

Dixie County, Florida

Audit Report

September 30, 2021

Dixie County, Florida
Management's Discussion and Analysis

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Dixie County, Florida, as of and for the fiscal year ended September 30, 2021, which collectively comprise Dixie County, Florida's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Dixie County, Florida as of September 30, 2021, and the respective changes in financial position and cash flows, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 13, the budgetary comparison information on pages 44 through 50 and the pension schedules on pages 52 through 53 be presented to supplement the basic financial statements. Such information, 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.

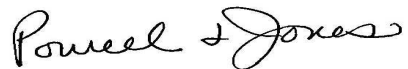
Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Dixie County, Florida's financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by *10.550 Rules of the State of Florida, Office of the Auditor General*; and by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and is not a required part of the financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The capital projects fund statement of revenues, expenditures and changes in fund balance – budget and actual and the combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 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 March 29, 2022, on our consideration of Dixie County, Florida'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 Dixie County, Florida's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES
Certified Public Accountants
June 24, 2022

Dixie County , Florida Managements' Discussion and Analysis

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, 2021. 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 \$35,425,787 (net position). Of this amount, \$(8,111,274) is unrestricted net position, while \$41,776,533 was net investment in capital assets. The remaining \$2,226,17 is restricted net position.
- The County's total net position decreased by \$3,458,159 over the previous year.
- At September 30, 2021, the County's governmental funds reported a combined fund balance of \$7,794,838.

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, 2021.

Dixie County, Florida Management's Discussion and Analysis

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 elsewhere in this report.

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.

Other 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. Following the required supplementary information can be found combining balance sheets and combining statement of revenues, expenditures, and changes in fund balances for the nonmajor governmental funds and the schedules of expenditures of federal and state awards.

Dixie County, Florida
Management's Discussion and Analysis

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, 2021 and September 30, 2020:

Net Position, End of Year

	Governmental Activities	
	2021	2020
Current and other assets	\$ 12,351,480	\$ 7,139,723
Capital assets	42,165,084	42,126,101
Total assets	54,516,564	49,265,824
Deferred outflows	3,136,964	5,547,005
Other liabilities	5,355,351	740,660
Long-term liabilities	6,370,862	21,158,794
Total liabilities	11,726,213	21,899,454
Deferred inflows	10,501,528	945,747
Net position:		
Net investment in capital assets	41,776,533	41,428,822
Restricted	2,226,173	2,411,755
Unrestricted	(8,576,919)	(11,872,949)
Total net position	\$ 35,425,787	\$ 31,967,628

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.

Dixie County, Florida
Management's Discussion and Analysis

STATEMENT OF ACTIVITIES

The following schedule summarizes revenues and expenses for the fiscal years ended September 30, 2021 and September 30, 2020:

	Governmental Activities	
	2021	2020
Program revenues:		
Charges for services	\$ 5,559,740	\$ 5,029,108
Operating grants and contributions	2,874,764	4,504,431
Capital grants and contributions	3,078,633	3,125,063
General revenues:		
Property taxes	7,225,420	6,855,661
Other taxes	1,943,123	1,578,611
Shared revenues	4,810,549	2,874,568
Other	1,273,521	980,518
Total revenues	26,765,750	24,947,960
Expenses:		
General government	3,769,934	4,760,885
Public safety	11,414,752	12,060,067
Physical environment	1,954,832	2,106,910
Transportation	3,765,492	3,329,163
Economic environment	465,960	265,692
Human services	557,752	791,123
Culture-recreation	715,882	729,495
Court-related	639,434	993,371
Interest on long-term debt	23,553	32,059
Total expenses	23,307,591	25,068,765
Change in net position	3,458,159	(120,805)
Net position – beginning of year	31,967,628	32,088,433
Net position – end of year	\$ 35,425,787	\$ 31,967,628

Dixie County, Florida Management's Discussion and Analysis

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 2021

The General Fund's fund balance increased \$2,811,980. Airport fund balance increased by \$152,963. The fund balance of the County Transportation Trust Fund increased approximately \$374,823, primarily due to intergovernmental revenue related to capital projects. The Clerk Operating fund balance increased by \$98,241. The EMS fund balance decreased by \$(547,455) and the Solid Waste fund decreased by \$(15,991).

Governmental Funds

At year-end, the County's governmental funds reported a combined fund balance of \$4,909,477, an increase of approximately \$2,885,361. 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 three major governmental funds. They are 1) the General Fund; 2) the Emergency Medical Services Fund; and 3) the County Transportation Trust Fund.

Various County Funds Discussion

- The General Fund is the chief operating fund of the County. At the end of fiscal year 2021, unassigned fund balance of the General Fund was \$5,721,121.
- The Airport Fund had a fund balance of \$(175,042). In prior years, a transfer from the General Fund was made to prevent fund balance from going negative. In FY 2021, this transfer was not made.
- 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 2020. The fund had a total fund balance of \$205,649 at year end. This was an increase of \$374,823 from the prior year.
- The Clerk Operating Fund had a fund balance of \$12,748.
- The Emergency Medical Service Fund had a total fund balance of \$402,268 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 deficit of \$(161,216) at September 30, 2021.

Dixie County, Florida
Management's Discussion and Analysis

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual total revenues were approximately \$3,565,016 higher than anticipated in the final budget primarily due to an increase in intergovernmental revenue and charges for services. Expenditures were less than budget by approximately \$374,499, primarily in economic environment and general government 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			Ending
	Balance	Additions	Deletions	Balance
Capital assets not being depreciated:				
Land	\$ 2,782,373	\$ -	\$ -	\$ 2,782,373
Construction in progress	2,335,466	279,144	(2,335,466)	279,144
Total capital assets not being depreciated	5,117,839	279,144	(2,335,466)	3,061,517
Capital assets being depreciated:				
Buildings	13,843,972	-	-	13,843,972
Improvements other than buildings	8,124,252	-	-	8,124,252
Infrastructure	38,595,734	3,693,520	-	42,289,254
Equipment	13,900,571	516,127	-	14,416,698
Total capital assets being depreciated	74,464,529	4,209,647	-	78,674,176
Less accumulated depreciation for:				
Buildings	8,516,849	326,405	-	8,843,254
Improvements other than buildings	3,288,930	214,877	-	3,503,807
Infrastructure	14,941,791	852,917	-	15,794,708
Equipment	10,708,697	720,134	-	11,428,831
Total accumulated depreciation	37,456,267	2,114,333	-	39,570,600
Total capital assets being depreciated, net	37,008,262	2,095,305	-	39,103,567
Governmental activities capital assets, net	\$ 42,126,101	\$ 2,374,449	\$ (2,335,466)	\$ 42,165,084

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

Dixie County, Florida Management's Discussion and Analysis

Long-Term Debt

On September 30, 2021, the County's governmental outstanding debt was \$21,158,794. This is comprised of \$271,253 outstanding Notes Payable, \$117,409 in Capital Lease Obligations, \$332,984 for closure and long-term care costs of landfills, \$593,032 for compensated absences, \$597,385 for other postemployment benefit liability and \$5,256,172 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 10 mills will remain unchanged.
- The EMS MSTU rate of 2.6 mills will remain unchanged.
- The Recreation/Library MSTU rate of 0.4 mills will remain unchanged.

The County plans to continue to seek grant funding in all departments as available.

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, 2021

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 9,786,008
Accounts receivable - net	969,018
Due from custodial funds	314,619
Due from other governmental units	1,023,673
Total current assets	12,093,318
Restricted assets:	
Cash	258,162
Total restricted assets	258,162
Noncurrent assets:	
Capital assets not being depreciated	3,061,517
Capital assets being depreciated, net	39,103,567
Total capital assets net of depreciation	42,165,084
Total assets	54,516,564
DEFERRED OUTFLOWS OF RESOURCES	
Florida State Retirement pension and OPEB liability	3,136,964
LIABILITIES	
Current liabilities (payable from current assets):	
Accounts payable	938,647
Accrued salaries	72,517
Accrued liabilities	281,550
Due to custodial funds	2,607
Due to other governmental units	407,543
Unearned revenues	2,854,001
Accrued compensated absences	88,955
Current portion capital leases payable	97,836
Current portion notes payable	159,013
Current portion OPEB liability	31,166
Current portion FRS pension liability	373,720
Other current liabilities	1,224
Total current liabilities (payable from current assets)	5,308,779
Current liabilities (payable from restricted assets)	
Landfill postclosure costs	46,572
Total current liabilities (payable from restricted assets)	46,572
Noncurrent liabilities	
Accrued compensated absences	504,077
OPEB obligation	566,219
Landfill post-closure costs	286,412
Notes payable	112,129
Capital leases payable	19,573
FRS pension liability	4,882,452
Total long-term liabilities	6,370,862
Total liabilities	11,726,213

(Continued)

See notes to financial statements.

	Governmental Activities	
	<hr/>	
DEFERRED INFLOWS OF RESOURCES	\$	10,501,528
<hr/>		
NET POSITION		
Invested in capital assets, net of related debt		41,776,533
Restricted for:		
Road projects		205,649
Other purposes		2,020,524
Unrestricted		(8,111,274)
Total net position	\$	35,425,787
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See notes to financial statements.

Dixie County, Florida
Statement of Activities
For the Fiscal Year Ended September 30, 2021

Functions/Programs	Expenses	Program Services			Totals Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
General Government	\$ 3,769,934	\$ 342,289	\$ 16,762	\$ -	\$ (3,410,883)
Public Safety	11,414,752	3,220,341	2,468,314	128,854	(5,597,243)
Physical Environment	1,954,832	1,573,446	235,710	-	(145,676)
Transportation	3,765,492	3,830	-	2,949,779	(811,883)
Economic Environment	465,960	-	-	-	(465,960)
Human Services	557,752	20,000	-	-	(537,752)
Culture/recreation	715,882	83,571	113,623	-	(518,688)
Court related	639,434	316,263	40,355	-	(282,816)
Interest on long-term debt	23,553	-	-	-	(23,553)
Total governmental activities	23,307,591	5,559,740	2,874,764	3,078,633	(11,794,454)

General revenues	
Ad valorem taxes	7,225,420
Sales and use taxes	1,891,725
Communications service tax	51,398
State shared revenue	4,810,549
Payments in lieu of taxes	45,765
Interest	4,391
Miscellaneous	1,167,333
Net gain on disposition of fixed assets	56,032
Total general revenue	15,252,613
Change in net position	3,458,159
Net position - beginning	31,967,628
Net position - ending	\$ 35,425,787

See notes to financial statements.

**Dixie County, Florida
Governmental Funds
Balance Sheet
September 30, 2021**

Special Revenue Funds									
	General Fund	Airport	County Transportation Trust	Clerk Operating	EM S	Sheriff Operating	Solid Waste	Other Governmental Funds	Total Governmental Funds
ASSETS									
Current assets									
Cash	\$ 4,820,074	\$ 492,069	\$ 1,518,754	\$ 177,687	\$ 125,475	\$ 386,893	\$ 357,684	\$ 2,165,534	\$ 10,044,170
Accounts receivable	-	700	287	-	869,299	-	67,017	31,715	969,018
Due from other funds	2,798,212	4,693	135,447	584,639	563,614	-	231,057	806,401	5,124,063
Due from other governmental units	402,875	305,813	58	65,983	68,403	-	139,812	40,729	1,023,673
Total assets	\$ 8,021,161	\$ 803,275	\$ 1,654,546	\$ 828,309	\$ 1,626,791	\$ 386,893	\$ 795,570	\$ 3,044,379	\$ 17,160,924
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Accounts payable	\$ 145,344	\$ 6,685	\$ 374,856	\$ 34,552	\$ 137,892	\$ 73,020	\$ 102,992	\$ 63,306	\$ 938,647
Accrued wages and payroll liabilities	19,779	-	-	-	-	-	-	52,738	72,517
Other payroll liabilities	147,771	-	32,382	11,896	65,236	-	22,818	-	280,103
Due to other funds	352,506	493,315	1,041,659	364,208	283,055	313,642	850,976	1,112,690	4,812,051
Due to other governmental units	513	47	-	404,905	-	-	-	2,078	407,543
Unearned revenues	1,634,127	478,236	-	-	738,340	-	-	3,298	2,854,001
Other current liabilities	-	34	-	-	-	231	-	959	1,224
Total liabilities	2,300,040	978,317	1,448,897	815,561	1,224,523	386,893	976,786	1,235,069	9,366,086
FUND BALANCES									
Nonspendable:									
Restricted	-	-	205,649	12,748	-	-	258,162	1,749,614	2,226,173
Assigned	-	-	-	-	402,268	-	-	238,110	640,378
Unassigned	5,721,121	(175,042)	-	-	-	-	(439,378)	(178,414)	4,928,287
Total fund balances	5,721,121	(175,042)	205,649	12,748	402,268	-	(181,216)	1,809,310	7,794,838
Total liabilities, deferred inflows of resources and fund balances	\$ 8,021,161	\$ 803,275	\$ 1,654,546	\$ 828,309	\$ 1,626,791	\$ 386,893	\$ 795,570	\$ 3,044,379	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	42,165,084
Long-term liabilities, including notes payable of \$271,142, capital leases of \$117,409, compensated absences of \$593,032, an OPEB obligation of \$597,385, the FRS pension liability of \$5,256,172, the landfill closure liability of \$332,984 and accrued interest of \$1,447 are not payable in the current period and therefore are not reported in the funds.	(7,169,571)
Deferred outflows of resources of \$3,136,964 and deferred inflows of resources of \$(10,501,528) are not recognized in the current period and therefore are not reported in the funds	(7,364,564)
Net position of governmental activities	\$ 35,425,787

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, 2021**

Fund balances - total governmental funds	\$	7,794,838
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		42,165,084
Notes payable and interest		(272,590)
Capital leases		(117,409)
Landfill closure and long-term care costs		(332,984)
Post employment benefits		(597,385)
Net pension liability		(5,256,172)
Compensated absences		(593,032)
Deferred outflows and inflows related to pensions and OPEB are reported in governmental activities but not in governmental funds.		
Deferred outflows - related to pension		3,005,225
Deferred outflows - related to OPEB		131,740
Deferred inflows - related to pension		(10,425,419)
Deferred outflows - related to OPEB		(76,109)
Net position of governmental activities	\$	35,425,787

Dixie County Florida
Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended September 30, 2021

