COMPENSATED ABSENCES

The Sheriff's liability for compensated absences is reported as noncurrent liabilities in the records of Dixie County as a whole. Because of their spending measurement focus, expenditure recognition for governmental funds is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities. The following is a summary of changes in compensated absences for the year ended September 30, 2023:

	Balance October 1, 2022	Net Change	Balance September 30, 2023
Accrued compensated absences	$ 180,396	$ 189,198	$ 369,594

NOTE 6 - DEFINED BENEFIT PENSION PLAN

Plan Description - The Sheriff contributes to the Florida Retirement System ("System'), a cost sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - Effective July 1, 2011, all employees are required to contribute 3% to the System. The Sheriff is required to contribute at an actuarially determined rate. The rates during the fiscal year ended September 30, 2023 were as follows:

Class	October 1, 2022-June 30, 2023	July 1, 2023-September 30, 2023
Regular Class	11.91%	13.57%
Special Risk Class	27.83%	32.67%
Special Risk Administrative Support	38.65%	39.82%
County elected Officers Class	57.00%	60.00%
Senior Management Service Class	31.57%	34.52%
Deferred Retirement Option Program (DROP)	18.60%	21.13%

The contribution requirements of plan members and the Sheriff are established and may be amended by the Florida Legislature. The Sheriff's contributions to the System for the years ending September 30, 2023 were $1,096,036, equal to the required contributions for each year.

Required Supplementary Information

Dixie County Sheriff
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Operating Fund
Year ended September 30, 2023

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Intergovernmental revenue	$ 568,103	$ 568,103	$ 568,103	$ -
Charges for services	551,567	551,567	551,567	-
Miscellaneous	234,336	234,336	88,546	(145,790)
Interest	100	100	14	(86)
Total revenues	1,354,106	1,354,106	1,208,230	(145,876)
Expenditures				
Current:				
Public safety	7,184,519	7,184,519	7,717,763	(533,244)
Capital outlay:				
Public safety	258,405	258,405	299,556	(41,151)
Total expenditures	7,442,924	7,442,924	8,017,319	(574,395)
Excess of revenues over (under) expenditures	(6,088,818)	(6,088,818)	(6,809,089)	(720,271)
Other financing sources (uses)				
Appropriation from Board of County Commissioners	6,088,818	6,088,818	6,139,604	50,786
Transfers to Board of County Commissioners	-	-	(1,993)	(1,993)
Transfers in (out)	-	-	671,478	671,478
Total other financing sources (uses)	6,088,818	6,088,818	6,809,089	720,271
Net change in fund balances	-	-	-	-
Fund balances - October 1, 2022	-	-	-	-
Fund balances - September 30, 2023	$ -	$ -	$ -	$ -

Notes to Schedule:

The preparation, adoption and amendment of the budgets are governed by Florida Statutes. The fund is the legal level of control. Budgets are prepared and adopted on a basis that does not differ materially from generally accepted accounting principles (GAAP). Appropriations lapse at year-end.

Supplementary Information

Dixie County Sheriff
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2023

	Non-Major Governmental Funds			
	Animal Control	Employee Welfare	Resolution Fund	Total Non-Major Governmental Funds
Assets				
Cash and equivalents	$ -	$ 11,092	$ 221,831	$ 232,923
Due from other funds	-	-	109,197	109,197
Total assets	$ -	$ 11,092	$ 331,028	$ 342,120
Liabilities and fund balances				
Liabilities:				
Due to other county agencies	$ -	$ -	$ 145,000	$ 145,000
Total liabilities	-	-	145,000	145,000
Fund balances:				
Assigned for inmate benefits	-	-	186,028	186,028
Unassigned	-	11,092	-	11,092
Total fund balances	-	11,092	186,028	197,120
Total liabilities and fund balances	$ -	$ 11,092	$ 331,028	$ 342,120

See accompanying notes.

