

County of Accomack, Virginia
Fiscal Year Ended June 30, 2021



This page left blank intentionally

COUNTY OF ACCOMACK, VIRGINIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021

Prepared by:

Accomack County Finance Department
Accomack County, Virginia



This page left blank intentionally

**County of Accomack, Virginia
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2021**

TABLE OF CONTENTS

	<u>Page</u>
<u>INTRODUCTORY SECTION</u>	
Letter of Transmittal.....	3
GFOA Certificate of Achievement.....	12
Organizational Chart.....	13
List of Principal Officials.....	14
<u>FINANCIAL SECTION</u>	
Independent Auditors' Report.....	19
Management's Discussion and Analysis.....	22
<u>Basic Financial Statements:</u>	
Government-wide Financial Statements:	
Exhibit 1 Statement of Net Position.....	36
Exhibit 2 Statement of Activities.....	37
Fund Financial Statements:	
Governmental Funds:	
Exhibit 3 Balance Sheet-Governmental Funds.....	38
Exhibit 4 Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Position.....	39
Exhibit 5 Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds.....	40
Exhibit 6 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance-Governmental Funds to the Statement of Activities.....	41
Proprietary Funds:	
Exhibit 7 Statement of Net Position-Proprietary Funds.....	42
Exhibit 8 Statement of Revenues, Expenses and Changes in Net Position-Proprietary Funds.....	43
Exhibit 9 Statement of Cash Flows-Proprietary Funds.....	44
Fiduciary Funds:	
Exhibit 10 Statement of Fiduciary Net Position-Fiduciary Funds.....	45
Exhibit 11 Statement of Changes in Fiduciary Net Position-Fiduciary Funds.....	46
Notes to Financial Statements.....	47
<u>Required Supplementary Information:</u>	
Notes to required supplementary information.....	115
Exhibit 12 Schedule of Changes in Net Pension Liability (Asset) and Related Ratios- Primary Government.....	121
Exhibit 13 Schedule of Changes in Net Pension Liability and Related Ratios-School Board (Nonprofessional).....	122
Exhibit 14 Schedule of Employer Contributions.....	123
Exhibit 15 Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan-School Board.....	124
Exhibit 16 Schedule of Changes in Net OPEB Liability and Related Ratios- Primary Government.....	125

**County of Accomack, Virginia
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2021**

TABLE OF CONTENTS (Continued)

	<u>Page</u>
<u>FINANCIAL SECTION (continued)</u>	
<u>Required Supplementary Information (continued):</u>	
Exhibit 17 Schedule of Changes in Net OPEB Liability and Related Ratios- School Board.....	126
Exhibit 18 Schedule of Employer Contributions-Primary Government.....	127
Exhibit 19 Schedule of Investment Returns-Primary Government.....	128
Exhibit 20 Schedule of Changes in the County's Net OPEB Liability and Related Ratios- Health Insurance Credit Program.....	129
Exhibit 21 Schedule of Employer Contributions-Health Insurance Credit Program.....	130
Exhibit 22 Schedule of Accomack County School Board's Share of Net OPEB Liability- Teacher Health Insurance Credit Program.....	131
Exhibit 23 Schedule of Employer Contributions-Teacher Health Insurance Credit Program.....	132
Exhibit 24 Schedule of County and School Board's Share of Net OPEB Liability-Group Life Insurance Program.....	133
Exhibit 25 Schedule of Employer Contributions-Group Life Insurance Program	134
Exhibit 26 Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual-General Fund.....	135
Exhibit 27 Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual-Virginia Public Assistance Fund.....	139
Exhibit 28 Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual-Consolidated Emergency Medical Services Fund.....	140
<u>Other Supplementary Information:</u>	
Combining and Individual Fund Financial Statements and Schedules:	
Nonmajor Governmental Funds:	
Exhibit 29 Combining Balance Sheet-Nonmajor Governmental Funds	146
Exhibit 30 Combining Statement of Revenues, Expenditures and Changes in Fund Balances-Nonmajor Governmental Funds.....	147
Exhibit 31 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual-Nonmajor Governmental Funds.....	148
Other Governmental Funds:	
Exhibit 32 Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual-County Debt Service Fund.....	152
Exhibit 33 Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual-County Capital Projects Fund.....	153
Nonmajor Proprietary Funds:	
Exhibit 34 Combining Statement of Net Position-Nonmajor Proprietary Funds.....	156
Exhibit 35 Combining Statement of Revenues, Expenses and Changes in Net Position-Nonmajor Proprietary Funds.....	157
Exhibit 36 Combining Statement of Cash Flows-Nonmajor Proprietary Funds.....	158
Fiduciary Funds:	
Exhibit 37 Combining Statement of Fiduciary Net Position-Agency Funds.....	162
Exhibit 38 Combining Statement of Changes in Assets and Liabilities-Agency Funds.....	163

County of Accomack, Virginia Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2021

TABLE OF CONTENTS (Continued)