Special Revenue Funds

	General Fund	Airport	County Transportation Trust	Clerk Operating	EMS	Sheriff Operating	Solid Waste	Other Governmental Funds	Total Governmental Funds
REVENUES									
Taxes	\$ 6,989,852	\$ -	\$ 496,132	\$ -	\$ 1,453,336	\$ -	\$ -	\$ 223,590	\$ 9,162,910
Permits licenses, special assessme	110,010	-	1,450	-	-	-	1,350,399	618,726	2,080,585
Intergovernmental	5,542,592	563,513	3,551,845	40,355	290,468	18,721	235,710	535,607	10,778,811
Charges for services	1,343,942	3,830	-	40,060	1,045,627	353,027	223,047	531,781	3,541,314
Fines and forfeitures	906	-	-	-	-	-	-	36,283	37,189
Miscellaneous	103,645	56,820	15,511	1,204	33,519	258,073	328,220	307,526	1,104,518
Interest	1,722	142	384	165	159	125	263	1,431	4,391
Total revenues	14,092,669	624,305	4,065,322	81,784	2,823,109	629,946	2,137,639	2,254,944	26,709,718
EXPENDITURES									
Current expenditures									
General government	1,460,166	-	-	481,033	-	-	-	1,776,072	3,717,271
Public safety	1,719,547	-	-	-	3,052,277	5,219,980	-	824,993	10,816,797
Physical environment	105,947	-	-	-	-	-	1,809,825	-	1,915,772
Transportation	-	207,969	2,644,345	-	-	-	-	-	2,852,314
Economic environment	36,002	-	-	-	-	-	-	430,625	466,627
Human services	438,529	-	-	-	-	-	82,645	-	521,174
Culture / recreation	-	-	-	-	-	-	-	472,183	472,183
Court related	100,091	-	-	-	-	-	-	534,001	634,092
Capital outlay									
General government	-	-	-	-	-	-	-	42,611	42,611
Public safety	213,493	-	-	-	184,884	119,650	-	47,980	566,007
Transportation	-	263,373	1,254,980	-	-	-	-	-	1,518,353
Economic environment	15,761	-	-	-	-	-	-	-	15,761
Culture / recreation	-	-	-	-	-	-	-	10,593	10,593
Debt service									
Principal	-	-	-	-	12,917	88,322	51,447	156,042	308,728
Interest	-	-	-	-	-	9,514	7,665	4,927	22,106
Total expenditures	4,089,536	471,342	3,899,325	481,033	3,250,078	5,437,466	1,951,582	4,300,027	23,880,389
Excess of revenues over (under) expenditures	10,003,133	152,963	165,997	(399,249)	(426,969)	(4,807,520)	186,057	(2,045,083)	2,829,329
OTHER FINANCING SOURCES (USES)									
Disposal of equipment	-	-	56,032	-	-	-	-	-	56,032
Interfund transfers in	126,554	-	152,794	497,490	-	4,807,520	-	2,608,448	8,192,806
Interfund transfers out	(7,317,707)	-	-	-	(120,486)	-	(202,048)	(552,565)	(8,192,806)
Total other financing sources (uses)	(7,191,153)	-	208,826	497,490	(120,486)	4,807,520	(202,048)	2,055,883	56,032
Net change in fund balances	2,811,980	152,963	374,823	98,241	(547,455)	-	(15,991)	10,800	2,885,361
Fund balances at beginning of year	2,909,141	(328,005)	(169,174)	(85,493)	949,723	-	(165,225)	1,798,510	4,909,477
Fund balances at end of year	\$ 5,721,121	\$ (175,042)	\$ 205,649	\$ 12,748	\$ 402,268	\$ -	\$ (181,216)	\$ 1,809,310	\$ 7,794,838

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 \$ 2,885,361

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	2,153,325	
Less current year depreciation	<u>(2,114,342)</u>	38,983

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.

Capital lease principal payments	101,239	
Notes principal payments and other reductions	<u>206,042</u>	307,281

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	161,088	
Net change in landfill closure liability	(1,947)	
Net change in the OPEB obligation and related deferred inflows and outflows	(25,497)	
Net change in the County's proportionate share FRS pension liability and related deferred outflows and inflows	1,582,476	
Net change in deferred inflows for earned but unavailable revenue	(1,489,586)	226,534

\$ 3,458,159

See notes to financial statements.

Dixie County Florida
Fiduciary Funds
Statement of Fiduciary Net Position
September 30, 2021

		Custodial Funds
ASSETS		
Cash	\$	1,551,219
Accounts receivable		2,472
Due from other funds		2,607
Due from other governmental units		7,814
Total assets	\$	1,564,112
LIABILITIES		
Accounts payable	\$	78,247
Due to other funds		314,619
Due to other governmental units		368,687
Total liabilities		761,553
NET POSITION		
RESTRICTED HELD FOR OTHERS	\$	802,559

See notes to financial statements.

Dixie County, Florida
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended September 30, 2021

	Custodial Funds
ADDITIONS	
Funds held for others	\$ 600,922
Cash bonds	147,421
Property Taxes collected for other other governmental units	16,832,716
Sheriff civil fees	27,645
Fines, fees and court costs and payments	1,507,229
Total additions	19,115,933
DEDUCTIONS	
Funds held for others	527,815
Cash bonds	22,399
Fines, fees and court costs and payments	1,507,416
Taxes and fees payable	16,834,723
Sheriff civil fees	27,645
Total deductions	18,919,998
Change in net position	195,935
Net position - beginning of year	-
Prior period adjustment:	
Restatement	606,624
Net position - end of year	\$ 802,559

See notes to financial statements.

Dixie County, Florida
Notes to Financial Statements
Year Ended September 30, 2021

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 (\$530,784 in 2021) 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, 2021, based on its 16.7% ownership is as follows:

Assets	\$	4,127,227
Deferred Outflows of Resources		19,112
Liabilities		(2,182,092)
Deferred Inflows of Resources		(35,252)
Net Position	\$	1,928,995

Dixie County, Florida
Notes to Financial Statements
Year Ended September 30, 2021

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.

Dixie County, Florida
Notes to Financial Statements
Year Ended September 30, 2021

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, 2021.

Receivables

Accounts receivable are reported net of an allowance for uncollectible accounts of approximately \$1,150,000. The allowance represents approximately 57% of gross ambulance service accounts receivable at September 30, 2021.

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.

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 \$2,226,173 is included in restricted net position from enabling legislation.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2021, interfund balances consisted of:

	Receivable	Payable
General Fund	\$ 2,798,212	\$ 352,506
Special Revenue Funds:		
Airport	4,693	493,315
Court Facility	729	-
Clerk Operating	584,639	364,208
Clerk Court	329,202	515,898
County Transportation Trust	135,447	1,041,659
E-911	13,172	132,644
EMS	563,614	283,055
Fine and Forfeiture	8,101	260,382
Fire District	1,958	46,965
Impact Fees	287,245	-
Law Enforcement	45,325	-
Law Library	1,615	77
Property Appraiser Operating	5,411	99,363
Public Records Modernization Trust	101,428	-
Recreation	-	15,170
Sheriff Operating	-	313,642
SHIP	-	15,000
Solid Waste	231,057	850,976
Supervisor of Elections Operating	-	19,117
Tax Collector Operating	12,215	8,074
Custodial Funds:		
Clerk:		
Domestic Relations	-	4,089
Juror	163	-
Tax Deed	480	3,469
Traffic	-	15,454
Trust	1,964	291,607
	\$ 5,126,670	\$ 5,126,670

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

Interfund transfers are summarized below:

Transfer from General Fund to:	
E-911	\$ 335,575
Fine and Forfeiture	161,000
Fire District	62,020
Recreation	143,337
Transportation Trust	152,794
Property Appraiser Operating	579,623
Clerk Operating	497,490
Sheriff Operating	4,471,944
Tax Collector Operating	565,466
Supervisor Operating Fund	348,458
Transfer from E-911 Fund to:	
Sheriff Operating	335,575
Transfer from Emergency Management Fund to:	
Property Appraiser Operating Fund	120,486
Transfer from Fire District Fund to:	
Property Appraiser Operating Fund	38,902
Tax Collector Operating	19,000
Transfer from Property Appraiser Operating Fund to:	
General Fund	99,363
Transfer from Recreation Fund to:	
Property Appraiser Operating Fund	18,534
Tax Collector Operating	14,000
Transfer from Solid Waste Fund to:	
Property Appraiser Operating Fund	117,048
Tax Collector Operating	85,000
Transfer from Supervisor Operating Fund to:	
General Fund	19,117
Transfer from Tax Collector Operating Fund to:	
General Fund	8,074
<hr/>	
	\$ 8,192,806
<hr/>	

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, 2021, General Fund payables consisted of approximately 95% 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				Total
	Transportation Trust	Clerk Operating	Solid Waste	Other Governmental	
General government	\$ -	\$ 12,748	\$ -	\$ 709,455	\$ 722,203
Public safety	-	-	-	508,122	508,122
Physical environment	-	-	258,162	-	258,162
Transportation	205,649	-	-	-	205,649
Economic environment	-	-	-	101,408	101,408
Culture Recreation	-	-	-	110,603	110,603
Court related	-	-	-	320,026	320,026
Total restricted fund balance	\$ 205,649	\$ 12,748	\$ 258,162	\$ 1,749,614	\$ 2,226,173

Fund balance is assigned for the following purposes:

	Sheriff		
	EMS	Inmate Welfare	Total
Public safety	\$ 402,268	\$ 238,110	\$ 640,378
Total assigned fund balance	\$ 402,268	\$ 238,110	\$ 640,378

NOTE 6 – CAPITAL ASSETS

A summary of changes in capital assets follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, not being depreciated:				
Land	\$ 2,782,373	\$ -	\$ -	\$ 2,782,373
Construction in Progress	2,335,466	279,144	(2,335,466)	279,144
Total capital assets, not being depreciated	5,117,839	279,144	(2,335,466)	3,061,517
Capital Assets, being depreciated:				
Buildings	13,843,972	-	-	13,843,972
Improvements	8,124,252	-	-	8,124,252
Infrastructure	38,595,734	3,693,520	-	42,289,254
Equipment - Board of County Commissioners	11,268,790	356,578	-	11,625,368
Equipment - Sheriff	2,631,781	159,549	-	2,791,330
Total capital assets, being depreciated	74,464,529	4,209,647	-	78,674,176
Less Accumulated Depreciation for:				
Buildings	8,516,849	326,405	-	8,843,254
Improvements	3,288,930	214,887	-	3,503,817
Infrastructure	14,941,791	852,917	-	15,794,708
Equipment - Board of County Commissioners	9,372,432	413,280	-	9,785,712
Equipment - Sheriff	1,336,265	306,854	-	1,643,119
Total Accumulated Depreciation	37,456,266	2,114,342	-	39,570,609
Total Capital Assets, being depreciated, net	37,008,262	2,095,305	-	39,103,567
Capital Assets, net	42,126,101	2,374,449	(2,335,466)	42,165,084

Depreciation expense was charged to governmental activities as follows:

General government	\$	83,236
Public safety		723,481
Physical environment		64,073
Transportation		946,882
Human services		37,624
Culture and recreation		250,931
Court related		8,115
Total	\$	2,114,342

NOTE 7 – LONG-TERM LIABILITIES

At September 30, 2021, the County's long-term liabilities consisted of:

Notes Payable

Notes payable at September 30, 2021, consist of the following:

An agreement with a financial institution entered into on July 03, 2019, for purchase of equipment; 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 August 19, 2016 for the purchase of a public safety telecommunication system with a maximum amount of \$750,000; payable from the General Fund (with a pledge of the County's discretionary sales tax revenue) monthly for 60 months at a tax-exempt rate fixed at 2.77%. The first nine months of payments are interest only and subsequent payments are set at \$13,414 per month until the full amount is repaid. As of September 30, 2021, the total amount drawn was \$478,631.

Year ending September 30	Principal	Interest	Total
2022	\$ 159,013	\$ 6,920	\$ 165,933
2023	55,100	3,925	\$ 59,025
2024	57,029	1,996	\$ 59,025
Total	\$ 271,142	\$ 12,841	\$ 283,983

Capital Lease Obligations

During the fiscal year ended September 30, 2021, the County leased a vehicle under an agreement that is classified as a capital lease. The agreement which bore an interest rate of 3.1% was payable from the EMS Fund and was paid off in the current year. In the Sheriff Operating Fund, the Sheriff leases vehicles under an agreement that is classified as a capital lease. This agreement bears interest rates from 5.50%.

NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)

The cost of the vehicles being leased totaled \$328,115, less \$35,951 accumulated amortization/depreciation for a carrying amount of \$292,164. Amortization of leased equipment under capital assets is included with depreciation expense.

The future minimum lease payments required and the present value of the net minimum lease payments at September 30, 2021 are as follows:

Year ending September 30,	Amount
2022	\$ 97,836
2023	24,459
Total minimum lease payments	122,295
Amount representing interest	(4,886)
Present value of net minimum lease payments	\$ 117,409

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 \$218,762 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, 2021.

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 has accrued \$114,223 for such estimated long-term care costs as of September 30, 2021 related to future long-term care of both phases of the C & D Landfill.

The County will recognize the remaining estimated cost of closure and long-term care of approximately \$335,300 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 \$258,162 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 09/30/20	Additions	Adjustments/ Deletions	Balance at 09/30/21	Due Within One Year	Accrued Interest Payable
Governmental activities:						
Direct Borrowings:						
Notes payable	\$ 478,631	\$ -	\$ (207,489)	\$ 271,142	\$ 159,013	\$ 1,447
Capital leases	218,648	-	(101,239)	117,409	97,836	-
	697,279	-	(308,728)	388,551	256,849	1,447
Other liabilities -						
Landfill closure liability	331,037	1,947	-	332,984	46,572	-
Compensated absences	754,120	-	(161,088)	593,032	88,955	-
Other post-employment benefi	594,971	-	2,414	597,385	31,166	-
FRS retirement liability	18,781,387	-	(13,525,215)	5,256,172	343,720	-
	<u>\$ 21,158,794</u>	<u>\$ 1,947</u>	<u>\$ (13,992,617)</u>	<u>\$ 7,168,124</u>	<u>\$ 767,262</u>	<u>\$ 1,447</u>

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

NOTE 9 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

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, 2021, were as follows:

Class	FYE June 30, 2021		FYE June 30, 2022	
	FRS	HIS	FRS	HIS
Regular Class	10.00%	1.66%	10.82%	1.66%
Special Risk Class	24.45%	1.66%	25.89%	1.66%
Special Risk Administrative Support	35.84%	1.66%	37.76%	1.66%
County Elected Officers Class	49.18%	1.66%	51.42%	1.66%
Senior Management Class	27.29%	1.66%	29.01%	1.66%
Deferred Retirement Option Program (DROP)	16.98%	1.66%	18.34%	1.66%

The employer’s contributions for the year ended September 30, 2021, were \$1,554,668 to the FRS and \$152,737 to the HIS.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2021, 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, 2021. 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	\$ 2,584,209	\$2,671,963
Proportion at:		
Current measurement date	0.03420%	0.02178%
Prior measurement date	0.03726%	0.02156%
Pension expense (benefit)	\$ (299,077)	\$ 153,099

NOTE 9 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	FRS	HIS	FRS	HIS
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 442,938	\$ -	\$ 89,411	\$ (1,119)
Changes in assumptions	1,768,244	-	209,956	(110,092)
Net difference between projected and actual earnings on investments	-	(9,015,657)	2,785	-
Changes in proportion and differences between County contributions and proportionate share of contributions	47,738	(1,158,635)	59,387	(139,917)
County contributions subsequent to the measurement date	351,699	-	33,066	-
Total	\$ 2,610,619	\$ (10,174,292)	\$ 394,606	\$ (251,127)

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, 2022.

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
2022	\$ (1,394,096)	\$ 30,410
2023	(1,625,645)	9,688
2024	(2,153,353)	19,990
2025	(2,759,372)	26,533
2026	17,094	19,844
Thereafter	-	3,947
Total	\$ (7,915,372)	\$ 110,412

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2021. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2021. The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

NOTE 9 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

	FRS	HIS
Inflation	2.40%	2.40%
Salary increases	3.25%	3.25%
Investment rate of return	6.80%	6.80%
Discount rate	6.80%	6.80%
Municipal bond rate	N/A	2.16%

Mortality 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 and 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 2022-2023 plan year are calculated in the 7/1/2021 actuarial valuation)
Actuarial Cost Method	Individual Entry Age
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, 2021: amortized over maximum of 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 method	Asymptotic
Corridor	80% - 120% of fair market value
Inflation	2.40%
Salary Increases	Varies by membership class and length of service; details in funding actuarial valuation report
Cost of Living Adjustments	3% for pre-July 2011 benefit service; 0% thereafter
Retirement Age	Varies by tier, membership class, age and sex; details in funding actuarial valuation report

NOTE 9 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Turnover	Varies by membership class, length of service, age and sex; details in funding actuarial valuation report
Valuation Date	July 1, 2020
Measurement Date	June 30, 2021

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 2021:

FRS:

- The maximum amortization period was decreased to 20 years for all current and future amortization bases.