Dixie County Sheriff
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Governmental Funds Funds
Year ended September 30, 2023

	Animal Control	Employee Welfare	Resolution Fund	Total Non-Major Governmental Funds
Revenues				
Charges for services	$ 15,000	$ -	$ 598,952	$ 613,952
Miscellaneous revenue	-	5,680	1,202	6,882
Total revenues	15,000	5,680	600,154	620,834
Expenditures				
Current:				
Public safety	15,000	7,088	10,689	32,777
Capital outlay:				
Public safety	-	-	63,128	63,128
Total expenditures	15,000	7,088	73,817	95,905
Excess of revenues over (under) expenditures	-	(1,408)	526,337	524,929
Other financing sources (uses)				
Transfers in (out)	-	-	(632,869)	(632,869)
Total other financing sources (uses)	-	-	(632,869)	(632,869)
Net change in fund balances	-	(1,408)	(106,532)	(107,940)
Fund balances - October 1, 2022	-	12,500	292,560	305,060
Fund balances - September 30, 2023	$ -	$ 11,092	$ 186,028	$ 197,120

See accompanying notes.

Dixie County Sheriff
Combining Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2023

	Individual Depositors Fund	Cash Bonds Fund	Inmate Trust Fund	Totals
Assets				
Cash and equivalents	$ 11,773	$ 1,190	$ 53,099	$ 66,062
Liabilities				
Accounts payables	11,773	-	15,716	27,489
Current liabilities	-	1,190	37,383	38,573
Total liabilities	11,773	1,190	53,099	66,062
Net position	$ -	$ -	$ -	$ -

See accompanying notes.

Dixie County,Sheriff
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended September 30, 2023

	Individual Depositors Fund	Cash Bonds Fund	Inmate Trust Fund	Totals
Additions				
Funds held for others	$ -	$ -	$ 287,082	$ 287,082
Cash bonds	-	13,351	-	13,351
Sheriff civil fees	51,161	-	-	51,161
Total additions	51,161	13,351	287,082	351,594
Deductions				
Funds held for others	-	2,000	291,353	293,353
Cash bonds	-	11,941	-	11,941
Sheriff civil fees	51,161	-	-	51,161
Total deductions	51,161	13,941	291,353	356,455
Change in net position	-	(590)	(4,271)	(4,861)
Net position - beginning of year	-	590	4,271	4,861
Net position - end of year	$ -	$ -	$ -	$ -

See accompanying notes.

Additional Elements Required by the Rules of the Auditor General

MANAGEMENT LETTER

To the Honorable Sheriff Darby Butler
Dixie County, Florida

We have audited the financial statements of the office of the Dixie County Sheriff (the Sheriff), as of and for the year ended September 30, 2023, and have issued our report thereon dated August 5, 20243 That report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Year Audit Findings

2022-01 **Compensated Absences Valuation –** From our audit procedures in the prior years, we found inconsistencies in the rates of pay utilized in the computation of compensated absences. We recommended that the Sheriff establishes a defined rate of pay to value compensated absences. The rate of pay should be documented as approved in each employee's personnel file.

Current Status – This finding was substantially corrected during the current year.

Current Year Audit Findings

There were no reportable findings in the current year applicable to the management letter.

Other Matters

Our audit did not reveal any other matters that we are required to include in this management letter.

The purpose of this management letter is solely to comply with the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this communication is not suitable for any other purpose.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Powell and Jones, CPAs
Lake City, Florida
August 5, 2024

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Sheriff Darby Butler
Dixie County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the office of the Dixie County Sheriff (the Sheriff), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Sheriff's special purpose financial statements, and have issued our report thereon dated August 5, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Sheriff's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying management letter, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests did not disclose an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Powell and Jones, CPAs
Lake City, Florida
August 5, 2024

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Sheriff Darby Butler
Dixie County, Florida

We have examined the office of the Dixie County Sheriff's (the Sheriff) compliance with the requirements of Section 218.415, Florida Statutes, Local Government Investment Policies, for the period October 1, 2022 to September 30, 2023. Management is responsible for the Sheriff's compliance with those specified requirements. Our responsibility is to express an opinion on the Sheriff's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Sheriff complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Sheriff complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion

Our examination does not provide a legal determination on the Sheriff's compliance with specified requirements.