		<u>Page</u>
FINANCIAL SECTION (continued)		
<hr/>		
Discretely Presented Component Unit-School Board:		
Exhibit 39	Balance Sheet-Governmental Funds	166
Exhibit 40	Statement of Revenues, Expenditures and Changes in Fund Balances- Governmental Funds.....	167
Exhibit 41	Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual-School Operating Fund.....	168
Discretely Presented Component Units-Nonmajor:		
Exhibit 42	Combining Statement of Net Position-Nonmajor Discretely Presented Component Units.....	172
Exhibit 43	Combining Statement of Revenues, Expenses and Changes in Net Position-Nonmajor Discretely Presented Component Units.....	173
Exhibit 44	Combining Statement of Cash Flows-Nonmajor Discretely Presented Component Units.....	174
Supporting Schedules:		
Schedule 1	Schedule of Revenues-Budget and Actual-Governmental Funds.....	178
Schedule 2	Schedule of Expenditures-Budget and Actual-Governmental Funds.....	186
STATISTICAL SECTION		
<hr/>		
Table 1	Net Position by Component.....	196
Table 2	Changes in Net Position.....	197
Table 3	Fund Balances, Governmental Funds.....	199
Table 4	Changes in Fund Balances, Governmental Funds.....	200
Table 5A	Assessed Value and Estimated Actual Value of Taxable Real Property.....	201
Table 5B	Assessed Value and Estimated Actual Value of Taxable Personal Property.....	201
Table 6	Direct and Overlapping Property Tax Rates.....	202
Table 7	Principal Property Taxpayers.....	204
Table 8	Property Tax Levy and Collections.....	205
Table 9	Ratios of Outstanding Debt by Type.....	207
Table 10	Ratios of Net General Bonded Debt Outstanding	208
Table 11	Demographic Statistics.....	209
Table 12	Principal Employers.....	210
Table 13	Authorized Full-Time Equivalent County Employees by Function.....	211
Table 14	Operating Indicators by Function/Program.....	212
Table 15	Capital Asset Statistics by Function.....	213
COMPLIANCE SECTION		
<hr/>		
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.....		216
Independent Auditors' Report on Compliance for Each Major Program and Internal Control Required by the Uniform Guidance.....		219
Schedule of Expenditures of Federal Awards.....		222
Notes to Schedule of Expenditures of Federal Awards.....		224
Schedule of Findings and Questioned Costs.....		225



This page left blank intentionally

Introductory Section



This page left blank intentionally



COUNTY OF ACCOMACK COUNTY ADMINISTRATOR'S OFFICE

Post Office Box 388
Accomac, Virginia 23301
(757) 787-5700
(757) 824-5444

administration@co.accomack.va.us

Michael T Mason, CPA
County Administrator

June 11, 2022

To the Honorable Members of the Board of Supervisors
To the Citizens of Accomack County, Virginia

I am pleased to present the County of Accomack (the County) Comprehensive Annual Financial Report (Annual Report) for the fiscal year ended June 30, 2021. The Code of Virginia §15.2-2511 requires localities have their accounts and records, including those associated with constitutional officers, audited annually by June 30 by an independent certified public accountant and to submit an audited financial report to the Auditor of Public Accounts (APA) of the Commonwealth. This Annual Report was prepared by the County's Finance Department in accordance with the standards issued by the Government Accounting Standards Board and the APA.

The Annual Report is intended to provide financial information to our residents, the Accomack County Board of Supervisors, our creditors, those who invest in us and any other entities that seek complete financial information about the County.

This Annual Report consists of management's representations concerning the County's finances. The County assumes full responsibility for the completeness and fairness of presentation of the information presented within it. To provide a reasonable basis for making these representations, a comprehensive internal control framework has been established to ensure compliance with applicable laws and regulations and County policies, safeguard the County's assets, and provide sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and accurate, in all material respects, and presents fairly the financial position and results of operations of the various funds and component units of the County.

The County was audited by Brown Edwards & Company, LLP (Brown Edwards), a firm of licensed certified public accountants. The independent auditors' responsibility is to express opinions on the County financial statements based on evidence obtained during the course of the audit. In order to provide opinions, the auditors performed procedures to obtain evidence supporting 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 error or fraud. 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.

Brown Edwards concluded, based upon the audit evidence they obtained, that there was a reasonable basis for forming and expressing unmodified opinions that the County's financial statements for the fiscal year ended June 30, 2021, are fairly presented, in all material respects, in conformity with GAAP. Their report on the financial statements is located in the Financial Section of this report.

Accounting principles generally accepted in the United States require management to provide a Management's Discussion and Analysis (MD&A). The MD&A is comprised of a narrative introduction and an analytical overview of a government's financial activities. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the independent auditors' report.

ABOUT THE COUNTY

Accomack County, Virginia is located on the northern portion of the Eastern Shore of Virginia peninsula. It is bordered on the south by Northampton County, Virginia and the state of Maryland to the north. The County covers approximately 476 square miles of rich farmland, undisturbed beaches, expanses of marsh and forest, and small towns rich in history and culture. The county has a total area of 1,310 square miles, of which 455 square miles is land and 855 square miles (65.25%) is water. It has miles of shoreline on both the Chesapeake Bay on the west and the Atlantic Ocean on the east, constituting one of the largest unspoiled wetlands habitat in the world. Accomack County's picturesque small towns and villages offer a modern-day refuge to those who seek the serenity of streets lined with Colonial- and Victorian-era homes and storefronts. The towns of Accomac and Onancock are designated State Historic Districts that feature restored Colonial architecture. Recreational opportunities attract fishermen, boaters, and beach-lovers to Accomack County and its pristine barrier islands.

Accomack County was established in the Virginia colony in 1634. It was one of the eight original counties of Virginia. The county's name comes from a Native American word meaning "the other shore".



In 1642, the name of the county was changed to Northampton. In 1663, Northampton was divided into two counties. The northern county took the name Accomack while the southern retained the name Northampton.

Today, Accomack County is home to the Wallops Flight Facility, operated by the National Aeronautics & Space Administration (NASA). This flight facility supports NASA's scientific research and provides for the development and launching of orbital and sub-orbital payloads, placing the facility at the center of NASA's space and earth science programs.