HIS:

- The municipal bond index rate and the discount rate used to determine the total pension liability decreased from 2.21% to 2.16 %.

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 Standard Deviation
Cash Equivalents	1.0%	2.1%	2.1%	1.1%
Fixed Income	20.0%	3.8%	3.7%	3.3%
Global equity	54.2%	8.2%	6.7%	17.8%
Real estate	10.3%	7.1%	6.2%	13.8%
Private equity	10.8%	11.7%	8.5%	26.4%
Strategic investments	3.7%	5.7%	5.4%	8.4%
	100.0%			
Assumed inflation-mean			2.4%	1.2%

NOTE 9 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Discount Rate

FRS:

The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.80%. 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 Municipal 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		
	Current			Current		
	1% Decrease (5.80%)	Discount Rate (6.80%)	1% Increase (7.80%)	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
County's proportionate share of the net pension liability	\$ 11,556,756	\$ 2,584,209	\$ (4,915,834)	\$ 3,089,048	\$ 2,671,963	\$ 2,330,255

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, 2021, totaled \$131,872.

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, 2021, the following funds had negative fund balances. The County intends to resolve these deficits through a combination of grant funding and interfund transfers.

Solid Waste	\$(181,216)
Fine and Forfeiture	\$(178,414)
Airport Fund	\$(175,042)

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, 2021 under GASB 75:

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Total OPEB Liability as of the Measurement Date	\$	597,385
OPEB Expense For the Fiscal Year ending September 30, 2021	\$	56,662
Covered Employee Payroll (Projected)	\$	7,624,990
County's Total OPEB Liability as a percentage of Covered Employee Payroll		7.83%
Census Information as of October 1, 2019		
Active Participants		185
Retirees, Beneficiaries and Disabled Members		6
Covered Spouses		0
Total Participants		<u>191</u>

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	\$ 120,709	\$ -
Changes in Assumptions	11,031	76,109
Total	\$ 131,740	\$ 76,109

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,	
2022	\$ 11,101
2023	\$ 11,101
2024	\$ 11,101
2025	\$ 11,101
2026	\$ 11,100
Thereafter	\$ 127

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

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	2.43%
Salary increase rate	Varies by Service
Inflation rate	2.50%
Initial trend rate	7.50%
Ultimate trend rate	4.00%
Years to ultimate	55

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-2018.

Changes in the Total OPEB Liability:

Reporting Period September 30, 2020	\$ 594,971
Changes for the Year:	
Services cost	30,428
Interest	13,073
Differences Between Expected and Actual Experience	-
Changes in Assumptions	(11,981)
Changes in Benefit Terms	-
Contributions - Employer	-
Benefits Payments	(29,106)
Other Changes	-
<u>Net Changes</u>	<u>2,414</u>
<u>Reporting Period Ending September 30, 2021</u>	<u>\$ 597,385</u>

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	Current Discount Rate	1% Increase
	1.43%	2.43%	3.43%
Total OPEB Liability	\$ 639,574	\$ 597,385	\$ 557,667

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	Healthcare Cost Trend Rates	1% Increase
	3.00% - 6.50%	4.00% - 7.50%	5.00% - 8.50%
Total OPEB Liability	\$ 639,574	\$ 597,385	\$ 557,667

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 2021. The statements address:

- Leases;
- Accounting for Interest Costs Incurred before the End of a Construction Period;
- Conduit Debt Obligations

The County is currently evaluating the effects that these statements will have on its financial statements for 2021.

NOTE 15 – PRIOR PERIOD ADJUSTMENT

During the year ended September 30, 2021, the County adopted GASB No. 84, Fiduciary Activities. This change requires the restatement of the September 30, 2020 fiduciary net position as follows:

	Custodial Funds
Fiduciary Net Position - Beginning of Year as Previously Reported	\$ -
Cumulative Effect of the Application of GASB Statement No. 84	
Fiduciary Net Position - Beginning of Year, as restated	606,624
Total	\$ 606,624

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, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 6,811,973	\$ 6,811,973	\$ 6,989,852	\$ 177,879
Licenses and permits	83,250	83,250	110,010	26,760
Intergovernmental	2,856,966	2,856,966	5,542,592	2,685,626
Charges for services	425,700	425,700	1,343,942	918,242
Fines and forfeitures	1,300	1,300	906	(394)
Miscellaneous	347,414	347,414	103,645	(243,769)
Interest	1,050	1,050	1,722	672
Total revenues	10,527,653	10,527,653	14,092,669	3,565,016
EXPENDITURES				
Current expenditures				
General government	1,675,360	1,675,360	1,460,166	215,194
Public safety	1,615,702	1,615,702	1,719,547	(103,845)
Physical environment	120,537	120,537	105,947	14,590
Economic environment	258,712	258,712	36,002	222,710
Human services	548,210	548,210	438,529	109,681
Court related	193,354	193,354	100,091	93,263
Capital outlay				
General government	27,160	27,160	-	27,160
Public safety	-	-	213,493	(213,493)
Economic environment	25,000	25,000	15,761	9,239
Total expenditures	4,464,035	4,464,035	4,089,536	374,499
Excess of revenues over (under) expenditures	6,063,618	6,063,618	10,003,133	3,939,515
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	-	-	126,554	126,554
Interfund transfers out	(7,447,431)	(7,447,431)	(7,317,707)	129,724
Total other financing sources (uses)	(7,447,431)	(7,447,431)	(7,191,153)	256,278
Net change in fund balance	(1,383,813)	(1,383,813)	2,811,980	4,195,793
Fund balance at beginning of year	2,909,141	2,909,141	2,909,141	-
Fund balance at end of year	\$ 1,525,328	\$ 1,525,328	\$ 5,721,121	\$ 4,195,793

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, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,146,552	\$ 1,146,552	\$ 563,513	\$ (583,039)
Charges for services	500	500	3,830	3,330
Miscellaneous	44,500	44,500	56,820	12,320
Interest	25	25	142	117
Total revenues	1,191,577	1,191,577	624,305	(567,272)
EXPENDITURES				
Current expenditures				
Transportation	936,446	936,446	207,969	728,477
Capital outlay				
Transportation	272,880	272,880	263,373	9,507
Total expenditures	1,209,326	1,209,326	471,342	737,984
Excess of revenues over (under) expenditures	(17,749)	(17,749)	152,963	170,712
Net change in fund balance	1,128,803	1,128,803	152,963	170,712
Fund balance at beginning of year	(328,005)	(328,005)	(328,005)	-
Fund balance at end of year	\$ 800,798	\$ 800,798	\$ (175,042)	\$ 170,712

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, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,567,396	\$ 1,567,396	\$ 496,132	\$ (1,071,264)
Licenses and permits	-	-	1,450	1,450
Intergovernmental	13,172,865	13,172,865	3,551,845	(9,621,020)
Charges for services	-	-	-	-
Miscellaneous	115,111	115,111	15,511	(99,600)
Interest	100	100	384	284
Total revenues	14,855,472	14,855,472	4,065,322	(10,790,150)
EXPENDITURES				
Current expenditures				
Transportation	2,283,712	2,283,712	2,644,345	(360,633)
Capital outlay				
Transportation	13,341,365	13,341,365	1,254,980	12,086,385
Total expenditures	15,625,077	15,625,077	3,899,325	11,725,752
Excess of revenues over (under) expenditures	(769,605)	(769,605)	165,997	935,602
OTHER FINANCING SOURCES				
Disposition of equipment	-	-	56,032	56,032
Interfund transfers in	152,794	152,794	152,794	-
Total other financing sources	152,794	152,794	208,826	56,032
Net change in fund balance	(616,811)	(616,811)	374,823	991,634
Fund balance at beginning of year	(169,174)	(169,174)	(169,174)	-
Fund balance at end of year	\$ (785,985)	\$ (785,985)	\$ 205,649	\$ 991,634

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, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	40,355	40,355
Fines and forfeitures	-	-	40,060	40,060
Miscellaneous	-	-	1,204	1,204
Interest	-	-	165	165
Total revenues	-	-	81,784	81,784
EXPENDITURES				
Current expenditures				
General government	325,754	325,754	481,033	(155,279)
Total expenditures	325,754	325,754	481,033	(155,279)
Excess of revenues over expenditures	(325,754)	(325,754)	(399,249)	(73,495)
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	325,754	325,754	497,490	171,736
Total other financing sources (uses)	325,754	325,754	497,490	171,736
Net change in fund balance	-	-	98,241	98,241
Fund balance at beginning of year	(85,493)	(85,493)	(85,493)	-
Fund balance at end of year	\$ (85,493)	\$ (85,493)	\$ 12,748	\$ 98,241

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, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 18,721	\$ 18,721	\$ 18,721	\$ -
Charges for services	353,027	353,027	353,027	-
Miscellaneous	702,657	702,657	258,073	(444,584)
Interest	125	125	125	-
Total revenues	1,074,530	1,074,530	629,946	(444,584)
EXPENDITURES				
Current expenditures				
Public safety	5,618,589	5,618,589	5,219,980	398,609
Capital outlay				
Public safety	165,625	165,625	119,650	45,975
Debt service				
Principal	88,322	88,322	88,322	-
Interest	9,514	9,514	9,514	-
Total expenditures	5,882,050	5,882,050	5,437,466	444,584
Excess of revenues over (under) expenditures	(4,807,520)	(4,807,520)	(4,807,520)	-
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	4,807,520	4,807,520	4,807,520	-
Total other financing sources (uses)	4,807,520	4,807,520	4,807,520	-
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
EMS Fund

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,482,425	\$ 1,482,425	\$ 1,453,336	\$ (29,089)
Licenses and permits				
Intergovernmental	482,147	482,147	290,468	(191,679)
Charges for services	895,000	895,000	1,045,627	150,627
Miscellaneous	26,000	26,000	33,519	7,519
Interest	700	700	159	(541)
Total revenues	2,886,272	2,886,272	2,823,109	(63,163)
EXPENDITURES				
Current expenditures				
Public safety	2,923,578	2,923,578	3,052,277	(128,699)
Capital outlay				
Public safety	396,476	396,476	184,884	211,592
Debt service			-	
Principal	-	-	12,917	(12,917)
Total expenditures	3,320,054	3,320,054	3,250,078	69,976
Excess of revenues over (under) expenditures	(433,782)	(433,782)	(426,969)	6,813
OTHER FINANCING SOURCES (USES)				
Interfund transfers out	42,000	42,000	(120,486)	(162,486)
Total other financing sources (uses)	42,000	42,000	(120,486)	(162,486)
Net change in fund balance	(391,782)	(391,782)	(547,455)	(155,673)
Fund balance at beginning of year	949,723	949,723	949,723	-
Fund balance at end of year	\$ 557,941	\$ 557,941	\$ 402,268	\$ (155,673)

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, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Licenses and permits	\$ 1,270,000	\$ 1,270,000	\$ 1,350,399	\$ 80,399
Intergovernmental	125,406	125,406	235,710	110,304
Charges for services	112,500	112,500	223,047	110,547
Miscellaneous	268,084	268,084	328,220	60,136
Interest	195	195	263	68
Total revenues	1,776,185	1,776,185	2,137,639	361,454
EXPENDITURES				
Current expenditures				
Physical environment	1,919,276	1,919,276	1,809,825	109,451
Human services	82,497	82,497	82,645	(148)
Debt service				
Principal	-	-	51,447	(51,447)
Interest	-	-	7,665	(7,665)
Total expenditures	2,001,773	2,001,773	1,951,582	50,191
Excess of revenues over (under) expenditures	(225,588)	(225,588)	186,057	411,645
OTHER FINANCING SOURCES (USES)				
Interfund transfers out	217,873	217,873	(202,048)	(419,921)
Total other financing sources (uses)	217,873	217,873	(202,048)	(419,921)
Net change in fund balance	(7,715)	(7,715)	(15,991)	(8,276)
Fund balance at beginning of year	(165,225)	(165,225)	(165,225)	-
Fund balance at end of year	\$ (172,940)	\$ (172,940)	\$ (181,216)	\$ (8,276)

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, 2021

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

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%

Benefit payments: The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2021. 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, 2021

Florida Retirement System	2021	2020	2019	2018	2017	2016	2015
County's proportion of the net pension liability (asset)	0.0342%	0.0373%	0.0383%	0.0388%	0.0394%	0.0405%	0.0425%
County's proportionate share of the net pension liability (asset)	\$ 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)	\$ 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	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	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%
Health Insurance Subsidy Program	2021	2020	2019	2018	2017	2016	2015
County's proportion of the net pension liability (asset)	0.0218%	0.0216%	0.0218%	0.0221%	0.0229%	0.0230%	0.0247%
County's proportionate share of the net pension liability (asset)	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)	\$ 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	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	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, 2021

Florida Retirement System	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 1,554,669	\$ 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	1,554,669	1,253,670	1,121,767	1,054,937	1,045,863	1,045,863	1,030,289
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll (1)	\$ 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	17.89%	16.22%	15.31%	14.67%	14.55%	14.17%	13.88%
Health Insurance Subsidy Program	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 152,737	\$ 128,336	\$ 121,490	\$ 119,117	\$ 119,359	\$ 122,635	\$ 100,139
Contributions in relation to the contractually required contribution	152,737	128,336	121,490	119,117	119,359	122,635	100,139
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll (1)	\$ 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	1.66%	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, 2021

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, 2021, 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, 2021, are shown below:

	FRS	HIS
Total Pension Liability	\$ 209,636,046	\$ 12,719,121
Plan Fiduciary Net Position	<u>(202,082,183)</u>	<u>(452,618)</u>
Net Pension Liability	<u>\$ 7,553,863</u>	<u>\$ 12,266,503</u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.40%	3.56%
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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, 2020. 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, 2021. 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, 2021, for employers that were members of the FRS and HIS during those fiscal years. For fiscal years June 30, 2015 through June 30, 2021, 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 6.80%. 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 2021:

- FRS: Decreasing the maximum amortization period to 20 years for all current and future amortization bases.
- HIS: The municipal bonds rate used to determine total pension liability was decreased from 2.21% to 2.16%.