In our opinion, the Sheriff complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2023.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Powell and Jones, CPAs
Lake City, Florida
August 5, 2024

Dixie County
Supervisor of Elections

Audit Report
September 30, 2023

Dixie County Supervisor of Elections

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Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

To the Honorable Starlet Cannon
Supervisor of Elections of Dixie County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the major fund of the Dixie County Supervisor of Elections as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Dixie County Supervisor of Elections' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund of the Dixie County Supervisor of Elections, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Dixie County Supervisor of Elections and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The accompanying financial statements were prepared for the purpose of complying with Section 218.39(8), Florida Statues, and Rule 10.557(5) of Chapter 10.550, Rules of the Auditor General – Local Governmental Entity Audits. As described in Note 1 to the financial statements, the Dixie County Supervisor of Elections is part of the reporting for Dixie County, Florida. Accordingly, these financial statements are not a complete presentation of the reporting entity's basic financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in aggregate, that raise substantial doubt about the Dixie County Supervisor of Elections' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether these financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Dixie County Supervisor of Elections' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Dixie County Supervisor of Elections' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquires, the basic financial statements, and other knowledge we obtained during out audit for the basic financial statements. We do not

express an opinion, or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 5, 2024, on our consideration of the Dixie County Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Dixie County Supervisor of Elections' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Dixie County Supervisor of Elections' internal control over financial reporting and compliance.



Powell and Jones CPA
Lake City, Florida
August 5, 2024

Dixie County Supervisor of Elections

Balance Sheet – Governmental Funds
September 30, 2023

		Operating Fund
Assets		
Cash and equivalents	$	208
Liabilities and fund balance		
Liabilities:		
Due to other county agencies		208
Total liabilities		208
Fund balance:		
Restricted – election grants		-
Total liabilities and fund balance	$	208

See accompanying notes

Dixie County Supervisor of Elections

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year ended September 30, 2023

	Operating Fund
Revenues	
Miscellaneous revenue	$ 117
Total revenues	117
Expenditures	
Current:	
General government services	384,886
Excess of revenues under expenditures	(384,769)
Other financing sources (uses)	
Appropriation from board of county commissioners	384,977
Reversion to board of county commissioners	(208)
Total other financing sources (uses)	384,769
Net change in fund balance	-
Fund balance - October 1, 2022	-
Fund balance - September 30, 2023	$ -

See accompanying notes

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Dixie County Supervisor of Elections (the Office) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Supervisor of Elections is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Dixie County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office's financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column. There are no nonmajor governmental funds.

The Office reports the following major governmental fund:

Operating Fund – The Operating Fund is the primary operating fund of the Supervisor of Elections' Office. It is used to account for and report all financial resources not accounted for and reported in another fund.

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund. The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Capital Assets and Long-Term Liabilities

Because of the current financial resources measurement focus, the accompanying fund financial statements do not report capital assets or long-term liabilities. Such amounts are instead reported in the government-wide financial statements of the County.

Cash and Equivalents

All cash is placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year. All the deposits of the office are entirely collateralized pursuant to Chapter 280, Florida Statutes.

Restricted Fund Balance

The Office implemented voter education, poll worker recruitment, and federal election activities programs using federal funds passed through the Florida Department of State. Available but unexpended funds of these programs are restricted for future expenditures. At September 30, 2023, the Supervisor did not have unexpended grant funds.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 2 – COMPENSATED ABSENCES

The Supervisor's liability for compensated absences is reported as noncurrent liabilities in the records of Dixie County as a whole. Because of their spending measurement focus, expenditure recognition for governmental funds is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities. The following is a summary of changes in compensated absences for the year ended September 30, 2023:

	Balance October 1, 2022	Net Change	Balance September 30, 2023
Accrued compensated absences	$ 2,510	$ (663)	$ 3,173

NOTE 3 – COMMITMENTS AND CONTINGENCIES

On September 1, 2017, the Office entered into an agreement with Dominion Voting Systems for voting system services, software licenses, and related services through December 31, 2025. The first of eight annual payments of $47,936 were due in May, 2019. Equal amounts due annually thereafter, through December 31, 2025, are subject to annual increases based upon changes in the Consumer Price Index. One payment was made in the 2023 fiscal year leaving two payments to be made.

NOTE 4 - DEFINED BENEFIT PENSION PLAN

Plan Description - The Supervisor contributes to the Florida Retirement System (System), a cost sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - Effective July 1, 2011, all employees are required to contribute 3% to the System. The Supervisor is required to contribute at an actuarially determined rate. The rates during the fiscal year ended September 30, 2023 were as follows:

Class	October 1, 2022 - June 30, 2023	July 1, 2023 - September 2023
Regular Class	11.91%	13.57%
Special Risk Class	27.83%	32.67%
Special Risk Class Administrative Support	38.65%	39.82%
County Elected Officers	57.00%	58.68%
Senior Management class	31.57%	34.52%
Deferred Retirement Option Program (DROP)	18.60%	21.13%

The contribution requirements of plan members and the Supervisor are established and may be amended by the Florida Legislature. The Supervisor's contributions to the System for the years ending September 30, 2023 were $30,735, equal to the required contributions for each year.