GOVERNMENT

The governing body of the County is the Accomack Board of Supervisors which is composed of nine members each elected to a four year term. The current term for each Board member is January 1, 2020 to December 31, 2023 and all members must reside in the district they represent. The County utilizes the traditional board form of county government with a county administrator who is hired by and serves at the will of the Board. The County has taxing powers subject to statewide restrictions and tax limits. There are 14 incorporated towns located within the County.

The County provides a broad array of local government services and continues to maintain a real estate tax rate that ranks as one of the lower tax rates in Virginia when compared to similar counties in terms of population and demographics. Services provided by the County that are worth noting and may differentiate it from other Virginia local governments include its operation of a small general aviation airport, a sanitary landfill and twenty-seven water access sites providing convenient access to the Chesapeake Bay, Atlantic Ocean and the small bays and creeks in between. The County also operates a small wastewater collection system but does not own or operate a wastewater treatment facility relying instead on its relationship with the Town of Onancock for waste treatment needs. In addition, the County provides 24/7 emergency medical services through a combination volunteer/career system delivered from 13 independent volunteer fire companies and 1 independent volunteer rescue squad.

ANNUAL REPORT ORGANIZATION

The County of Accomack's annual report includes all funds of the County, the primary government, and its seven different component units listed below:

- Accomack County School Board
- Accomack-Northampton Planning District Commission
- Economic Development Authority of Accomack County
- Eastern Shore Public Library
- Quinby Boat Harbor Committee
- Greenbackville Boat Harbor Committee
- Greenbackville/Captain's Cove Mosquito Control Commission

These component units are included in the reporting entity because of the County's financial accountability for these organizations. The Accomack County School Board is by far the most significant of these component units. The School Board is made up of nine elected members and is charged with overseeing the public school system. Unlike the County, the School Board does not have taxing authority.

The Comprehensive Annual Financial Report is presented in four sections as follows:

- Introductory Section:** The Introductory Section includes this letter of transmittal, a certificate of achievement for excellence in financial reporting, the County's organizational chart and list of principal officials.
- Financial Section:** The Financial Section includes Management's Discussion and Analysis (MD&A), government-wide and fund financial statements, notes to the financial statements, required and other supplementary information and the independent auditor's report on the MD&A, financial statements and schedules.
- Statistical Section:** The Statistical Section contains selected financial and demographic information generally presented on a multi-year basis.
- Compliance Section:** The Compliance Section contains information on County programs that are financed by federal grants. This information is required by the Single Audit Act and by the Commonwealth of Virginia Auditor of Public Accounts.

COVID-19 & LOCAL ECONOMY

The County continues to monitor the impact of the COVID-19 pandemic on the local economy and to make strategic investments to assist with its recovery using predominantly federal financial assistance the County has received through the Coronavirus Aid, Relief and Economic Security (CARES) Act and American Rescue Plan Act (ARPA). The County received two allocations of federal financial assistance via the CARES Act with the first received in June 2020 and the second in August 2020. Each allocation was for \$2,819,446. In June 2021, the County received an additional \$3,138,502 in federal assistance through

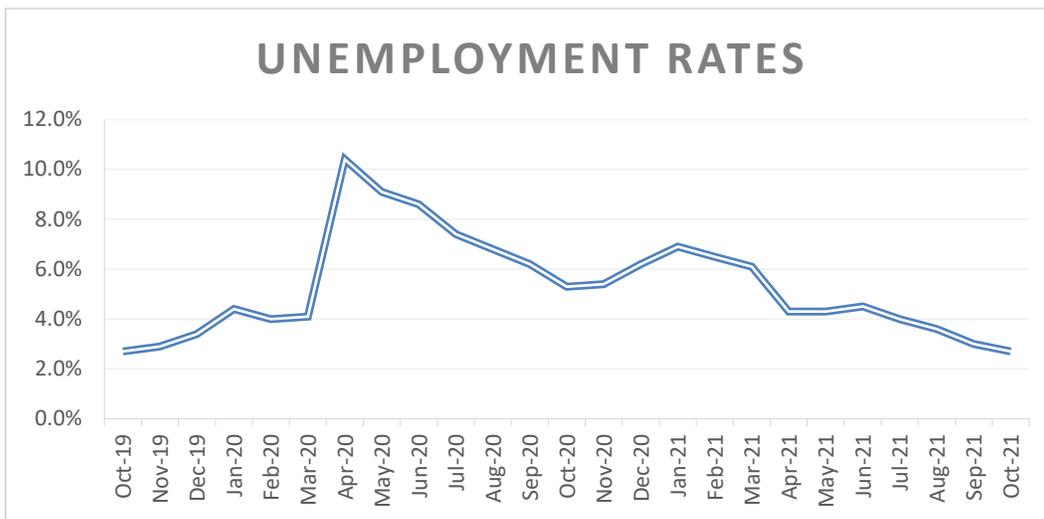
ARPA representing the first tranche of ARPA federal assistance. A second tranche of ARPA funds in the same amount has been slated for June 2022.

Most of the CARES Act funds the County received were spent in fiscal year 2021 and are thus reported in this annual report. The County used a large portion of its allocation to provide direct assistance to those businesses that were either forced to temporarily close or substantially restrict their operations to comply with the Governor's Executive Order No. 53. In addition, the County entered into a tri-party agreement with the Eastern Shore of Virginia Broadband Authority and the Accomack County Public Schools to extend the Eastern Shore of Virginia Broadband Authority's (ESVBA) fiber network into disadvantaged communities with high densities of public school students who lacked access to high speed internet. The County further provided hazard pay to its first responders who have continued to vigilantly serve their community throughout the pandemic along with various other initiatives.