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, 2021:

FRS Net Pension Liability		
1% Decrease	Current Discount Rate	1% Increase
5.80%	6.80%	7.80%
\$33,781,383,454	\$7,553,863,454	(\$14,369,402,546)

HIS Pension Liability		
1% Decrease	Current Discount Rate	1% Increase
1.16%	2.16%	3.16%
\$14,181,266,208	\$12,266,503,481	\$10,697,783,617

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, 2021, was 5.7 years for FRS and 6.4 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 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Service Cost	\$ 2,648,469,100	\$ -	\$ -
Interest Cost	13,713,165,933	-	-
Effect of plan changes	-	-	-
Effect of economic, demographic, gains of losses (difference between expected and actual experience)	713,802,012	1,294,744,253	-
Effects of assumptions changes or inputs	2,677,457,858	5,168,727,859	-
Member contributions	(756,530,214)	-	-
Projected investment earnings	(10,737,817,022)	-	-
Changes in proportion and differences between Pension Plan contributions and proportionate share of contributions	-	1,590,291,600	(1,590,261,600)
Net difference between projected and actual investment earnings	8,282,725,714	-	(26,353,530,858)
Administrative expenses	21,740,598	-	-

HIS			
Description	Recognized in Expense		
	Reporting Period Ended 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Service Cost	\$ 280,658,909	\$ -	\$ -
Interest Cost	278,746,908	-	-
Effect of plan changes	-	-	-
Effect of economic, demographic, gains of losses (difference between expected and actual experience)	84,706,748	410,468,472	(5,137,715)
Effects of assumptions changes or inputs	230,467,083	963,872,605	(505,411,160)
Member contributions	(55,181)	-	-
Projected investment earnings	(9,165,135)	-	-
Changes in proportion and differences between Pension Plan contributions and proportionate share of contributions	-	463,337,703	(463,337,703)
Net difference between projected and actual investment earnings	5,071,841	12,787,505	-
Administrative expenses	193,066	-	-
Total	\$ 870,624,239	\$ 1,850,466,285	\$ (973,886,578)

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 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:

Reporting Period Ending	FRS		HIS	
2022	\$	(3,503,139,422)	\$	241,439,339
2023		(4,084,984,352)		76,915,886
2024		(5,411,031,735)		158,699,494
2025		(6,933,858,540)		210,652,397
2026		42,955,303		157,543,841
Thereafter		-		31,328,450
	\$	(19,890,058,746)	\$	876,579,407

Combining Financial Statements

Dixie County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2021

	Special Revenue Funds							
	Clerk of Courts		Property Appraiser	Sheriff	Supervisor of Elections	Tax Collector	Board of County Commissioners	
	Clerk Court	Public Records Modernization Trust	Property Appraiser Operating	Sheriff Inmate Welfare	Supervisor Operating	Tax Collector Operating	Court Facility	E-911
ASSETS								
Current Assets								
Cash	\$ 239,494	\$ 1,788	\$ 113,794	\$ 238,110	\$ 20,076	\$ 11,539	\$ 173,727	\$ 90,699
Accounts receivable	-	-	-	-	-	444	-	10,333
Due from other funds	329,202	101,428	5,411	-	-	12,215	729	13,172
Due from other governmental units	-	-	-	-	-	-	-	38,381
Total assets	\$ 568,696	\$ 103,216	\$ 119,205	\$ 238,110	\$ 20,076	\$ 24,198	\$ 174,456	\$ 152,585
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Current Liabilities								
Accounts payable	\$ 3	\$ -	\$ 3,726	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages and payroll liabilities	-	-	-	-	-	-	-	-
Other payroll liabilities	10,441	-	14,233	-	-	15,929	-	-
Due to other funds	515,898	-	99,363	-	19,117	8,074	-	132,644
Due to other governmental units	-	-	1,883	-	-	195	-	-
Unearned revenues	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	959	-	-	-
Total liabilities	526,342	-	119,205	-	20,076	24,198	-	132,644
FUND BALANCES								
Restricted	42,354	103,216	-	-	-	-	174,456	19,941
Assigned	-	-	-	238,110	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	42,354	103,216	-	238,110	-	-	174,456	19,941
Total liabilities and fund balances	\$ 568,696	\$ 103,216	\$ 119,205	\$ 238,110	\$ 20,076	\$ 24,198	\$ 174,456	\$ 152,585

See notes to financial statements.

Dixie County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2021 (Continued)

Special Revenue Funds								
Board of County Commissioners								
	Fine and Forfeiture	Fire District	Impact Fees	Law Enforcement	Law Library	Recreation	SHIP	Total Nonmajor Funds
ASSETS								
Current Assets								
Cash	\$ 71,745	\$ 252,478	\$ 428,629	\$ 221,214	\$ 12,138	\$ 143,695	\$ 146,408	\$ 2,165,534
Accounts receivable	2,122	18,174	-	-	-	642	-	31,715
Due from other funds	8,101	1,958	287,245	45,325	1,615	-	-	806,401
Due from other governmental unit	-	1,495	-	-	-	853	-	40,729
Total assets	\$ 81,968	\$ 274,105	\$ 715,874	\$ 266,539	\$ 13,753	\$ 145,190	\$ 146,408	\$ 3,044,379
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Current Liabilities								
Accounts payable	\$ -	\$ -	\$ 6,419	\$ 9,764	\$ 746	\$ 12,648	\$ 30,000	\$ 63,306
Accrued liabilities	-	-	-	-	-	-	-	-
Accrued wages	-	5,366	-	-	-	6,769	-	52,738
Due to other funds	260,382	46,965	-	-	77	15,170	15,000	1,112,690
Due to other governmental units	-	-	-	-	-	-	-	2,078
Unearned revenues	-	-	-	3,298	-	-	-	3,298
Other current liabilities	-	-	-	-	-	-	-	959
Total liabilities	260,382	52,331	6,419	13,062	823	34,587	45,000	1,235,069
FUND BALANCES								
Restricted	-	221,774	709,455	253,477	12,930	110,603	101,408	1,749,614
Assigned	-	-	-	-	-	-	-	238,110
Unassigned	(178,414)	-	-	-	-	-	-	(178,414)
Total fund balances	(178,414)	221,774	709,455	253,477	12,930	110,603	101,408	1,809,310
Total liabilities and fund balances	\$ 81,968	\$ 274,105	\$ 715,874	\$ 266,539	\$ 13,753	\$ 145,190	\$ 146,408	\$ 3,044,379

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, 2021

	Special Revenue Funds							
	Clerk of the Circuit Court		Property Appraiser	Sheriff	Supervisor of Elections	Tax Collector	Board of County Commissioners	
	Clerk Court	Public Records Modernization Trust	Property Appraiser Operating	Sheriff Inmate Welfare	Supervisor Operating	Tax Collector Operating	Court Facility	E-911
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits licenses, special asse:	-	-	-	-	-	-	-	-
Intergovernmental	304,383	-	14,866	-	16,762	-	-	225
Charges for services	206,611	33,309	1,001	-	-	-	-	216,568
Fines and forfeitures	36,283	-	-	-	-	-	-	-
Miscellaneous	86,243	-	-	178,523	2,969	-	-	43
Interest	39	-	99	-	-	24	138	59
Total revenues	633,559	33,309	15,966	178,523	19,731	24	138	216,895
EXPENDITURES								
Current expenditures								
General government	-	3,000	791,195	-	349,072	632,805	-	-
Public safety	-	-	-	30,907	-	-	-	178,886
Physical environment	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture / recreation	-	-	-	-	-	-	-	-
Court related	502,709	14,108	-	-	-	-	269	-
Capital outlay								
General government	-	-	-	-	-	42,611	-	-
Public safety	-	-	-	39,899	-	-	-	-
Physical environment	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture / recreation	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	502,709	17,108	791,195	70,806	349,072	675,416	269	178,886
Excess of revenues over (under) expenditures	130,850	16,201	(775,229)	107,717	(329,341)	(675,392)	(131)	38,009
OTHER FINANCING SOURCES (USES)								
Disposal of equipment	-	-	-	-	-	-	-	-
Interfund transfers in	-	-	874,592	-	348,458	683,466	-	335,575
Interfund transfers out	-	-	(99,363)	-	(19,117)	(8,074)	-	(335,575)
Total other financing sources (uses)	-	-	775,229	-	329,341	675,392	-	-
Net change in fund balances	130,850	16,201	-	107,717	-	-	(131)	38,009
Fund balances at beginning of year	(88,496)	87,015	-	130,393	-	-	174,587	(18,068)
Fund balances at end of year	\$ 42,354	\$ 103,216	\$ -	\$ 238,110	\$ -	\$ -	\$ 174,456	\$ 19,941

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, 2021 (Continued)

Special Revenue Funds								
Board of County Commissioners								
	Fine and Forfeiture	Fire District	Impact Fees	Law Enforcement	Law Library	Recreation	SHIP	Total Nonmajor Funds
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 223,590	\$ -	\$ 223,590
Permits/licenses, special assessments	-	446,306	172,420	-	-	-	-	618,726
Intergovernmental	-	-	-	85,748	-	113,623	-	535,607
Charges for services	-	803	-	-	-	73,489	-	531,781
Fines and forfeitures	-	-	-	-	-	-	-	36,283
Miscellaneous	-	9,510	-	-	-	4,738	25,500	307,526
Interest	31	158	467	167	9	89	151	1,431
Total revenues	31	456,777	172,887	85,915	9	415,529	25,651	2,254,944
EXPENDITURES								
Current expenditures								
General government	-	-	-	-	-	-	-	1,776,072
Public safety	29,292	480,062	72,484	33,362	-	-	-	824,993
Physical environment	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	430,625	430,625
Human services	-	-	-	-	-	-	-	-
Culture / recreation	-	-	-	-	-	472,183	-	472,183
Court related	-	-	-	-	16,915	-	-	534,001
Capital outlay								
General government	-	-	-	-	-	-	-	42,611
Public safety	-	1,662	6,419	-	-	-	-	47,980
Physical environment	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture / recreation	-	-	-	-	-	10,593	-	10,593
Court related	-	-	-	-	-	-	-	-
Debt service								
Principal	156,042	-	-	-	-	-	-	156,042
Interest	4,927	-	-	-	-	-	-	4,927
Total expenditures	190,261	481,724	78,903	33,362	16,915	482,776	430,625	4,300,027
Excess of revenues over (under) expenditures	(190,230)	(24,947)	93,984	52,553	(16,906)	(67,247)	(404,974)	(2,045,083)
OTHER FINANCING SOURCES (USES)								
Disposal of equipment	-	-	-	-	-	-	-	-
Interfund transfers in	161,000	62,020	-	-	-	143,337	-	2,608,448
Interfund transfers out	-	(57,902)	-	-	-	(32,534)	-	(552,565)
Total other financing sources (uses)	161,000	4,118	-	-	-	110,803	-	2,055,883
Net change in fund balances	(29,230)	(20,829)	93,984	52,553	(16,906)	43,556	(404,974)	10,800
Fund balances at beginning of year	(149,184)	242,603	615,471	200,924	29,836	67,047	506,382	1,798,510
Fund balances at end of year	\$ (178,414)	\$ 221,774	\$ 709,455	\$ 253,477	\$ 12,930	\$ 110,603	\$ 101,408	\$ 1,809,310

See notes to financial statements.

Dixie County, Florida
Combining Statement of Fiduciary Net Position
Custodial Funds
September 30, 2021

	Clerk of the Circuit Court								Sheriff		Tax Collector		
	Bond	Domestic Relations	Juror	Registry of Court	Tax Deed	Traffic	Trust	Witness	Bond	Individual Depositors	Inmate Trust	Tax	Totals
ASSETS													
Cash	\$ 44,886	\$ 6,006	\$ 17,038	\$ 56,216	\$ 572,494	\$ 104,040	\$ 330,220	\$ 132	\$ 2,520	\$ 8,779	\$ 84,373	\$ 324,515	\$ 1,551,219
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	2,472	2,472
Due from other funds	-	-	163	-	480	-	1,964	-	-	-	-	-	2,607
Due from other governmental units	-	-	-	-	-	1,406	6,408	-	-	-	-	-	7,814
Total assets	\$ 44,886	\$ 6,006	\$ 17,201	\$ 56,216	\$ 572,974	\$ 105,446	\$ 338,592	\$ 132	\$ 2,520	\$ 8,779	\$ 84,373	\$ 326,987	\$ 1,564,112
LIABILITIES													
Accounts payable	\$ -	\$ 1,917	\$ -	\$ -	\$ 6,804	\$ 69,526	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,247
Due to other funds	-	4,089	-	-	3,469	15,454	291,607	-	-	-	-	-	314,619
Due to other governmental units	-	-	-	-	-	20,466	46,985	-	-	8,779	-	292,457	368,687
Installments payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	6,006	-	-	10,273	105,446	338,592	-	-	8,779	-	292,457	761,553
NET POSITION													
Restricted - held for others	\$ 44,886	\$ -	\$ 17,201	\$ 56,216	562,701	\$ -	\$ -	\$ 132	\$ 2,520	\$ -	\$ 84,373	\$ 34,530	\$ 802,559

See notes to financial statements.

Dixie County, Florida
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended September 30, 2021

	Clerk of the Circuit Court								Sheriff			Tax Collector	Totals
	Bond	Domestic Relations	Juror	Registry of Court	Tax Deed	Traffic	Trust	Witness	Bond	Individual Depositors	Inmate Trust	Tax	
ADDITIONS													
Funds held for others	\$ 15,158	\$ -	\$ 22,196	\$ -	\$ 257,174	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 306,394	\$ -	\$ 600,922
Cash bonds	-	-	-	123,493	-	-	-	-	23,928	-	-	-	147,421
Property Taxes collected for other other governmental units	-	-	-	-	-	-	-	-	-	-	-	16,832,716	16,832,716
Sheriff civil fees	-	-	-	-	-	-	-	-	-	27,645	-	-	27,645
Fines, fees and court costs and payments	-	56,333	-	-	-	424,691	1,026,205	-	-	-	-	-	1,507,229
Total additions	15,158	56,333	22,196	123,493	257,174	424,691	1,026,205	-	23,928	27,645	306,394	16,832,716	19,115,933
DEDUCTIONS													
Funds held for others	8,600	-	7,048	123,286	114,242	-	-	-	-	-	274,639	-	527,815
Cash bonds	-	-	-	-	-	-	-	-	22,399	-	-	-	22,399
Fines, fees and court costs and payments	-	56,333	-	-	-	424,691	1,026,205	187	-	-	-	-	1,507,416
Taxes and fees payable	-	-	-	-	-	-	-	-	-	-	-	16,834,723	16,834,723
Sheriff civil fees	-	-	-	-	-	-	-	-	-	27,645	-	-	27,645
Total deductions	8,600	56,333	7,048	123,286	114,242	424,691	1,026,205	187	22,399	27,645	274,639	16,834,723	18,919,998
Change in net position	6,558	-	15,148	207	142,932	-	-	(187)	1,529	-	31,755	(2,007)	195,935
Net position - beginning of year	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior period adjustment:													
Restatement	38,328	-	2,053	56,009	419,769	-	-	319	991	-	52,618	36,537	606,624
Net position - end of year	\$ 44,886	\$ -	\$ 17,201	\$ 56,216	\$ 562,701	\$ -	\$ -	\$ 132	\$ 2,520	\$ -	\$ 84,373	\$ 34,530	\$ 802,559

See notes to financial statements.