REQUIRED SUPPLEMENTARY INFORMATION

Dixie County Supervisor of Elections

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual – Operating Fund
Year Ended September 30, 2023

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Miscellaneous revenue	$ -	$ -	$ 117	$ 117
Total revenues	-	-	117	117
Expenditures				
Current:				
General government services	384,977	384,977	384,886	91
Total expenditures	384,977	384,977	384,886	91
Excess of revenues over (under) expenditures	(384,977)	(384,977)	(384,769)	208
Other financing sources (uses)				
Appropriation from board of county commissioners	384,977	384,977	384,977	-
Reversion to board of county commissioners	-	-	(208)	(208)
Total other financing sources (uses)	384,977	384,977	384,769	(208)
Net change in fund balances	-	-	-	-
Fund balances - October 1, 2022	-	-	-	-
Fund balances - September 30, 2023	$ -	$ -	$ -	$ -

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Additional Elements Required by the Rules of the Auditor General

MANAGEMENT LETTER

The Honorable Starlet E. Cannon
Supervisor of Elections
Dixie County, Florida

We have audited the financial statements of the office of the Supervisor of Elections (the Office), Dixie County, Florida, as of and for the year ended September 30, 2023, and have issued our report thereon dated August 5, 2024. That report should be considered in conjunction with this management letter.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards; and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated August 5, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no prior year audit findings.

Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

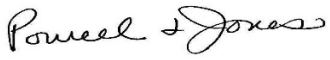
Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Dixie County Supervisor of Elections, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



Lake City, Florida
August 5, 2024

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Starlet E. Cannon
Supervisor of Elections
Dixie County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the office of the Dixie County Supervisor of Elections (the "Office"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated August 5, 2024

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

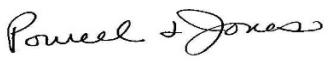
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the office's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Powell and Jones CPA
Lake City, Florida
August 5, 2024

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To The Supervisor of Elections
Dixie County, Florida

We have examined the Dixie County, Florida Supervisor of Elections' (the Supervisor) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for the Supervisor's compliance with those requirements. Our responsibility is to express an opinion on the Supervisor's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Supervisor's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Supervisor's compliance with specified requirements.

In our opinion, the Supervisor complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

This report is intended solely for the information and use of the Dixie County, Florida Supervisor of Elections, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Powell and Jones CPA
Lake City, Florida
August 5, 2024

Dixie County
Tax Collector

Audit Report
September 30, 2023

Dixie County Tax Collector

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September 30, 2023

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Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200

To the Honorable Michelle Cannon
Tax Collector of Dixie County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the major fund and aggregate remaining fund information of Dixie County Tax Collector (the Tax Collector), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the Tax Collector, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Tax Collector and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The accompanying financial statements were prepared for the purpose of complying with Section 218.39(8), Florida Statues, and Rule 10.557(5) of Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Tax Collector is part of the reporting for Dixie County, Florida. Accordingly, these financial statements are not a complete presentation of the reporting entity's basic financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in aggregate, that raise substantial doubt about the Tax Collector's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tax Collector's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tax Collector's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tax Collector's basic financial statements. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 5, 2024, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tax Collector's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in the Tax Collector's internal control over financial reporting and compliance.



Powell and Jones CPA
Lake City, Florida
August 5, 2024

Dixie County Tax Collector

Balance Sheet – Governmental Fund
September 30, 2023

	General Fund
Assets	
Cash and equivalents	$ 21,027
Prepaid expenses	3,361
Due from other funds	65
Total assets	$ 24,453
Liabilities	
Liabilities:	
Accounts payable and accrued liabilities	15,013
Due to other county agencies	9,440
Total liabilities	24,453

See notes to the financial statements.