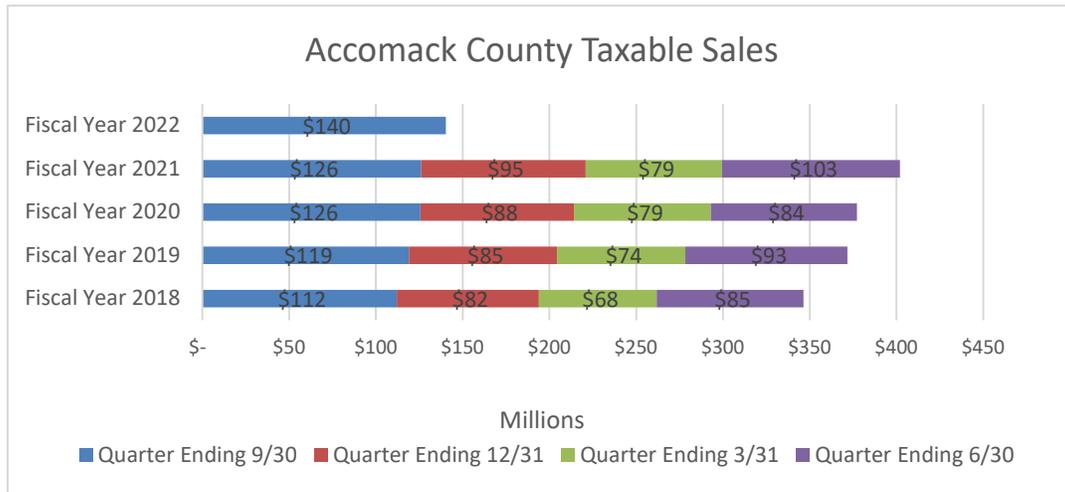
The County did not begin to use its first tranche of ARPA funding until the fiscal year beginning July 1, 2021 so this annual report is void of any local initiatives financed by this particular federal funding. The County Board of Supervisors did, however, hold a town hall meeting on June 2, 2021, to obtain citizen input as to how the County should spend its ARPA first tranche. Based on feedback received during this meeting, the Board established the following priority uses which will guide County ARPA spending in fiscal year 2022:

- Continue to promote and incentivize deployment of broadband to unserved and underserved areas;
- Incentivize the private sector to establish new childcare facilities within the County and/or to expand services already offered by existing providers; and
- Provide financial relief to local volunteer fire and rescue companies negatively impacted by the pandemic.

Calendar year 2020 unemployment rates for Accomack County, United States and Commonwealth were 6.5%, 8.1% and 6.2% respectively. The pandemic, along with executive actions taken by the Governor in March 2020 to control the spread of the virus heavily impacted the County's unemployment rate during calendar year 2020. Executive Order 53, issued March 23, 2020 by the Governor, placed temporary restrictions on restaurants, recreational activities, entertainment, gatherings, non-essential retail businesses, and forced closure of K-12 Schools for the remainder of the school year while Executive Order 55, issued March 30, 2020, mandated a temporary stay at home order. These two executive actions primarily caused the County's unemployment rate to spike to 10% in April 2020 and continued to heavily impact rates into the start of fiscal year 2021. Since the April 2020 peak, the County's unemployment rate has gradually declined aided in part by direct Federal assistance to businesses struggling from the impact of the pandemic via the Paycheck Protection Program but more significantly by the easing of Commonwealth restrictions in June 2020. As of October 2021, the County's unemployment rate was exactly the same as it was in October 2019 prior to the COVID-19 outbreak.



Taxable sales have remained strong throughout the pandemic increasing 6.6% over the prior year fueled significantly by increased internet sales transactions. Overall, taxable sales have performed better than expected given the circumstances.



MAJOR INITIATIVES FOR 2022 AND BEYOND

- Eastern Shore Sanitary Sewer Transmission Force Main Project-** In 2018, a regional infrastructure summit was held by the region’s congressional representative to discuss how federal funding could be leveraged to fund infrastructure improvements on the Eastern Shore. Present at this meeting were a number of local, state and federal representatives along with local community leaders who assembled to discuss regional issues affecting the vitality of the Eastern Shore of Virginia. During this meeting, consensus was obtained that the lack of centralized sewer options was the top regional obstacle limiting further economic development of the area. Shortly after this meeting, a stakeholder group was created to explore ways to address this issue. This group convened to gain insight and expertise into wastewater treatment standards of practice and technologies available. The group later spearheaded the completion of the Eastern Shore Sanitary Sewer Transmission Force Main Study which focused conceptually on not only how to bring more centralized treatment options to the Eastern Shore, but also on assisting existing government-owned treatment facilities which were either nearing the end of their useful lives or operating at well under their designed capacity. The study recommended a phased approach to meeting local wastewater treatment needs with the scope of phase 1 to construct a force main (sewer line) from the Town of Nassawadox, located in Northampton County, to the Town of Onancock, located in Accomack County, along with a service spur to the Town of Accomac. This force main would connect the existing wastewater treatment facilities located along its path to the Town of Onancock’s wastewater treatment plant, a modern, well-maintained plant operating at significantly under its designed treatment capacity. This phase of the project is expected to cost approximately \$24 million.

The HRSD, a political subdivision of the Commonwealth, agreed to partner on this proposed project at the request of Accomack County and Northampton County and the concurrence of other major project stakeholders. HRSD agreed in principal to fund and construct this force main conditioned upon Accomack and Northampton becoming part of the HRSD’s service area and HRSD obtaining ownership of the Town of Onancock’s wastewater treatment plan. The process for becoming part of HRSD required HRSD to petition Accomack and Northampton Circuit Courts to grant inclusion of each county’s territory into the District. This step was completed in October of 2020 when, after a public hearing was held, both courts approved HRSD’s request. Construction began in fiscal 2022. As part of this project, the County expects to transfer ownership of its Central Accomack Sewer System to HRSD. This County collection system is already connected to the Town of Onancock’s wastewater collection and treatment

system and will provide HRSD with an established infrastructure path from the County's Industrial Park outside of the Town of Melfa to the Town of Onancock.