Dixie County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2021

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES
FEDERAL AWARDS							
US DEPARTMENT OF JUSTICE							
Coronavirus Emergency Supplemental Funding Program	16.034	2020-CESF-DIXI-1-C9-014	\$ 65,788	\$ 5,823	\$ -	\$ 46,490	\$ 46,490
Passed through the Florida Department of Law Enforcement							
Edward Byrne Memorial Justice Assistance Grant	16.738	2020-JAGC-DIXI-2-N2-197	39,258	-	-	39,258	39,258
			105,046	5,823	-	85,748	85,748
US DEPARTMENT OF THE TREASURY							
Passed through the Florida Department of Emergency Management							
Coronavirus Relief Fund	21.019	Y2307	2,936,007	-	-	2,202,005	2,202,005
			2,936,007	-	-	2,202,005	2,202,005
US ELECTIONS ASSISTANCE COMMISSION							
Passed through Florida Department of State							
Voting System Assistance Grant	90.401	MOA-#2016-2017-003-DIX	-	-	-	10,871	10,871
Help America Vote Act	90.401	MOA-#2018-2019-003-DIX	-	-	-	5,891	5,891
			-	-	-	16,762	16,762
FEDERAL OFFICE OF CHILD SUPPORT ENFORCEMENT							
Passed through the Florida Department of Revenue							
Title IV-D Child Support Enforcement	93.563	COC21	54,000	-	-	53,999	53,999
FEDERAL DEPARTMENT OF HOMELAND SECURITY							
passed through Florida Division of Emergency Management							
Emergency Management Preparedness and Assistance Grant 2021	97.042	G0181	54,900	-	-	47,816	# 47,816
			54,900	-	-	47,816	47,816
Total federal awards			\$ 3,149,953	\$ 5,823	\$ -	\$ 2,406,330	\$ 2,406,330

Dixie County, Florida

Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2021

Federal and State Grantor/Pass Through Grantor			AWARD	REPORTED IN	DEFERRED IN	REVENUES	
Program Title	CFDA#	GRANT #	AMOUNT	PRIOR YEARS	PRIOR YEARS	RECOGNIZED	EXPENDITURES
STATE FINANCIAL ASSISTANCE							
Florida Division of Emergency Management							
Emergency Management Performance Grant 2021	31.063	A0136	\$ 105,806	\$ -	\$ -	\$ 105,806	\$ 105,806
			105,806	-	-	105,806	105,806
Department of Environmental Protection							
Small County Solid Waste Grant Agreement	37.012	SC106	93,750	-	-	93,750	93,750
<i>Passed through Suwannee River Water Management District</i>							
Florida Springs Grant Program (Multi Basin Aquifer Recharge Project)	37.052	19/20/149 LPS0024	5,792,213	273,009	-	519,602	246,593
			5,885,963	273,009	-	613,352	340,343
Department of Health							
EMS Matching Grant	64.003	M9051	128,854	-	-	128,854	128,854
EMS County Grant	64.005	C0015	7,992	-	-	7,992	7,992
			136,846	-	-	136,846	136,846
Department of Agriculture and Consumer Services							
Mosquito Control State Aid	42.003	SOW20-280	105,000	-	-	105,000	105,000
Arthropod Mosquito Control State Aid	42.003	FDAS-27521	36,960	-	-	36,960	36,960
			141,960	-	-	141,960	141,960
Department of State							
State Aid to Libraries	45.030	21-ST-84	113,623	-	-	113,623	113,623
Florida Department of Transportation							
Aviation Grant Program							
Removal of Obstacles	55.004	G0Q43	120,000	25,280	-	91,419	66,139
Cross City Airport Design & Rehab R/W 4-22	55.004	G1267	2,015,000	-	-	26,885	26,885
Airport Fencing	55.004	G052	235,000	3,897	-	225,897	225,897
			2,370,000	29,177	-	344,201	318,921
Small County Outreach Program							
County Road 351A	55.009	G1256	1,840,000	1,240,469	-	506,884	506,884
138TH Ave. (Punk Clark Road)	55.009	G1259	976,997	63,000	-	903,646	903,646
			2,816,997	1,303,469	-	1,410,530	1,410,530
Small County Road Assistance Program							
SE 633RD Street (Neely Hicks)	55.016	G1C84	\$ 525,000	\$ 44,100	\$ -	\$ 456,133	\$ 456,133
			525,000	44,100	-	456,133	456,133
Wireless 911 Board-911 Wireless State Funds							
Rural County Maintenance Grant-Fall	72.001	DMS 20-10-04	39,700	-	-	39,700	39,700
			39,700	-	-	39,700	39,700
Total state financial assistance			\$ 12,135,895	\$ 1,649,755	\$ -	\$ 3,362,151	\$ 3,063,862

Dixie County, Florida

**Notes to the Schedule of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2021**

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, 2021. 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.

Dixie County, Florida
Schedule of Findings and Questioned Costs
September 30, 2021

Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
● Material weakness identified?	No
● Significant deficiencies identified not considered to be material weaknesses?	Yes, see <i>Schedule of Prior Audit Findings</i>
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
● Material weaknesses identified?	No
● Significant deficiencies identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2CFR200.516(a)	No
Identification of major programs:	

<u>CFDA Number</u>	<u>Name of Federal Programs</u>
21.019	<u>U.S. Department of Treasury</u> Coronavirus Relief Fund

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Financial Statement Findings

None

Federal Award Findings and Questioned Costs

None

(Continued)

Dixie County, Florida
Schedule of Findings and Questioned Costs
September 30, 2021

(Continued)

State Financial Assistance

Internal control over major projects:

- Material weakness identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? None reported

Type of auditor's report issued on compliance for major projects: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Rule 10.656, *Rules of the Auditor General*? No

Identification of major projects:

CSFA Number

Name of State Projects

37.052

Department of Environmental Prot

Florida Springs Grant Program

55.016

Department of Transportatio

Small County Road Assistance Program

55.009

Small County Outreach Program

55.004

Aviation Grant Program

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

Financial Statement Findings

See Schedule of Prior audit Findings

State Financial Assistance Findings and Questioned Costs

None

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, 2021, and have issued our report thereon dated June 24, 2022.

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 June 24, 2022, 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 Year Findings:

Finding Number FY 2017	Finding Number FY 2020	Status FY 2021
2017-001	2017-001	Repeated as 2017-001
2017-003	2016-003	Repeated as 2017-003
2017-004	2017-004	Repeated as 2017-004
2017-005	2016-005	Repeated as 2017-005

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

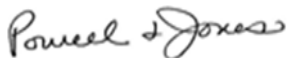
Section 10.554(2)(i)(3), Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we identified item 2017-010 as described in the Schedule of Findings and Questioned Costs.

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 & JONES

Certified Public Accountants

June 24, 2022

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

The Honorable County
Commissioners Dixie County,
Florida

We have examined Dixie County, Florida's (the "County") compliance with the specified requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during year ended September 30, 2021. Management of the County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

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

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, 2021.

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

Certified Public Accountants

June 24, 2022

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTIONS 365.172(10) AND 365.173(2)(d), FLORIDA STATUTES

The Honorable County
Commissioners Dixie County,
Florida

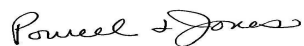
We have examined Dixie County, Florida's (the County) compliance with the specified requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of (E911) Funds*, during year ended September 30, 2021. Management of County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

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

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, 2021.

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

Certified Public Accountants

June 24, 2022

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 June 24, 2022.

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 prior audit findings as items 2017-001, 2017-003, 2017- 004 and 2017-005 that we consider to be significant deficiencies.

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.

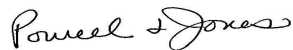
The results of our auditing procedures disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. We did identify certain other matters which are described in the accompanying schedule of prior audit findings as item 2017-003.

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

Certified Public Accountants

June 24, 2022

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE *OMB UNIFORM
GUIDANCE***

To the Board of County
Commissioners of Dixie
County, Florida

Report on Compliance for Each Major Federal Program

We have audited the Dixie County, Florida's compliance with the types of compliance requirements described in the *OMB Uniform Guidance* that could have a direct and material effect on each of the Dixie County, Florida's major federal programs for the year ended September 30, 2021. Dixie County, Florida's major federal programs are identified in the summary of auditor's results in the accompanying schedule of findings.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Dixie County, Florida's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 (OMB Uniform Guidance)*. Those standards, and the *OMB Uniform Guidance* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Dixie County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Dixie County, Florida's compliance.

Opinion on Each Major Federal Program

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, 2021.

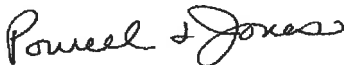
Report on Internal Control Over Compliance

Management of the Dixie County, Florida, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we consider Dixie County, Florida's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Dixie County, Florida's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 OMB Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Powell & Jones
Certified Public Accountants
Lake City, FL
June 24, 2022

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR STATE PROJECT AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH CHAPTER 10.550, RULES OF THE
AUDITOR GENERAL, OFFICE OF THE AUDITOR GENERAL**

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

Report on Compliance for 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, 2021. Dixie County, Florida's major State projects are identified in the summary of auditors' results section of the accompanying Schedule of Findings.

Management's Responsibility

Dixie County, Florida's management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its major State projects.

Auditor's Responsibility

Our responsibility is to express an opinion on Dixie County, Florida's compliance for each major State Project based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General. Those standards and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State project occurred. An audit includes examining, on a test basis, evidence about Dixie County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State Project. However, our audit does not provide a legal determination of Dixie County, Florida's compliance.

Opinion on Each Major State Project

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, 2021.

Other Matters

The results of our auditing procedures disclosed no instances of non-compliance, which are required to be reported in accordance with Chapter 10.550, Rules of the State of Florida, Office of the Auditor General.

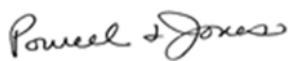
Internal Control Over Compliance

Management of Dixie County, Florida is responsible for establishing and maintaining effective internal control over the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Dixie County, Florida's internal control over compliance with the types of requirements that could have a direct and material effect on a major State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State Project 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Dixie County, Florida's 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 State project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified.

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 Dixie County, Florida'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 & JONES

Certified Public Accountants

June 24, 2022

Dixie County, Florida

Schedule of Prior Audit Findings

FINANCIAL STATEMENT FINDINGS

2017-001 (Similar to previously reported items 2016-001 and 2015-001)

Criteria: Section 218.33, *Florida Statutes*, requires that local government entities follow uniform accounting practices and procedures including the use of proper accounting and fiscal management, which includes establishing and maintaining effective internal control to help ensure that appropriate goals and objectives are met and ensuring that management and financial information is reliable and properly reported.

Condition: As part of the audit, we proposed material adjustments to the County's financial statements and it was necessary for us to assist in the preparation of the financial statements.

Cause: The staff do not possess sufficient skills to record all required journal entries and prepare the financial statements in conformity with generally accepted accounting principles.

Effect: Management are not able to prepare the financial statements in conformity with generally accepted accounting principles; however, we determined that management does have the skills, knowledge, and experience to review and approve the journal entries and financial statements.

Current Year Status: This finding remained during the current year.

2017-003 (Similar to previously reported items 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.

Current Year Status: This finding remained during the current year.

2017-004

(Similar to previously reported item 2016-004)

Criteria: Section 218.33, *Florida Statutes*, requires that local government entities follow uniform accounting practices and procedures including the use of proper accounting and fiscal management, which includes establishing and maintaining effective internal control to help ensure that appropriate goals and objectives are met and ensuring that management and financial information is reliable and properly reported. The internal control environment should include adequate segregation of duties within the financial reporting IT systems.

Condition: Members of the Accounting department have excessive access to the financial reporting IT systems.

Cause: The staffing levels are not sufficient for adequate segregation of duties in the IT systems.

Effect: The risk of misstatements is enhanced.

Recommendation: Where possible, the Office should restrict access to IT systems or functions or should provide compensating controls.

Current Year Status: During the current year, the Board hired an IT Director who is in the process of making upgrades to the Board's IT systems.

2017-005

Condition: The County's Recreation and Library Fund had a deficit fund balance and an interfund balance with the General Fund. No repayments were made to reduce the balance during FY 2019.

Cause: The County anticipated grant funding to be received to enable the repayment of the interfund balance but it was not sufficient during FY 2020.

Effect: The nonpayment of the loan could have a negative impact on the fund balance of the County's General Fund in the future.

Current Year Status: These Board funds had negative fund balances at September 30, 2021 totaling \$(534,692); although the Recreation and Library Fund had a positive fund balance. This remains a finding for the County.

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

September 7, 2022

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, 2021.

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. Please note that I am the newly elected Clerk of Court and assumed office on January 5, 2021.

PART II-FINANCIAL STATEMENT FINDINGS

2017-001 Criteria: Section 218.33, Florida Statutes, requires that local government entities follow uniform accounting practices and procedures including the use of proper accounting and fiscal management, which includes establishing and maintaining effective internal control to help ensure that appropriate goals and objectives are met and ensuring that management and financial information is reliable and properly reported.

Current Year Status: This finding remained during the current year.

Response: Every effort has been made to comply with uniform accounting procedures and internal controls currently. Many changes/upgrades have been added to our Finance Department and training is ongoing. Arrangements are being made to have an independent review of our annual financial reporting.

2017-003 Criteria: Per rule 691-73.006, Florida Administrative Code, management is required to perform a physical inventory count of all tangible property.

Current Year Status: This finding remained during the current year.

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

2017-004 Criteria: Section 218.33, Florida Statutes, requires that local government entities follow uniform accounting practices and procedures including the use of proper accounting and fiscal management, which includes establishing and maintaining effective internal control to help ensure that appropriate goals and objectives are met and ensuring that management and financial information is reliable and properly reported. The internal control environment should include adequate segregation of duties within the financial reporting IT systems.

Current Year Status: During the current year, the Board hired an IT Director who is in the process of making upgrades to the Board's IT systems.

Response: Our new IT Director has implemented standards and continues to improve the IT Systems of the county.

2017-005 Condition: The County's Recreation and Library Fund had a deficit fund balance and an inter fund balance with the General Fund. No repayments were made to reduce the balance during FY2019.

Current Year Status: These Board funds had a negative balances at September 30, 2021 totaling \$(534,692); although the Recreation and Library Fund had a positive fund balance. This remains a finding for the County.

Response: Staff and management are doing a better job of monitoring expenditures and budget variances. Every effort will be made to keep this from happening in the future. Training and procedures need to be improved.

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.

Barbara Higginbotham

Clerk of Court

State of Florida

County of Dixie

SWORN TO AND SUBSCRIBED before me this 17th day of October, 2022

Verna Mae Wilson

NOTARY PUBLIC

Print Name Verna Mae Wilson

Personally known or produced identification

Type of Identification produced: _____

My Commission Expires:

12-4-2025



**Dixie County
Clerk of the Circuit Court**

Audit Report

September 30, 2021

**Dixie County Clerk
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Year Ended September 30, 2021**

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Powell & Jones
Certified Public Accountants

Richard C. Powell, Jr., CPA
Marian Jones Powell, CPA

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Lake City, Florida 32025
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Fax: 386 / 719-5504
admin@powellandjonescpa.com

INDEPENDENT AUDITORS' REPORT

To the Clerk of the Circuit Court
Dixie County, Florida

Report on the Financial Statements

We have audited the accompanying 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, 2021, and the related notes to the financial statements, which collectively comprise the Office's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Florida Institute of Certified Public Accountants • American Institute of Certified Public Accountants

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Office as of September 30, 2021, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

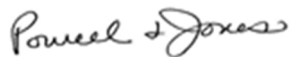
Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 25, 2022 on our consideration of the Office'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 solely 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 Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.



POWELL & JONES
Certified Public Accountants
August 25, 2022

Dixie County Clerk of the Circuit Court

Balance Sheet – Governmental Funds
September 30, 2021

	Operating Fund	Court Fund	Records Modernization Trust	Totals
ASSETS				
Current assets				
Cash	\$ 177,687	\$ 239,494	\$ 1,788	\$ 418,969
Accounts receivable				
Due from other funds	745,858	329,202	101,428	1,176,488
Due from other governmental units	75,872	-	-	75,872
Total assets	\$ 999,417	\$ 568,696	\$ 103,216	\$ 1,671,329
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 34,552	\$ 3	\$ -	\$ 34,555
Accrued liabilities	11,896	10,441	-	22,336
Due to other funds	366,172	513,934	-	880,106
Due to other governmental units	574,049	1,964	-	576,013
Total liabilities	986,669	526,342	-	1,513,010
FUND BALANCES				
Restricted	12,748	42,354	103,216	158,318
Total fund balances	12,748	42,354	103,216	158,318
Total liabilities and fund balance	\$ 999,417	\$ 568,696	\$ 103,216	\$ 1,671,328

See accompanying notes.