Dixie County Tax Collector

Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund September 30, 2023

	General Fund
Revenues	
Miscellaneous revenue	$ 6
Expenditures	
Current:	
General government services	808,073
Total expenditures	808,073
Excess of revenues under expenditures	(808,067)
Other financing sources (uses)	
Appropriation from Board of County Commissioners	799,497
Reversion to board of county commissioners	8,570
Total other financing sources (uses)	808,067
Net change in fund balance	-
Fund balance at beginning of year	-
Fund balance at end of year	$ -

See notes to the financial statements.

Dixie County Tax Collector

Statement of Fiduciary Net Position – Fiduciary Funds
September 30, 2023

	Custodial Fund
Assets	
Cash and equivalents	$ 433,642
Accounts receivable	2,391
Total assets	436,033
Liabilities	
Due to other county agencies	376,667
Total liabilities	376,667
Net position - restricted funds held for others	$ 59,366

See notes to the financial statements.

Dixie County Tax Collector

Statement of Changes in Fiduciary Net Position – Fiduciary Funds
September 30, 2023

	Custodial Fund
ADDITIONS	
Tax Collector taxes, licences and fees collected for other other governmental units	$ 19,838,293
Total additions	19,838,293
DEDUCTIONS	
Taxes, licenses and fees payable	19,793,593
Total deductions	19,793,593
Change in net position	44,700
Net position at beginning of year	14,666
Net position at end of year	$ 59,366

See notes to the financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the Dixie County Tax Collector (Tax Collector).

A. Reporting Entity - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39 "Determining Whether Certain Organizations Are Component Units an Amendment of GASB Statement 14,"establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

The Tax Collector, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Tax Collector's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Tax Collector is reported as a part of the primary government of Dixie County, Florida. The Tax Collector's financial statements do not purport to reflect the financial position or the results of operations of Dixie County, Florida, taken as a whole.

The financial statements of the Tax Collector are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*. These special purpose financial statements are fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the rules listed above, the Tax Collector's Office has not presented reconciliations to the government-wide financial statements, or management's discussion and analysis. Additionally, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements.

B. Fund Accounting - Accounts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund entity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds and account group utilized by the Tax Collector are as follows:

(i) **Governmental Fund**

General Fund - The General Fund of the Tax Collector is used to account for all financial resources that are generated from operations of the office, or any other resources not required to be accounted for in another fund.

(ii) **Fiduciary Funds**

Custodial Funds - Custodial Funds are used to account for assets held by the Tax Collector as an agent for individuals, private organizations, other governments, and/or other funds. The following Custodial Fund is maintained by the Tax Collector:

Tax Fund

C. Basis of Accounting - The "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Tax Collector currently maintains its accounting records for all funds on the cash basis. However, for financial statement purposes appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations. Encumbrance accounting is not utilized by the Tax Collector.

D. Budget - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriated budget, which includes its funding of the operations of the Tax Collector. The operating budget of the Tax Collector is approved by the Florida Department of Revenue.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Tax Collector, as amended during the year.

E. Cash - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash". At September 30, 2023, the book balance of the Tax Collector's cash deposits was $454,670. The total bank balance of $454,670 was covered by federal depository insurance and pledged collateral.

The collateral for the Tax Collector's deposits is categorized to give an indication of the level of risk assumed by the Tax Collector at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Tax Collector or its agent in the Tax Collector's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the Tax Collector's name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent, but not in the Tax Collector's name. At year end, all of the Tax Collector's deposits were in Category 1.

Additionally, the Tax Collector’s office maintains a daily balance of $1,400 in cash-on-hand.

F. Inventories - It is the policy of the Tax Collector to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

G. Fixed Assets - Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Depreciation has been provided on the County's equipment on the straight-line basis over three to twelve years. Assets purchased by the Tax Collector are reported in the Board of County Commissioners' General Fixed Assets Accounts.

H. Compensated Absences - The Tax Collector follows generally accepted accounting principles in accounting for accrued compensated absences. Since the annual and sick and vacation leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out by the Tax Collector and this practice is expected to continue in the future. The Tax Collector maintained compensated absence records for the hours earned, used and available. As of September 30, 2023, the balance of compensated absences is $12,252.

I. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

J. Risk Management - The Tax Collector is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others. The Tax Collector directly purchases insurance and participates in the risk management program through the Dixie County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

K. Restricted Net Position – In the accompanying statement of net position, restricted net position, if any, is subject to restrictions beyond the Tax Collector's control. The restriction is either externally imposed (for instance, by creditors, grantors, contributors, or laws/regulations of other governments) or is imposed by law through constitutional provisions or enabling legislation. The entire balance of restricted net position reflects amounts held for individuals.