- Continue to market the Wallops Research Park and Support NASA Wallops Flight Facility and Virginia Space – The Wallops Research Park (WRP) is a prime location for aerospace and aviation operations offering 200+ acres specifically for Unmanned Aircraft Systems and medium class space launch vehicles, particularly those seeking to leverage and enhance capabilities of the Mid-Atlantic Spaceport and NASA Wallops Flight Facility. During FY 2020, the first tenant of the WRP, Rocket Lab, completed construction of its Integration and Control Facility. Rocket Lab plans to launch its Electron rocket from its newly constructed Launch Complex 2 on Wallops Island in 2022. It will be the company's first rocket launch from US soil.





In addition, the NASA Wallops Flight Facility was recently selected by Rocket Lab as the home for its new larger Neutron rocket's first launch pad and production facility, further supporting the growth of commercial space capabilities in Accomack County. Rocket Lab expects to begin launching the medium class orbital Neutron from Wallops Island beginning in 2024. The new production complex will include a rocket production, assembly, and integration facility and result in the creation of approximately 250 new jobs. It will be located just outside the NASA gate to Wallops Island.

The WRP is directly adjacent to the NASA Wallops Flight Facility and close to Wallops Island providing tenants a distinctive business advantage not available anywhere. The Wallops Flight Facility is home to unique and valuable assets that can be leveraged for federal, state and private sector development. In total, there are approximately 6200 acres within the WFF which provide three major capabilities: Research Airport; World Class Launch Range; and end-to-end engineering design, fabrication, and testing facilities. In total, the Wallops Research Park represents over \$8M in County and Commonwealth investment.

- Complete construction of the new Eastern Shore Public Library & Heritage Center -This new 20,110 square foot facility will be located in Parksley, Virginia. It is currently under construction and is expected to open in July 2022. A separate wing of the library will be devoted to the Eastern Shore Heritage Center, a state-of-the art, climate controlled facility that will house books, photographs, genealogical records, and manuscripts. It will also contain a research room, lecture hall and makerspace. The Heritage Center will enhance the ability of the library to teach humanities and to partner with other community resources, including the public schools, the Literacy Council, local museums, and civic groups. At the same time, the Heritage Center will provide multimedia opportunities for teaching and learning humanities in the fields of history, genealogy, archaeology, and other disciplines. Thus, the Heritage Center will serve as a resource for students and scholars, local, regional, and national, and provide the infrastructure for the archiving, cataloging, digitalization, and dissemination of a superb collection of books, pamphlets, documents, and photographs.



- Broadband Proliferation – In September 2021, the ESVBA and the counties of Accomack and Northampton, partnered to apply for a Virginia Telecommunication Initiative grant to provide high speed internet to unserved areas of Virginia’s Eastern Shore. Accomack contributed \$1,473,745 of its ARPA allocation to serve as a local match for this effort. In December 2021, the Commonwealth announced that this application was selected for a competitive grant award and agreed to provide \$12,310,777 in Commonwealth assistance. Construction started in April, 2022. Over 72% of the Accomack’s addresses will be passed by the ESVBA’s fiber network once this project is completed further enhancing broadband access to citizens. The ESVBA is one of three providers of residential broadband services on the Eastern Shore.



FISCAL YEAR 2022 ADOPTED BUDGET

For the 2022 Fiscal Year, the Board of Supervisors adopted a Primary Government total operating and capital budget of \$64,858,707, which is a 0.83% increase from the previous year. Of this amount, \$3.7M was for one-time capital spending, all funded with existing financial resources. The 2022 budget does include the issuance of a solid waste system revenue bond to finance the construction of the next landfill cell at the County’s North Landfill. Closure of the existing landfill cell is to be paid from existing current assets.

The County’s property tax rates for 2022 remained unchanged. The County’s real estate tax rate continues to be among the lowest of all Virginia counties of similar size. The Fiscal Year 2022 property tax rates are detailed in the *Management Discussion and Analysis* section. The development of the Fiscal Year 2022 budget was driven by the following priorities:

1. Keep property tax rates at or below their current level as the local economy financially recovers from COVID19.
2. Restore previously planned employee compensation increases which were removed from the FY21 budget because of the pandemic and maintain existing employee benefit levels.
3. Maintain the County’s investment in its buildings, infrastructure and equipment within the resources available.
4. Maintain or improve employee and customer safety.
5. Continue to strengthen the County “Rainy Day” fund.
6. Honor contractual commitments, agreements and mandates.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Accomack, Virginia, for its comprehensive annual financial report for the fiscal year ending June 30, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The GFOA also presented an award for Distinguished Budget Presentation to the County for the annual budget for the fiscal year beginning July 1, 2021. This program recognizes that the budget

document meets program criteria as a policy document, operations guide, financial plan, and as a communications device. This is the highest form of recognition for excellence in government budgeting.

I want to thank the members of the Board of Supervisors for their conservative approach to the County's finances that have allowed the County to remain financially stable during these uncertain times. The County Finance department is also commended for, once again, preparing this quality financial report which requires much professionalism and a significant amount of time and effort especially for a small locality with such a limited number of staff. Your efforts are much appreciated by the Board of Supervisors and the County's leadership team.