Dixie County Clerk of the Circuit Court

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year ended September 30, 2021

	Operating Fund	Court Fund	Records Modernization Trust	Totals
REVENUES				
Intergovernmental	\$ 40,355	\$ 304,383	\$ -	\$ 344,738
Charges for services	40,060	206,611	33,309	279,980
Fines	-	36,283	-	36,283
Miscellaneous	1,204	86,243	-	87,447
Interest	165	39	-	204
Total revenues	81,784	633,559	33,309	748,652
EXPENDITURES				
Current expenditures				
General government	481,033	-	3,000	484,033
Court related	-	502,709	14,108	516,817
Total expenditures	481,033	502,709	17,108	1,000,850
Excess of revenues over (under) expenditures	(399,249)	130,850	16,201	(252,198)
OTHER FINANCING SOURCES (USES)				
Transfer from Board of County Commissioners				
	497,490	-	-	497,490
Total other financing sources (uses)	497,490	-	-	497,490
Net change in fund balances	98,241	130,850	16,201	245,292
Fund balances at beginning of year	\$ (85,493)	\$ (88,496)	\$ 87,015	\$ (86,974)
Fund balances at end of year	\$ 12,748	\$ 42,354	\$ 103,216	\$ 158,318

See accompanying notes.

**Dixie County Clerk of the Circuit Court
Statement of Fiduciary Net Position
September 30, 2021**

		Custodial Funds
ASSETS		
Cash	\$	1,131,032
Due from other funds		2,607
Due from other governmental units		7,814
Total assets	\$	1,141,453
LIABILITIES		
Accounts payable	\$	78,247
Due to other funds		298,991
Due to other governmental units		83,079
Total liabilities		460,317
NET POSITION		
Restricted - held for others	\$	681,136

See notes to financial statements.

See accompanying notes.

**Dixie County Clerk of the Circuit Court
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended September 30, 2021**

	Custodial Funds
ADDITIONS	
Funds held for others	\$ 294,528
Cash bonds	123,493
Fines, fees and court costs and payments	1,507,229
Total additions	1,925,250
 DEDUCTIONS	
Funds held for others	253,176
Fines, fees and court costs and payments	1,507,416
Total deductions	1,760,592
Change in net position	164,658
Net position - beginning of year	-
Prior period adjustment:	
Restatement	516,478
Net position - end of year Restricted Held for Others	\$ 681,136

See accompanying notes.

Dixie County Clerk of the Circuit Court

Notes to Financial Statements

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.

Dixie County Clerk of the Circuit Court

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 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 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.

Dixie County Clerk of the Circuit Court

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 – FUND BALANCE CLASSIFICATIONS

Balances of reported fund balance at September 30, 2021 are as follows:

	Records Modernization Fund
Restricted for:	
Court technology	\$ 34,852
Records modernization	68,364
Totals	\$ 103,216

Dixie County Clerk of the Circuit Court

Notes to Financial Statements

NOTE 3 – INTERFUND BALANCES

At September 30, 2021, interfund balances consisted of:

	Due From	Due To
Clerk Operating Fund	\$ 745,860	\$ 366,172
Court Fund	329,202	513,934
Public Records Modernization Trust	101,428	-
Agency Funds:		
Domestic Relations	-	4,089
General Trust	1,964	285,764
Juror	163	-
Tax Deed	480	-
Traffic	-	9,138
Total	\$ 1,179,097	\$ 1,179,097

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 4 - PRIOR PERIOD ADJUSTMENT

During the year ended September 30, 2021, the Clerk adopted GASB No. 84, Fiduciary Activities. This change requires the restatement of the September 30, 2020 fiduciary net position as follows:

	Custodial Funds
Fiduciary Net Position - Beginning of Year as Previously Reported	\$ -
Cumulative Effect of the Application of GASB Statement No. 84	
Fiduciary Net Position - Beginning of Year , as Restated	516,478
Total	\$ 516,478

NOTE 5 – COMPENSTED 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, 2021:

	Balance October 1, 2020	Net Change	Balance September 30, 2021
Accrued compensated absences	\$ 12,658	\$ (2,658)	\$ 10,000

Dixie County Clerk of the Circuit Court

Notes to Financial Statements

NOTE 2. DEFINED BENEFIT PENSION PLAN

Plan Description - The Clerk 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 Clerk is required to contribute at an actuarially determined rate. The rates during the fiscal year ended September 30, 2021 were as follows:

Class	October 1, 2020 - June 30, 2021	July 1, 2021 - September 30, 2021
Regular Class	10.00%	10.82%
Special Risk Class	24.45%	25.89%
Special Risk Administrative Support	35.84%	37.76%
County Elected Officers Class	49.18%	51.42%
Senior Management Class	27.29%	29.01%
Deferred Retirement Option Program (DROP)	16.98%	18.34%

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, 2021 were \$130,053, 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, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	40,355	40,355
Fines and forfeitures	-	-	40,060	40,060
Miscellaneous	-	-	1,204	1,204
Interest	-	-	165	165
Total revenues	-	-	81,784	81,784
EXPENDITURES				
Current expenditures				
General government	325,754	325,754	481,033	(155,279)
Total expenditures	325,754	325,754	481,033	(155,279)
Excess of revenues over expenditures	(325,754)	(325,754)	(399,249)	(73,495)
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	325,754	-	325,754	497,490
Total other financing sources (uses)	325,754	-	325,754	497,490
Net change in fund balance	-	-	98,241	98,241
Fund balance at beginning of year	(85,493)	(85,493)	(85,493)	-
Fund balance at end of year	\$ (85,493)	\$ (85,493)	\$ 12,748	\$ 98,241

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, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 304,383	\$ 304,383
Charges for services	-	-	206,611	206,611
Fines and forfeitures	-	-	36,283	36,283
Miscellaneous	-	-	86,243	86,243
Interest	-	-	39	39
Total revenues	-	-	633,559	633,559
EXPENDITURES				
Current expenditures				
Court-related	-	-	502,709	(502,709)
Total expenditures	-	-	502,709	(502,709)
Excess of revenues over expenditures	-	-	130,850	130,850
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	130,850	130,850
Fund balance at beginning of year	-	-	(88,496)	(88,496)
Fund balance at end of year	\$ -	\$ -	\$ 42,354	\$ 42,354

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, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ -	\$ -	\$ 33,309	\$ 33,309
Total revenues	-	-	33,309	33,309
EXPENDITURES				
Current expenditures				
General government	-	-	3,000	(3,000)
Court-related	-	-	14,108	(14,108)
Total expenditures	-	-	17,108	(17,108)
Excess of revenues over expenditures	-	-	16,201	16,201
Net change in fund				
balance	-	-	16,201	16,201
Fund balance at beginning of year	-	-	87,015	87,015
Fund balance at end of year	\$ -	\$ -	\$ 103,216	\$ 103,216

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.

SUPPLEMENTARY INFORMATION

**Dixie County Clerk of the Circuit Court
Combining Statement of Fiduciary Net Position
Custodial Funds
September 30, 2021**

	Bond	Domestic Relations	Juror	Registry of Court	Tax Deed	Traffic	Trust	Witness	Total
ASSETS									
Cash	\$ 44,886	\$ 6,006	\$ 17,038	\$ 56,216	\$ 572,494	\$ 104,040	\$ 330,220	\$ 132	\$ 1,131,032
Due from other funds	-	-	163	-	480	-	1,964	-	2,607
Due from other governmental	-	-	-	-	-	1,406	6,408	-	7,814
Total assets	\$ 44,886	\$ 6,006	\$ 17,201	\$ 56,216	\$ 572,974	\$ 105,446	\$ 338,592	\$ 132	\$ 1,141,453
LIABILITIES									
Accounts payable	\$ -	\$ 1,917	\$ -	\$ -	\$ 6,804	\$ 69,526	\$ -	\$ -	\$ 78,247
Due to other funds	-	4,089	-	-	-	9,138	285,764	-	298,991
Due to other governmental un	-	-	-	-	3,469	26,782	52,828	-	83,079
Total liabilities	-	6,006	-	-	10,273	105,446	338,592	-	460,317
NET POSITION									
Restricted - held for others	\$ 44,886	\$ -	\$ 17,201	\$ 56,216	562,701	\$ -	\$ -	\$ 132	\$ 681,136

See notes to financial statements.

**Dixie County Clerk of the Circuit Court
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
September 30, 2021**

	Bond	Domestic Relations	Juror	Registry of Court	Tax Deed	Traffic	Trust	Witness	Totals
ADDITIONS									
Funds held for others	\$ 15,158	\$ -	\$ 22,196	\$ -	\$ 257,174	\$ -	\$ -	\$ -	\$ 294,528
Cash bonds	-	-	-	123,493	-	-	-	-	123,493
Fines, fees and court costs and payments	-	56,333	-	-	-	424,691	1,026,205	-	1,507,229
Total additions	15158	56,333	22196	123493	257174	424,691	1,026,205	-	1,925,250
DEDUCTIONS									
Funds held for others	8,600	-	7,048	123,286	114,242	-	-	-	253,176
Fines, fees and court costs and payments	-	56,333	-	-	-	424,691	1,026,205	187	1,507,416
Total deductions	8,600	56,333	7048	123286	114242	424,691	1,026,205	187	1,760,592
Change in net position	6,558	-	15,148	207	142,932	-	-	(187)	164,658
Net position - beginning of year	-	-	-	-	-	-	-	-	-
Prior period adjustment:									
Restatement	38,328	-	2,053	56,009	419,769	-	-	319	516,478
Net position - end of year	\$ 44,886	\$ -	\$ 17,201	\$ 56,216	\$ 562,701	\$ -	\$ -	\$ 132	\$ 681,136

**Additional Elements Required by the
Rules of the Auditor General**

MANAGEMENT LETTER

To the Clerk of the Circuit Court
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, 2021, and have issued our report thereon dated August 25, 2022. 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 25, 2022, 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.

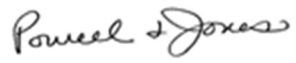
Additional Matters

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.

A handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES
Certified Public Accountants
August 25, 2022

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 Clerk of the Circuit Court
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, 2021, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated August 25, 2022

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.

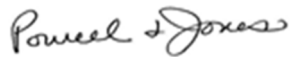
The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2017-008 and 2017-009.

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 & JONES
Certified Public Accountants
August 25, 2022

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

To the Clerk of the Circuit Court
Dixie County, Florida

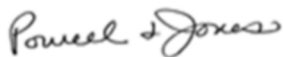
We have examined the office of the Dixie County Clerk of the Circuit Court's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, Local Government Investment Policies, during the year ended September 30, 2021. Management is responsible for the Office's compliance with 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, 2021.

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
Certified Public Accountants
August 25, 2022

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTIONS 28.35 AND 28.36, 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 (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, 2021. 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.

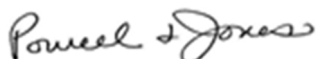
Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with 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, 2021. These conditions were considered in determining the nature, timing, and extent of audit tests applied in our audit of the 2021 financial statements, and this report does not affect our report dated August 25, 2022 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, 2021.

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
Certified Public Accountants
August 25, 2022

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

To the Clerk of the Circuit Court
Dixie County, Florida

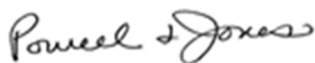
We have examined the office of the Dixie County Clerk of the Circuit Court's compliance with the requirements of Section 61.181, Florida Statutes, Depository for Alimony Transactions, Support, Maintenance, and Support, Payments; Fees, for the year ended September 30, 2021. Management is responsible for 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, 2021.

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
Certified Public Accountants
August 25, 2022

DIXIE COUNTY CLERK
Schedule of Findings

Year Ended September 30, 2021

- 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 during the ensuing year.**
- 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 during the ensuing year.**
- 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.

DIXIE COUNTY CLERK

Schedule of Findings

(Continued)

Year Ended September 30, 2021

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 during the ensuing year.**



Clerk of the Circuit Courts Dixie County
Barbara Higginbotham

September 7, 2022

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, 2021.**

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.

Please note that I took office on January 5, 2021, and these responses are to the best of my knowledge.

**SCHEDULE OF FINDINGS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021
DIXIE COUNTY CLERK OF THE CIRCUIT COURT**

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 during the ensuing year.

Response- Our office is continuing to improve our reconciliation processes and timeliness.

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 during the ensuing year.

Response- We have been working diligently to ensure proper monitoring of expenditures and budgets. We will make every effort to improve our processes.

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.

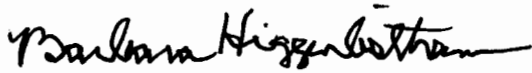
Effect — This condition can lead to noncompliance in reporting accurate and complete information to the CCOC, incorrect settle-up calculations, and can also result in future budget request shortages if all expenditures are not reported.

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 during the ensuing year.

Response- Since taking office, we have been working diligently to ensure proper monitoring of expenditures and budgets and reporting requirements.

Respectfully submitted,



Barbara Higginbotham

Clerk of Court of Dixie County, Florida

**Dixie County
Property Appraiser**

Audit Report

September 30, 2021

**DIXIE COUNTY PROPERTY APPRAISER
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Powell & Jones
Certified Public Accountants

Richard C. Powell, Jr., CPA
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admin@powellandjonescpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Robert Lee
Property Appraiser
Dixie County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the office of the Dixie County Property Appraiser (the "Office") as of and for the year ended September 30, 2021 and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Florida Institute of Certified Public Accountants • American Institute of Certified Public Accountants

we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Office as of September 30, 2021, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinion is not modified with respect to this matter.

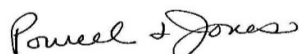
Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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 28, 2022, on our consideration of the Office'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 Officer's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.



POWELL & JONES
Certified Public Accountants
August 28, 2022

Dixie County Property Appraiser

Balance Sheet - Governmental Fund September 30, 2021

	Operating Fund
<hr/>	
Assets	
Cash and equivalents	\$ 113,794
Due from other governmental units	5,411
<hr/>	
Total assets	\$ 119,205
<hr/>	
Liabilities and fund balance	
Liabilities:	
Accounts payable	\$ 3,726
Accrued payroll liabilities	14,233
Due to other county agencies	101,246
<hr/>	
Total Liabilities	119,205
Fund Balance	-
<hr/>	
Total liabilities and fund balance	\$ 119,205
<hr/>	

See notes to financial statements.

**Dixie County Property Appraiser
Governmental Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
September 30, 2021**

	Operating Fund
<hr/>	
Revenues	
Intergovernmental	\$ 14,866
Charges for services	1,001
Miscellaneous revenue	99
Total Revenues	15,966
<hr/>	
Expenditures	
Current:	
General government services	791,195
Total expenditures	791,195
<hr/>	
Deficit of revenues under expenditures	(775,229)
<hr/>	
Other financing sources	
Appropriation from board of county commissioners	874,592
Reversion to board of county commissioners	(99,363)
Total other financing sources	775,229
<hr/>	
Net change in fund balance	-
<hr/>	
Fund Balance - October 1, 2020	-
<hr/>	
Fund Balance - September 30, 2021	\$ -
<hr/> <hr/>	

See notes to financial statements.

Dixie County Property Appraiser
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Dixie County Property Appraiser (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 Property Appraiser 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. The Office has no nonmajor funds.

The Office reports the following major governmental fund:

Operating Fund – The Operating Fund is the primary operating fund of the Property Appraiser’s 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.

Dixie County Property Appraiser

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. Revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred.

Dixie County Property Appraiser

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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.

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 – CONTINGENCIES

The Office is, during the course of normal operations, involved in various claims regarding the assessments of real and tangible property. It is the opinion of management that any uninsured claims would not be material in relation to the Office’s financial condition.