NOTE 2. PENSION PLAN

Plan Description - The Tax Collector contributes to the Florida Retirement System (System), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System was employee noncontributory through June 30, 2011. Effective July 1, 2011, employees were required to contribute 3% of their gross wages. The Tax Collector is required to contribute at an actuarially determined rate. The rates from October 1, 2022 through June 30, 2023 and from July 1, 2023 through September 30, 2023, were as follows:

Class	October 1, 2022 - June 30, 2023	July 1, 2023 - September 30, 2023
Regular Class	11.91%	13.57%
Special Risk Class	27.83%	32.67%
Special Risk Administrative Support	38.65%	39.82%
County Elected Officers	43.77%	44.89%
Senior Management Class	31.57%	34.52%
Deferred Retirment Option Program (DROP)	18.60%	21.13%

The contribution requirements of plan members and the Tax Collector are established and may be amended by the Florida Legislature. The Tax Collector's contributions to the System for the years ending September 30, 2023, 2022, and 2021 were $116,988, $95,651, and $81,697, respectively which is equal to the required contributions for each year.

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

Dixie County Tax Collector

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Governmental Fund
September 30, 2023

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Miscellaneous revenue	$ -	$ -	$ 6	$ 6
Expenditures				
Current:				
General government services	808,313	808,313	808,073	240
Capital outlay				
General government services	-	-	-	-
Total expenditures	808,313	808,313	808,073	240
Excess of revenues over (under) expenditures	(808,313)	(808,313)	(808,067)	246
Other financing sources (uses)				
Appropriation from Board of County Commissioners	808,313	808,313	799,497	(8,816)
Reversion to board of county commissioners	-	-	8,570	8,570
Total Total other financing sources (uses)	808,313	808,313	808,067	(246)
Net change in fund balances	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	$ -	$ -	$ -	$ -

See notes to the required supplimentary information.

Additional Elements Required by the Rules of the Auditor General

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Michelle Cannon
Tax Collector of Dixie County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Dixie County Tax Collector, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Dixie County Tax Collector's basic financial statements, and have issued our report thereon dated August 5, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Dixie County Tax Collector's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Dixie County Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of Dixie County Tax Collector's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Dixie County Tax Collector's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Powell and Jones CPA
Lake City, Florida
August 5, 2024

MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL

To the Honorable Michelle Cannon
Dixie County, Florida

We have audited the financial statements of the Dixie County Tax Collector, (the Tax Collector) as of and for the year ended September 30, 2023, and have issued our report thereon dated August 5, 2024.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated August 5, 2024. Disclosures in that report, should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following be addressed in this letter.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings during the current year.

FINANCIAL COMPLIANCE MATTERS

Financial Emergency Status – We have determined that the Tax Collector did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)5.b. and 10.556(8)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.554(1)(f).

Financial Management – Section 10.554(1)(i)2., Rules of the Auditor General requires that we communicate any recommendations to improve financial management. In connection with our audit, we reviewed internal control procedures and noted that there was no second review of the monthly bank reconciliations after completion by the finance director. We believe that implementing this procedures would decrease the opportunity of fraudulent activity. This was discussed with those charged with government at the close of the audit.

Additional Matters – Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

CONCLUSION

We have reviewed information regarding our audit with the Tax Collector and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with our audit of the Tax Collector. We appreciate the helpful assistance of the Tax Collector Staff in completing our audit and also the generally high quality of the Tax Collector's financial records and internal controls. We also appreciate the helpful assistance and courtesy afforded us by these employees.



Powell and Jones CPA
Lake City, Florida
August 5, 2024

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH FLORIDA STATUTES RELATED TO INVESTMENT OF PUBLIC FUNDS

To the Honorable Michelle Cannon
Dixie County, Florida

We have examined the Dixie County, Florida's Tax Collector's (the Tax Collector) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Tax Collector's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Tax Collector's compliance with specified requirements.

In our opinion, the Tax Collector complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

This report is intended solely for the information and use of Dixie County, Florida , the Tax Collector and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Powell and Jones

Powell and Jones CPA
Lake City, Florida
August 5, 2024