Lastly, I want to acknowledge the hard work of County staff who were able to bring forward innovative changes to allow the County to continue to provide quality services to the community during fiscal year 2021 despite COVID-19. When the pandemic set in, the County's I.T. department was able to quickly outfit County staff to be able to effectively telecommute and successfully configured the County's new Emergency Operations Center to serve as secondary work site for many departments desiring to separate their staff as a precautionary measure against the virus. The Human Resources Department pivoted from traditional in person recruiting and on-boarding to a virtual platform. Our Building, Planning and Zoning Office was able to leverage their permitting software to allow customer to initiate service requests and track their progress from the comfort of their home. The Public Works Department's employees and several other departments and/or divisions altered their work schedules and in some instances their work location in order to ensure the continuity of services to the public. These are just some of the changes to County operations that were initiated and embraced by the County workforce and demonstrate their commitment to providing the County and its residents with exceptional services no matter what obstacles present themselves.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "M. T. Mason".

Michael T. Mason, CPA
County Administrator



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Accomack
Virginia**

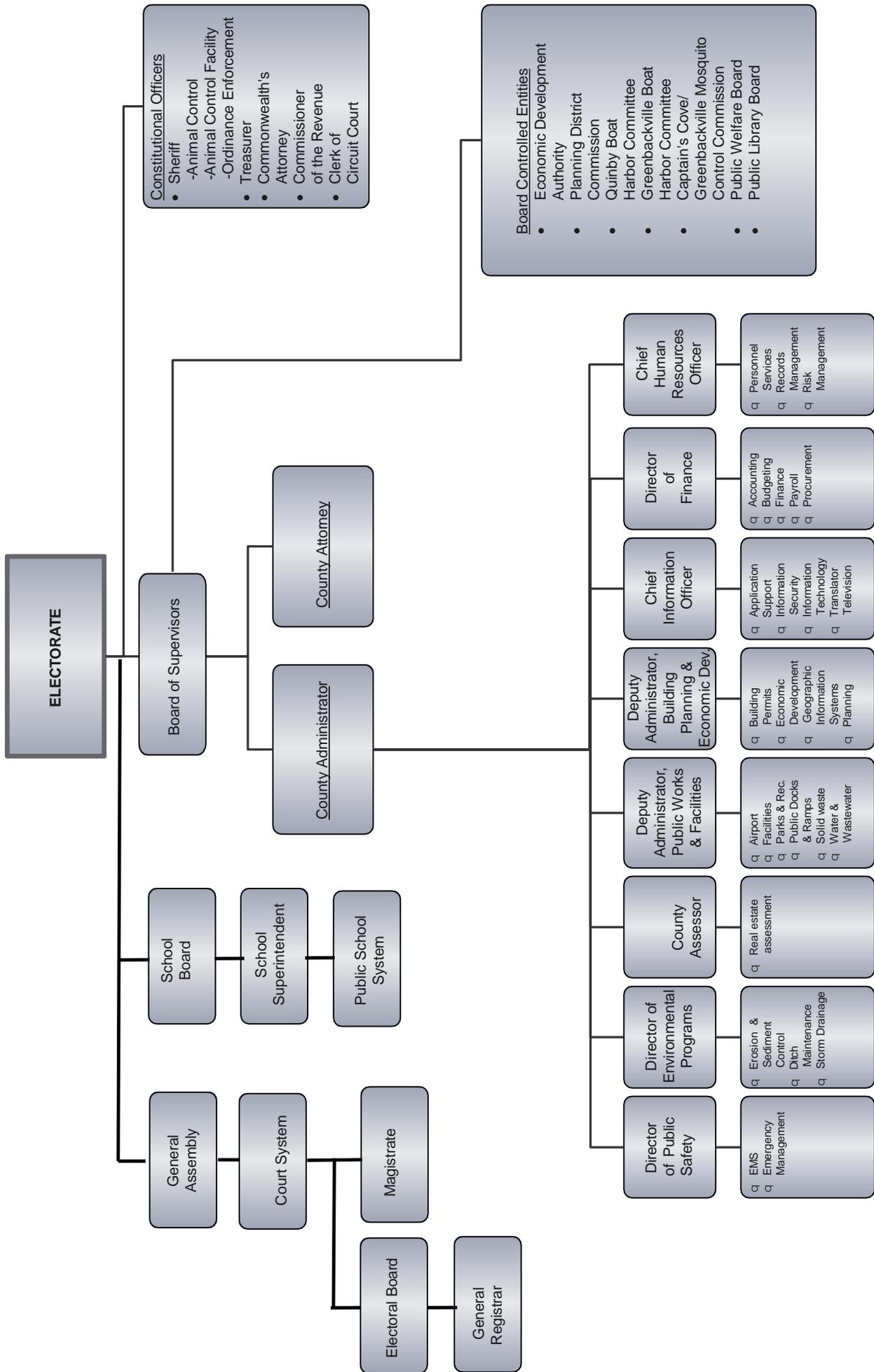
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

COUNTY OF ACCOMACK, VIRGINIA ORGANIZATION CHART



County of Accomack, Virginia

Principal Officials

Board of Supervisors

Ronald S. Wolff, Chairperson	Election District 2
William J. Tarr, Vice-Chairperson	Election District 1
Robert D. Crockett	Election District 6
C. Renata Major	Election District 9
Vanessa K. Johnson	Election District 3
Paul E. J. Muhly	Election District 4
Harrison W. Phillips, III	Election District 5
Howard Phillips	Election District 7
Donald Hart	Election District 8

Constitutional Officers

Samuel H. Cooper	Clerk of the Circuit Court
Deborah T. Midgett	Commissioner of the Revenue
J. Spencer Morgan	Commonwealth's Attorney
W. Todd Wessells	Sheriff
James A. Lilliston, Sr	Treasurer