NOTE 3 – COMPENSTED ABSENCES

The Property Appraiser’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, 2021:

	Balance October 1, 2020	Net Change	Balance September 30, 2021
Accrued compensated absences	\$ 40,374	\$ (13,344)	\$ 27,030

Dixie County Property Appraiser
Notes to Financial Statements

NOTE 2. DEFINED BENEFIT 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 - Effective July 1, 2011, all employees are required to contribute 3% to the System. The Property Appraiser is required to contribute at an actuarially determined rate. The rates during the fiscal year ended September 30, 2021 were as follows:

Class	October 1, 2020 - June 30, 2021	July 1, 2021 - September 30, 2021
Regular Class	10.00%	10.82%
Special Risk Class	24.45%	25.89%
Special Risk Administrative Support	35.84%	37.76%
County Elected Officers Class	49.18%	51.42%
Senior Management Class	27.29%	29.01%
Deferred Retirement Option Program (DROP)	16.98%	18.34%

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, 2021 were \$108,629, equal to the required contributions for each year.

Required Supplementary Information

Dixie County Property Appraiser

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Operating Fund
Year ended September 30, 2021

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Amended		
Revenues				
Intergovernmental	\$ 16,749	\$ 16,749	\$ 14,866	\$ (1,883)
Charges for services	-	-	1,001	1,001
Miscellaneous revenue	-	-	99	99
Total Revenues	-	-	15,966	(783)
Expenditures				
Current:				
General government services	891,341	891,341	791,195	100,146
Total expenditures	891,341	891,341	791,195	100,146
Deficit of revenues under expenditures	(874,592)	(874,592)	(775,229)	(99,363)
Other financing sources				
Appropriation from board of county commissioners	874,592	874,592	874,592	-
Reversion to board of county commissioners	-	-	(99,363)	(99,363)
Total other financing sources	874,592	874,592	775,229	99,363
Net change in fund balance	-	-	-	-
Fund Balance - October 1, 2020	-	-	-	-
Fund Balance - September 30, 2021	-	-	-	-

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 Robert Lee
Property Appraiser
Dixie County, Florida

We have audited the financial statements of the office of the Dixie County Property Appraiser (the "Office"), as of and for the year ended September 30, 2021, and have issued our report thereon dated August 28, 2022. 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 Audit Findings

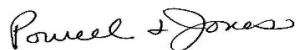
The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

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 & JONES
Certified Public Accountants
August 28, 2022

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 Robert Lee
Property Appraiser
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 Property Appraiser (the “Office”), as of and for the year ended September 30, 2021 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 28, 2022.

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.

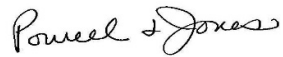
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 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 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 & JONES
Certified Public Accountants
August 28, 2022

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

The Honorable Robert Lee
Property Appraiser
Dixie County, Florida

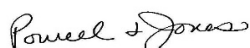
We have examined the office of the Dixie County Property Appraiser’s (the “Office”) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the period October 1, 2020, to September 30, 2021. Management is responsible for the Office’s compliance 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 the specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements during the period October 1, 2020 to September 30, 2021.

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
Certified Public Accountants
August 28, 2022

Dixie County Sheriff

Audit Report

September 30, 2021

DIXIE COUNTY SHERIFF

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Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

To the Sheriff
Dixie County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the office of the Dixie County Sheriff (the "Office") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 Office as of September 30, 2021, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United State of America.

Emphasis of Matters

Special Purpose Financial Statements

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinions are not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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.

Management has omitted the budgetary comparison information for the Inmate Welfare Fund, a major special revenue fund, that accounting principles generally accepted in the United States of America require to be presented to supplement the special purpose financial statements. Such missing information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the special purpose financial statements in an appropriate operational, economic, or historical context. Our opinions on the special purpose financial statements are not affected by this missing information.

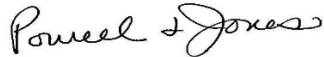
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's special purpose financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the special purpose 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 special purpose financial statements. The information has been subjected to the auditing procedures applied in the audit of the special

purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special purpose financial statements or to the special purpose financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the special purpose 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 29, 2022 on our consideration of the Office'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 Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.



Lake City, Florida
August 29, 2022

Dixie County Sheriff

**Balance Sheet – Governmental Funds
September 30, 2021**

	Operating Fund	Inmate Welfare Fund	Total Governmental Funds
Assets			
Cash and equivalents	\$ 386,893	\$ 238,110	\$ 625,003
Total assets	\$ 386,893	\$ 238,110	\$ 625,003
Liabilities and fund balances			
Liabilities:			
Accounts payable	\$ 73,020	\$ -	\$ 73,020
Due to other county agencies	313,642	-	313,642
Other current liabilities	231	-	231
Total liabilities	386,893	-	386,893
Fund balances:			
Assigned for inmate benefits	-	238,110	238,110
Total fund balances	-	238,110	238,110
Total liabilities and fund balances	\$ 386,893	\$ 238,110	\$ 625,003

See accompanying notes.

Dixie County Sheriff

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended September 30, 2021**

	Operating Fund	Inmate Welfare Fund	Total Governmental Funds
Revenues			
Intergovernmental revenue	\$ 18,721	\$ -	\$ 18,721
Charges for services	353,027	-	353,027
Miscellaneous revenue	258,073	178,523	436,596
Interest	125	-	125
Total revenues	629,946	178,523	808,469
Expenditures			
Current:			
Public safety	5,219,980	30,907	5,250,887
Capital outlay:			
Public safety	119,650	39,899	159,549
Debt service:			
Principal	88,322	-	88,322
Interest	9,514	-	9,514
Total expenditures	5,437,466	70,806	5,508,272
Excess of revenues over (under) expenditures	(4,807,520)	107,717	(4,699,803)
Other financing sources (uses)			
Appropriation from Board of County Commissioners	4,807,520	-	4,807,520
Total other financing sources (uses)	4,807,520	-	4,807,520
Net change in fund balances	-	107,717	107,717
Fund balances - October 1, 2020	-	130,393	130,393
Fund balances - September 30, 2021	\$ -	\$ 238,110	\$ 238,110

See accompanying notes.

Dixie County, Sheriff
Fiduciary Funds
Statement of Net Position
September 30, 2021

		Custodial Funds
<hr/>		
Assets		
Cash and equivalents	\$	95,672
<hr/>		
Liabilities		
Assets held for others		-
Due to other county agencies		8,779
<hr/>		
Total liabilities		8,779
<hr/>		
Net position	\$	86,893
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See accompanying notes.

Dixie County, Florida
Sheriff
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended September 30, 2021

		Custodial Funds
Additions		
Funds held for others	\$	306,394
Cash bonds		23,928
Sheriff civil fees		27,645
Total additions		357,967
Deductions		
Funds held for others		274,639
Cash bonds		22,399
Sheriff civil fees		27,645
Total deductions		324,683
Change in net position		33,284
Net position - beginning of year		-
Prior period adjustment:		
Restatement		53,609
Net position - end of year	\$	86,893

See accompanying notes.

DIXIE COUNTY SHERIFF
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Dixie County Sheriff (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 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 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.

The Office 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 Office also reports the following fiduciary funds:

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

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 Office participates in the Florida Sheriff’s Risk Management Fund for risk related to professional law enforcement liability. Aggregate coverage is two million dollars. The Office had no settlements that exceeded coverage in the last two years. The Office 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 - PRIOR PERIOD ADJUSTMENT

During the year ended September 30, 2021, the Sheriff adopted GASB No. 84, Fiduciary Activities. This change requires the restatement of the September 30, 2020 fiduciary net position as follows:

	<u>Custodial Funds</u>
Fiduciary Net Postion - Beginning of the Year as Previously Reported	\$ -
Cumulative Effect of the Application of GASB Statement No. 84	
Fiduciary Net Position - Beginning of Year, as Restated	<u>53,609</u>
Total	<u>\$ 53,609</u>

NOTE 4 – FIXED 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:

	<u>Equipment</u>	<u>Accumulated Depreciation</u>	<u>Net Assets</u>
Beginning Balance October 1, 2020	\$ 3,422,606	\$ (2,501,978)	\$ 920,628
Additions	<u>401,756</u>	<u>(155,304)</u>	<u>246,452</u>
Ending Balance September 30, 2021	<u>\$ 3,824,362</u>	<u>\$ (2,657,282)</u>	<u>\$ 1,167,080</u>

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, 2021:

	<u>Balance October 1, 2020</u>	<u>Net Change</u>	<u>Balance September 30, 2021</u>
Accrued compensated absences	<u>\$ 127,217</u>	<u>\$ (60,881)</u>	<u>\$ 66,336</u>

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, 2021 were as follows:

Class	October 1, 2020 - June 30, 2021	July 1, 2021 - September 30, 2021
Regular Class	10.00%	10.82%
Special Risk Class	24.45%	25.89%
Special Risk Administrative Support	35.84%	37.76%
County Elected Officers Class	49.18%	51.42%
Senior Management Class	27.29%	29.01%
Deferred Retirement Option Program (DROP)	16.98%	18.34%

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, 2021 were \$713,263, equal to the required contributions for each year.

NOTE 7 – LONG-TERM LIABILITIES

In the Sheriff Operating Fund, the Sheriff leases vehicles under an agreement that is classified as a capital lease. This agreement bears interest rates from 5.50%.

The cost of the vehicles being leased totaled \$328,115, less \$35,951 accumulated depreciation for a carrying amount of \$292,164. Amortization of leased equipment under capital assets is included with depreciation expense.

The future minimum lease payments required and the present value of the net minimum lease payments at September 30, 2021 are as follows:

Year ending September 30,	Amount
2022	\$ 97,836
2023	24,459
Total minimum lease payments	122,295
Amount representing interest	(4,886)
Present value of net minimum lease payments	\$ 117,409

Required Supplementary Information

Dixie County Sheriff

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Operating Fund
Year ended September 30, 2021**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental revenue	\$ 18,721	\$ 18,721	\$ 18,721	\$ -
Charges for services	353,027	353,027	353,027	
Miscellaneous	702,657	702,657	258,073	(444,584)
Interest	125	125	125	-
Total revenues	1,074,530	1,074,530	629,946	(444,584)
Expenditures				
Current:				
Public safety	5,618,589	5,618,589	5,219,980	398,609
Capital outlay:				
Public safety	165,625	165,625	119,650	45,975
Debt service:				
Principal	88,322	88,322	88,322	-
Interest	9,514	9,514	9,514	-
Total expenditures	5,882,050	5,882,050	5,437,466	444,584
Excess of revenues over (under) expenditures	(4,807,520)	(4,807,520)	(4,807,520)	-
Other financing sources (uses)				
Appropriation from board of county commissioners	4,807,520	4,807,520	4,807,520	-
Total other financing sources (uses)	4,807,520	4,807,520	4,807,520	-
Net change in fund balances	-	-	-	-
Fund balances - October 1, 2020	-	-	-	-
Fund balances - September 30, 2021	\$ -	\$ -	\$ -	\$ -

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 Statement of Fiduciary Net Position
Custodial Funds
September 30, 2021

	Individual Depositors Fund	Cash Bonds Fund	Inmate Trust Fund	Totals
Assets				
Cash and equivalents	\$ 8,779	\$ 2,520	\$ 84,373	\$ 95,672
Liabilities				
Due to other county agencies	8,779	-	-	8,779
Total liabilities	8,779	-	-	8,779
Net position	\$ -	\$ 2,520	\$ 84,373	\$ 86,893

See accompanying notes.

Dixie County, Sheriff

**Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended September 30, 2021**

	Individual Depositors Fund	Cash Bonds Fund	Inmate Trust Fund	Totals
Additions				
Funds held for others	\$ -	\$ -	\$ 306,394	\$ 306,394
Cash bonds	-	23,928	-	23,928
Sheriff civil fees	27,645	-	-	27,645
Total additions	27,645	23,928	306,394	357,967
Deductions				
Funds held for others	-	-	274,639	274,639
Cash bonds	-	22,399	-	22,399
Sheriff civil fees	27,645	-	-	27,645
Total deductions	27,645	22,399	274,639	324,683
Change in net position	-	1,529	31,755	33,284
Net position - beginning of year	-	-	-	-
Prior period adjustment:				
Restatement	-	991	52,618	53,609
Net position - end of year	\$ -	\$ 2,520	\$ 84,373	\$ 86,893

See accompanying notes.

**Additional Elements Required by the
Rules of the Auditor General**

MANAGEMENT LETTER

To the Sheriff
Dixie County, Florida

We have audited the financial statements of the office of the Dixie County Sheriff (the "Office"), as of and for the year ended September 30, 2021, and have issued our report thereon dated August 29, 2022. 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

2021-01 Fuel Purchasing System - The Office purchases fuel for vehicles from vendors who utilize an automated fuel accountability system that tracks individual vehicle purchases and provides the Office monthly, detailed reports of fuel purchasing activity. From our review of selected reports, we found that the Sheriff's Office staff did not utilize those reports for fuel purchase accountability. We also noted that some employees did not properly enter odometer readings when making purchases which were necessary to validate the accountability system. We recommend that procedures be implemented which properly track fuel purchases, utilizing the vendor accountability reports or other accountability measures.

2021-02 Credit Card Accountability – From our audit of selected credit card statements, we found that documentation was not submitted nor retained for all credit card purchase. For proper accountability, all purchase receipts should be remitted to the Finance Office and those receipts fully reconciled to all purchases on the monthly credit card statements.

2021-03 Equipment Inventory – From our audit procedures we found that the Office did not maintain a formal equipment inventory system and had no record of performing an annual inventory of vehicles and equipment. Such procedures are required by Rule Chapter 691-73, *Florida Administrative Code*. We recommend that the Office implement procedures to comply with this law.

2021-04 Inmate Welfare Fund – The Office maintains an Inmate Welfare Fund as provided by Section 951.23, *Florida Administrative Code*. Although the Fund is properly administered and in compliance with this law, formal accounting records were not maintained for this Fund. For proper accountability, we recommend that formal accounting records be maintained for this Fund by utilizing QuickBooks or a similar basic accounting system.

2021-05 **Inmate Trust Fund** – The Office maintains an Inmate Trust Fund to secure and provide accountability of inmate funds, individually deposited in the Trust Fund. Financial records including bank reconciliations for the Fund are maintained by Stewart Commissary Sales, which provides the automated commissary system utilized by the inmates. We found however, that the monthly financial reports generated by the vendor are neither received, reviewed nor signed off on by Office financial personnel. We recommend that appropriate procedures be implemented to correct this finding.

Current Year Audit Findings

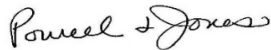
2021-01 **Accounting System** – The Office did not maintain accurate accounting records for the full fiscal year. This was substantially due to the change in finance officers during the year. The Office has already implemented a new accounting system.

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 & JONES
Certified Public Accountants
August 29, 2022

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 Sheriff
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 "Office"), as of and for the year ended September 30, 2021, 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 29, 2022.

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 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. We consider the deficiencies described in the accompanying schedule of findings as items 2017-001, 2017-002, and 2017-003, and to be material weaknesses.

Compliance and Other Matters

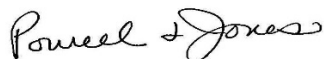
As part of obtaining reasonable assurance about whether the Office's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings as item 2017-006.

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.



August 29, 2022

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

To the Sheriff
Dixie County, Florida

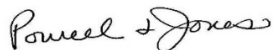
We have examined the office of the Dixie County Sheriff's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, Local Government Investment Policies, for the period October 1, 2018 to September 30, 2021. Management is responsible for the Office's compliance with those 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 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 Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2021.

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
Certified Public Accountants
August 29, 2022

Findings in excess of two years:

2017-001 (Reported in preceding audit reports as items 2016-001 and 2015-001.)

Criteria – The internal control environment should include adequate segregation of duties within significant processes.

Condition – Certain employees who record cash transactions in the accounting records also have access to cash collections and perform bank reconciliations. As a result of this lack of separation of duties, the possibility exists that intentional or unintentional errors could occur without being promptly detected.

Cause – The staffing levels at the office are not sufficient for adequate segregation of duties.

Effect – The risk of errors and fraudulent activities is prevalent.

Recommendation – To the extent possible, given the availability of personnel, steps should be taken to separate employee duties so that no one individual has access to both physical assets and the related accounting records, or to all phases of a transaction.

2017-002 (Reported in preceding audit reports as items 2016-003 and 2015-003.)

Criteria – The internal control environment should include procedures to detect errors to the accounting records and a means to correct them in a timely manner.

Condition – As part of the audit process, we proposed material adjustments to the Office's financial statements. It was also necessary for us to assist in the preparation of the Office's financial statements.

Cause – The staff at the Office lack the skills, knowledge or experience to perform those functions.

Effect – Management agreed with our proposed adjustments to present the financial statements in accordance with generally accepted accounting principles and the auditors assisted with the preparation of the Office's financial statements.

Recommendation – We recommend that you consider and evaluate the cost and benefits of improving internal controls relative to the financial reporting process.

Dixie County Sheriff

Schedule of Findings

2017-003 (Reported in preceding audit reports as items 2016-005 and 2015-005.)

Criteria – The office should post transactions in a timely manner and monitor its budgetary position on an ongoing basis.

Condition – The Office did not post cash receipts and disbursements of the General Fund in a timely manner and provided a trial balance for audit when it was requested in a timely manner during the year. Consequently, the Office was not able to generate reports for management in a timely fashion resulting in expenditures exceeding the budget by \$111,237. Additionally, the Office did not provide a timely trial balance for audit for 2014, 2015, 2016, or 2017.

Sheriff



DARBY BUTLER · DIXIE COUNTY
MEMBER OF FLORIDA SHERIFFS ASSOCIATION
BOX 470 · CROSS CITY, FLORIDA 32628-0470
(352) 498-1220 · FAX (352) 498-1226

September 9, 2022

Richard Powell and Associates
1359 SW Main Blvd
Lake City, FL 32025

Greetings,

The following are responses to the findings made by Powell and Jones, Certified Public Accountants, for the budget year October 1, 2020, through September 30, 2021.

Finding 2017-001 - We agree this finding has not been fully corrected. We are aggressively taking steps to enact full corrective measures.

Finding 2017-002 - We agree this finding has not been fully corrected. We are aggressively taking steps to enact full corrective measures.

Finding 2017-003 - We agree this finding has not been fully corrected. We are aggressively taking steps to enact full corrective measures.

Finding 2021-001 - We agree this finding has not been fully corrected. We are aggressively taking steps to enact full corrective measures.

Finding 2021-002 - We agree this finding has not been fully corrected. We are aggressively taking steps to enact full corrective measures.

Finding 2021-003 - We agree this finding has not been fully corrected. We are aggressively taking steps to enact full corrective measures.

Finding 2021-004 - We agree this finding has not been fully corrected. We are aggressively taking steps to enact full corrective measures.

Finding 2021-005 - We agree this finding has not been fully corrected. We are aggressively taking steps to enact full corrective measures.

Respectfully,

Darby Butler, Sheriff

**Dixie County
Supervisor of Elections**

**Audit Report
September 30, 2021**

Dixie County Supervisor of Elections

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Richard C. Powell, Jr., CPA
Marian Jones Powell, CPA

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admin@powellandjonescpa.com

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the office of the Dixie County Supervisor of Elections (the "Office") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Office as of September 30, 2021, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinion is not modified with respect to this matter.

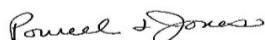
Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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 July 27, 2022, on our consideration of the Office'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 Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.



Lake City, Florida
July 27, 2022

Dixie County Supervisor of Elections

Balance Sheet – Governmental Funds
September 30, 2021

	Operating Fund
<hr/>	
Assets	
Cash and equivalents	\$ 20,076
<hr/>	
Liabilities and fund balance	
Liabilities:	
Accounts payable and accrued liabilities	959
Due to other county agencies	19,117
<hr/>	
Total liabilities	20,076
Fund balance:	
Restricted – election grants	-
<hr/>	
Total liabilities and fund balance	\$ 20,076
<hr/>	

See accompanying notes.

Dixie County Supervisor of Elections

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year ended September 30, 2021

	Operating Fund
<hr/>	
Revenues	
Intergovernmental revenue	16,762
Miscellaneous revenue	2,969
<hr/>	
Total revenues	19,731
Expenditures	
Current:	
General government services	349,072
<hr/>	
Excess of revenues under expenditures	(329,341)
<hr/>	
Other financing sources (uses)	
Appropriation from board of county commissioners	348,458
Reversion to board of county commissioners	(19,117)
<hr/>	
Total other financing sources (uses)	329,341
<hr/>	
Net change in fund balance	-
Fund balance - October 1, 2020	-
<hr/>	
Fund balance - September 30, 2021	\$ -
<hr/>	

See accompanying notes.

Dixie County Supervisor of Elections Notes to Financial Statements

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.

Dixie County Supervisor of Elections Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Dixie County Supervisor of Elections Notes to Financial Statements

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.

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, 2021, 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, 2021:

	Balance October 1, 2020	Net Change	Balance September 30, 2021
Accrued compensated absences	\$ 2,355	\$ (633)	\$ 1,722

Dixie County Supervisor of Elections Notes to Financial Statements

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 2021 fiscal year leaving three 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, 2021 were as follows:

Class	October 1, 2020 - June 30, 2021	July 1, 2021 - September 30, 2021
Regular Class	10.00%	10.82%
Special Risk Class	24.45%	25.89%
Special Risk Administrative Support	35.84%	37.76%
County Elected Officers Class	49.18%	51.42%
Senior Management Class	27.29%	29.01%
Deferred Retirement Option Program (DROP)	16.98%	18.34%

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, 2021 were \$24,366, 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, 2021

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
Revenues				
Intergovernmental revenue	\$ -	\$ -	\$ 16,762	\$ 16,762
Miscellaneous revenue	-	-	2,969	2,969
<hr/>				
Total revenues	-	-	19,731	19,731
Expenditures				
Current:				
General government services	348,458	348,458	349,072	(614)
<hr/>				
Excess of revenues over (under)				
expenditures	(348,458)	(348,458)	(329,341)	19,117
<hr/>				
Other financing sources (uses)				
Appropriation from board of county commissioners	348,458	348,458	348,458	-
Reversion to board of county commissioners	-	-	(19,117)	(19,117)
<hr/>				
Total other financing sources (uses)	348,458	348,458	329,341	(19,117)
<hr/>				
Net change in fund balances	-	-	-	-
<hr/>				
Fund balances - October 1, 2020	-	-	-	-
<hr/>				
Fund balances - September 30, 2021	\$ -	\$ -	\$ -	\$ -

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, 2021, and have issued our report thereon dated July 27, 2022. 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 July 27, 2022, 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. All prior year audit findings have been addressed and corrected.

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.

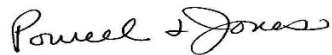
Additional Matters

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.

A handwritten signature in cursive script that reads "Powell & Jones".

Lake City, Florida
July 27, 2022

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, 2021, 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 July 27, 2022.

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.

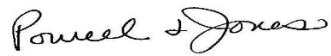
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies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

A handwritten signature in cursive script that reads "Powell & Jones".

Lake City, Florida
July 27, 2022

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

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

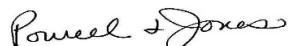
We have examined the office of the Dixie County Supervisor of Elections’ (the “Office”) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2021. Management is responsible for the Office’s compliance with the 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 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.

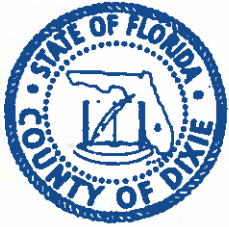
Our examination does not provide a legal determination on the Office’s compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

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.



Lake City, Florida
July 27, 2022



Starlet E. Cannon

DIXIE COUNTY

P.O. BOX 2057
CROSS CITY, FLORIDA 32628-2057
(352) 498-1216

Supervisor of Elections



September 9, 2022

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

Dear Mrs. Norman,

Ref: Dixie County Supervisor of Elections Audit Report

We are in receipt of our Audit Report ending September 30, 2021, conducted by Powell and Jones, CPA's. We were pleased that there were no findings reported in this year's audit.

We appreciate the assistance provided throughout the year and look forward to future association.

Respectfully,

Starlet Cannon
Supervisor of Elections

Cc: Powell and Jones CPA

Dixie County Tax Collector

Audit Report

September 30, 2021

Dixie County Tax Collector

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Powell & Jones
Certified Public Accountants

Richard C. Powell, Jr., CPA
Marian Jones Powell, CPA

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Lake City, Florida 32025
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admin@powellandjonescpa.com

To the Tax Collector
Dixie County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund and the aggregate remaining fund information of the office of the Dixie County Tax Collector (the "Office") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 Office as of September 30, 2021, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinions are not modified with respect to this matter.

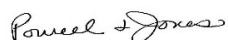
Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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 July 15, 2022 on our consideration of the Office'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 Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.



POWELL & JONES
Certified Public Accountants
Lake City, Florida
July 15, 2022

Dixie County Tax Collector
Governmental Funds
Balance Sheet
September 30, 2021

		Operating Fund
<hr/>		
Assets		
Cash and equivalents	\$	11,539
Accounts receivable		444
Due from other funds		12,215
Total assets	\$	24,198
<hr/>		
Liabilities and fund balance		
Liabilities:		
Accounts payable and accrued liabilities	\$	15,929
Due to other county agencies		8,269
Total liabilities		24,198
Fund balance		-
Total liabilities and fund balance	\$	24,198
<hr/>		

See accompanying notes.

**Dixie County Tax Collector
Governmental Funds**

**Statement of Revenues, Expenditures and Changes in Fund Balance
September 30, 2021**

	Operating Fund
<hr/>	
Revenues	
Miscellaneous revenue	\$ 24
<hr/>	
Expenditures	
Current:	
General government services	632,805
Capital outlay	
General government services	42,611
Total expenditures	675,416
Excess of revenues under expenditures	(675,392)
<hr/>	
Other financing sources (uses)	
Appropriation from Board of County Commissioners	683,466
Reversion to board of county commissioners	(8,074)
Total other financing sources (uses)	675,392
<hr/>	
Net change in fund balance	-
<hr/>	
Fund balance - beginning of year	-
<hr/>	
Fund balance - end of year	\$ -
<hr/> <hr/>	

See accompanying notes.

Dixie County Tax Collector
Statement of Fiduciary Net Position
Custodial Fund
September 30, 2021

		Tax Fund
<hr/>		
Assets		
Cash and equivalents	\$	324,515
Accounts receivable		2,472
<hr/>		
Total assets		326,987
<hr/>		
Liabilities		
Due to other county agencies		292,457
<hr/>		
Total liabilities		292,457
<hr/>		
Net position - restricted funds held for others	\$	34,530
<hr/> <hr/>		

See accompanying notes.

**Dixie County Tax Collector
Statement of Changes in Fiduciary Net Position
Custodial Fund
For the Fiscal Year Ended September 30, 2021**

ADDITIONS	Tax Fund
Tax Collector taxes, licences and fees collected for other	
other governmental units	\$ 16,832,716
Total additions	16,832,716
DEDUCTIONS	
Taxes, licenses and fees payable	16,834,723
Total deductions	16,834,723
Change in net position	(2,007)
Net position - beginning of year	-
Prior period adjustment:	
Restatement	36,537
Net position - end of year	\$ 34,530

See accompanying notes.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Dixie County Tax Collector (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 Tax Collector 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. The Office has no nonmajor funds.

The Office reports the following major governmental fund:

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

The Office also reports the following fiduciary funds:

Custodial Fund – the Tax Fund is used to account for taxes, licenses and fees held in a custodial capacity.

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.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 spending or "financial flow" 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.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 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.

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 - PRIOR PERIOD ADJUSTMENT

During the year ended September 30, 2021, the Tax Collector adopted GASB No. 84, Fiduciary Activities. This change requires the restatement of the September 30, 2020 fiduciary net position as follows:

	<u>Custodial Funds</u>
Fiduciary Net Position - Beginning of Year as Previously Reported	\$ -
Cumulative Effect of the Application of GASB Statement No. 84	
Fiduciary Net Position - Beginning of Year, as Restated	<u>36,537</u>
Total	<u>\$ 36,537</u>

NOTE 3 – COMPENSATED ABSENCES

The Tax Collector’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, 2021:

	Balance	Net	Balance
	<u>October 1, 2020</u>	<u>Change</u>	<u>September 30, 2021</u>
Accrued compensated absences	<u>\$ 9,659</u>	<u>\$ 1,468</u>	<u>\$ 11,127</u>

Dixie County Tax Collector

Notes to Financial Statements

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 - Effective July 1, 2011, all employees are required to contribute 3% to the System. The Tax Collector is required to contribute at an actuarially determined rate. The rates during the fiscal year ended September 30, 2021 were as follows:

Class	October 1, 2020 - June 30, 2021	July 1, 2021 - September 30, 2021
Regular Class	10.00%	10.82%
Special Risk Class	24.45%	25.89%
Special Risk Administrative Support	35.84%	37.76%
County Elected Officers Class	49.18%	51.42%
Senior Management Class	27.29%	29.01%
Deferred Retirement Option Program (DROP)	16.98%	18.34%

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, 2021 were \$81,697, equal to the required contributions for each year.

Required Supplementary Information

Dixie County Tax Collector

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual – Operating Fund Year ended September 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final		With Final Budget
Revenues				
Miscellaneous revenue	\$ -	\$ -	\$ 24	\$ 24
Expenditures				
Current:				
General government services	640,541	640,541	632,805	7,736
Capital outlay				
General government services	42,925	42,925	42,611	314
Total expenditures	683,466	683,466	675,416	8,050
Excess of revenues over (under) expenditures	(683,466)	(683,466)	(675,392)	8,074
Other financing sources (uses)				
Appropriation from Board of County Commissioners	683,466	683,466	683,466	-
Reversion to board of county commissioners	-	-	(8,074)	(8,074)
Total Total other financing sources (uses)	683,466	683,466	675,392	(8,074)
Net change in fund balances	-	-	-	-
Fund balances - beginning of year	-	-	-	-
Fund balances - end of year	\$ -	\$ -	\$ -	\$ -

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

To the Tax Collector
Dixie County, Florida

We have audited the financial statements of the office of the Dixie County Tax Collector (the "Office"), as of and for the year ended September 30, 2021, and have issued our report thereon dated July 15, 2022. 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 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. There were no unresolved prior audit findings.

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 & JONES
Certified Public Accountants
Lake City, Florida
July 15, 2022

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 Tax Collector
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 major fund and the aggregate remaining fund information of the office of the Dixie County Tax Collector (the “Office”), as of and for the year ended September 30, 2021, 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 July 15, 2022.

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.

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.

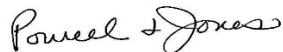
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weakness may exist that have not been 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 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 & JONES
Certified Public Accountants
Lake City, Florida
July 15, 2022

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

To the Tax Collector
Dixie County, Florida

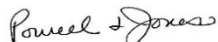
We have examined the office of the Dixie County Tax Collector’s (the “Office”) compliance with the specified requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the period October 1, 2020 to September 30, 2021. Management is responsible for the Office’s compliance with those 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 the period October 1, 2020 to September 30, 2021.

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
Certified Public Accountants
Lake City, Florida
July 15, 2022