County Administrative Officers

Michael T. Mason, CPA	County Administrator
Jan Proctor	County Attorney
Kathleen A. Carmody	Chief Human Resources Officer
Ben T. Fox	Chief Information Officer
Richard L. Morrison	Deputy Administrator, Building , Planning & Economic Development
Stewart M. Hall	Deputy Administrator, Public Works & Facilities
Brent A. Hurdle	Director of Assessment
G. Chris Guvernator	Director of Environmental Programs
Margaret A. Lindsey, CPA	Director of Finance
Charles R. Pruitt	Director of Public Safety

County of Accomack, Virginia
Principal Officials
(continued)

School Board

Paul C. Bull, Chairperson	Election District 6
Dr. Ronnie E. Holden, Vice-Chairperson	Election District 8
Jesse W. Speidel	Election District 1
Edward F. Taylor	Election District 2
Lisa M. Cropper Johnson	Election District 3
Gary S. Reese	Election District 4
Camesha A. Handy	Election District 5
Janet Martin-Turner	Election District 7
Malcolm F. White	Election District 9

School Board Administrative Officers

Warren C. Holland	Superintendent
Dr. Rhonda Hall	Assistant Superintendent of Instruction
Robert Bennett	Director of Facilities and Operations
Beth L. Onley, CPA	Director of Finance



This page left blank intentionally

Financial Section



This page left blank intentionally



INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the Board of Supervisors of
County of Accomack, Virginia
Accomack, Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Accomack, Virginia as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County'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 did not audit the financial statements of the Accomack-Northampton Planning District Commission and Eastern Shore Public Library, which represent 6 percent, (229) percent, and 4 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Accomack-Northampton Planning District Commission and Eastern Shore Public Library is based solely on the reports of the other auditors. 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 *Specifications for Audits of Counties, Cities, and Towns* and *Specifications for Audits of Authorities, Boards and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Auditor's Responsibility (Continued)

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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Accomack, Virginia, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 27 to the financial statements, in 2021, the County adopted new accounting guidance, *GASB Statement No. 84, Fiduciary Activities*. As a result of the implementation of the Standard, the County reported a restatement for the change in accounting principle (see Note 25). 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 management's discussion and analysis and other required supplementary information 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 Matters (Continued)

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements.

The combining and individual fund financial statements and the schedule of expenditures of federal awards 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 and individual fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 County'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 County's internal control over financial reporting and compliance.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
June 11, 2022



County of Accomack
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2021

Honorable Members of the Board of Supervisors
Citizens of Accomack County

As management of the County of Accomack, Virginia we offer readers of the County's Annual Comprehensive Financial Report this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2021. This Management's Discussion and Analysis (MD&A) section is intended to introduce the County's basic financial statements and provide an analytical overview of the County's financial activities. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and with the County's financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$67,042,979 (net position). Of this amount, \$26,275,159 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$12,136,339 (24%). Net position of the governmental-type activities increased \$13,061,960 (26%) and net position of the business-type activities *decreased* \$925,621 (11%). This increase in governmental type of activities is substantially due to use of unprecedented federal grant monies related to the COVID-19 pandemic that allowed for the locality to use these funds in lieu of governmental fund revenues to cover governmental fund costs.
- The County's unrestricted net position increased by \$9,926,908 (61%). Unrestricted net position of the governmental-type activities increased \$11,537,852 (53%) and unrestricted net (deficit) of the business-type activities increased (\$1,610,944) (30%). The increase in deficit is driven primarily by the post-closure costs of the north landfill, Cell 6A which were greatly increased as the cell is now set to close in early June, 2022.
- Program expenses of the County's Governmental activities was down \$ 1,024,499 (2%) in large measure to not having to make the full transfer to Accomack County Public Schools in FY 2021. The Schools benefited from significant federal and state Covid relief funds that will not replicate, thus allowing the County and Schools to carry over for subsequent years the unneeded FY 21 general fund allocation. The decrease in this expense was offset by the large increase in public safety expenses both for hazard pay for certain staff and targeted pay raises, as examples. Business-type activities expense increased by 65% to \$6,184,866 due primarily to post closure costs booked for the north landfill cell 6A in the amount of \$ 2,543,260. The cost for this advanced as the due date for closure was shortened as compared to fiscal year 2020. Also, all county staff, including those charged to business-type activities, received a one-time bonus in December, 2020 in lieu of a pay raise for the fiscal year. The landfill slightly offset cost increases by showing almost \$450,000 in additional tipping fee revenue and from the gain on sale of surplus assets.
- The General fund reported an ending fund balance of \$34,740,986, an increase of \$12,924,282 (59%). Of the ending fund balance, \$104,700 was nonspendable. Restricted for Wetlands mitigation was \$6,210. \$12,302,716 was committed pursuant to the County's "Rainy Day"/Revenue Stabilization policy, \$17,327,182 was assigned to various projects and \$5,000,178 was unassigned.
 - The amount of General Fund ending fund balance committed pursuant to the County's "Rainy Day"/Revenue Stabilization Policy is equal to 14.6% of total General Fund Revenue and Component Unit School Operating Revenue less contributions from the Primary Government.
 - The amount of General Fund ending fund balance available for expenditure (Committed Fund Balance + Assigned Fund Balance + Unassigned Fund Balance) was \$34,630,076 or 97% of total general fund expenditures or 99.7% of Total Fund Balances as shown on Exhibit 3.
- The County's outstanding debt decreased by \$2,538,494 or 10.3% during fiscal year 2021. The Qualified Zone Authority Bond was paid-off during fiscal year 2021.

Overview of the Financial Statements

The County's financial statements present two types of statements, each with a different focus on the County's finances. The first focus is on the County as a whole (government-wide) and secondly the fund financial statements. The government-wide financial statements provide both short and long-term information about the County's overall financial status. The fund financials focus on the individual parts of County government, reporting the County's operation in more detail than the government-wide statements, which present a longer-term view. Presentation of both perspectives provides the user a broader overview, enhances the basis for comparison, and better reflects the County's accountability.

Government-wide financial statements - Government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to private-sector business, and use the full accrual method of accounting. They include the Statement of Net Position (Exhibit 1) and the Statement of Activities (Exhibit 2). All current year revenues and expenses are reported in the Statement of Activities regardless of when cash is received or paid.

The statement of net position presents information on all of the County's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. To assess the overall health of the County, one needs to consider other nonfinancial factors such as changes in the County's property tax base, condition of the County's infrastructure and one-time sources of revenues.

In the Statement of Net Position and the Statement of Activities, the County's fund-based activity is classified as follows:

Governmental activities – Most the County's basic services are reported here, including general government, judicial administration, public safety, public works, health and welfare, educations, parks and recreation and community development departments. Property taxes, other local taxes and federal and state grants finance most of these activities.

Business-type activities – The County's Airport, Landfill, Parks and Recreation Revolving and Water/Sewer Funds are reported here as the County charges fees for services.

Component Units – The County has seven component units with one discretely presented. Although legally separate, the component units are included as the County is financially accountable for them and as such, exclusion could cause the County's financial statements to be misleading. For the Eastern Shore Public Library and the Accomack-Northampton Planning District Commission, please see separately issued financial statements available from each entity.

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide detailed information about the county's most significant funds – not the County as a whole. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds - Governmental fund reporting focuses primarily on the sources, uses, and balances of current financial resources and has a budgeting orientation. These funds are reported on the modified accrual basis of accounting. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful 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 County's near-term financing decisions. Both the governmental fund balance sheet and the governmental statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison with governmental funds and governmental activities.

The County maintains fourteen 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 balance for the General Fund, Virginia Public Assistance Fund, Comprehensive Youth Services Fund, County Debt Service Fund and County Capital Projects Funds, all of which are considered to be major funds. Data from the remaining nine governmental funds are combined into a single aggregated presentation. Individual fund data for these non-major funds is provided in the "Other Supplemental Information" section of the report. The County adopts an appropriated budget annually for its Governmental funds. A budgetary comparison statement has been provided for the general fund and major special revenue funds to demonstrate compliance with this budget. Budgetary comparison schedules for non-major funds are also provided in the "Other Supplemental Information" section of the report.

Proprietary funds - The County maintains four enterprise funds. Enterprise funds are used to report on the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its landfill, water/wastewater services and portions of its recreation activities in addition to the operation of the County Airport.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for landfills, water/wastewater services, airport operation and portions of recreation activities. The Landfill Enterprise Fund and Airport Enterprise Fund are considered to be major funds of the County.

Fiduciary funds - The County uses fiduciary funds to account for resources held for other governments, individuals, or agencies not part of the County. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The fiduciary funds are agency funds Special Welfare and the Other Postemployment Benefits Trust Fund. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. These fiduciary activities are excluded from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a County's financial health. The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$67,042,979 at year-end.

The largest portion of the County's net position (51%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's 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 readily be used to liquidate these liabilities.

The next largest portion of the County's net position (39%) is unrestricted meaning it may be used to meet the government's ongoing obligations.

**County of Accomack, Virginia
Net Position**

	Governmental		Business-type		Total	
	Activities		Activities			
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 69,737,384	\$ 55,932,930	\$ 3,291,417	\$ 2,497,106	\$ 73,028,801	\$ 58,430,036
Capital assets	41,983,495	43,100,779	14,926,418	14,467,715	56,909,913	57,568,494
Total assets	111,720,879	99,033,709	18,217,835	16,964,821	129,938,714	115,998,530
Deferred Outflows of Resources	4,000,809	2,942,453	181,453	138,126	4,182,262	3,080,579
Current liabilities	10,873,177	8,554,052	502,988	564,112	11,376,165	9,118,164
Long -term liabilities	26,546,261	27,226,936	10,038,839	7,768,416	36,585,100	34,995,352
Total liabilities	37,419,438	35,780,988	10,541,827	8,332,528	47,961,265	44,113,516
Deferred Inflows of Resources	19,060,846	20,044,186	55,886	43,223	19,116,732	20,087,409
Net Position:						
Net investment in capital assets	19,548,145	18,979,478	14,729,320	14,043,997	34,277,465	33,023,475
Restricted	6,490,355	5,506,458	-	-	6,490,355	5,506,458
Unrestricted	33,202,904	21,665,052	(6,927,745)	(5,316,801)	26,275,159	16,348,251
Total net position	\$ 59,241,404	\$ 46,150,988	\$ 7,801,575	\$ 8,727,196	67,042,979	54,878,184

A portion of the County's net position (11%) represents resources that are subject to restrictions (external and internal) on how they may be used. The largest of this category, \$ 5,385,139 is restricted for use for public safety in the Consolidated EMT fund and the Consolidated Fire fund.

At the end of the current fiscal year, the County is able to report positive balances of net position for both governmental activities and business-type activities.

The County's net position increased by \$12,164,795 or 22% during the fiscal year. Governmental activities show an increase of 28% while business-type activities have a *decrease* in net position of 11%. Primary explanations for these changes were previously noted.

Governmental Activities – As shown above Governmental activities increased the County's net position by \$13,090,416 or 28% during the fiscal year. Key elements of this increase are shown in the data chart as follows:

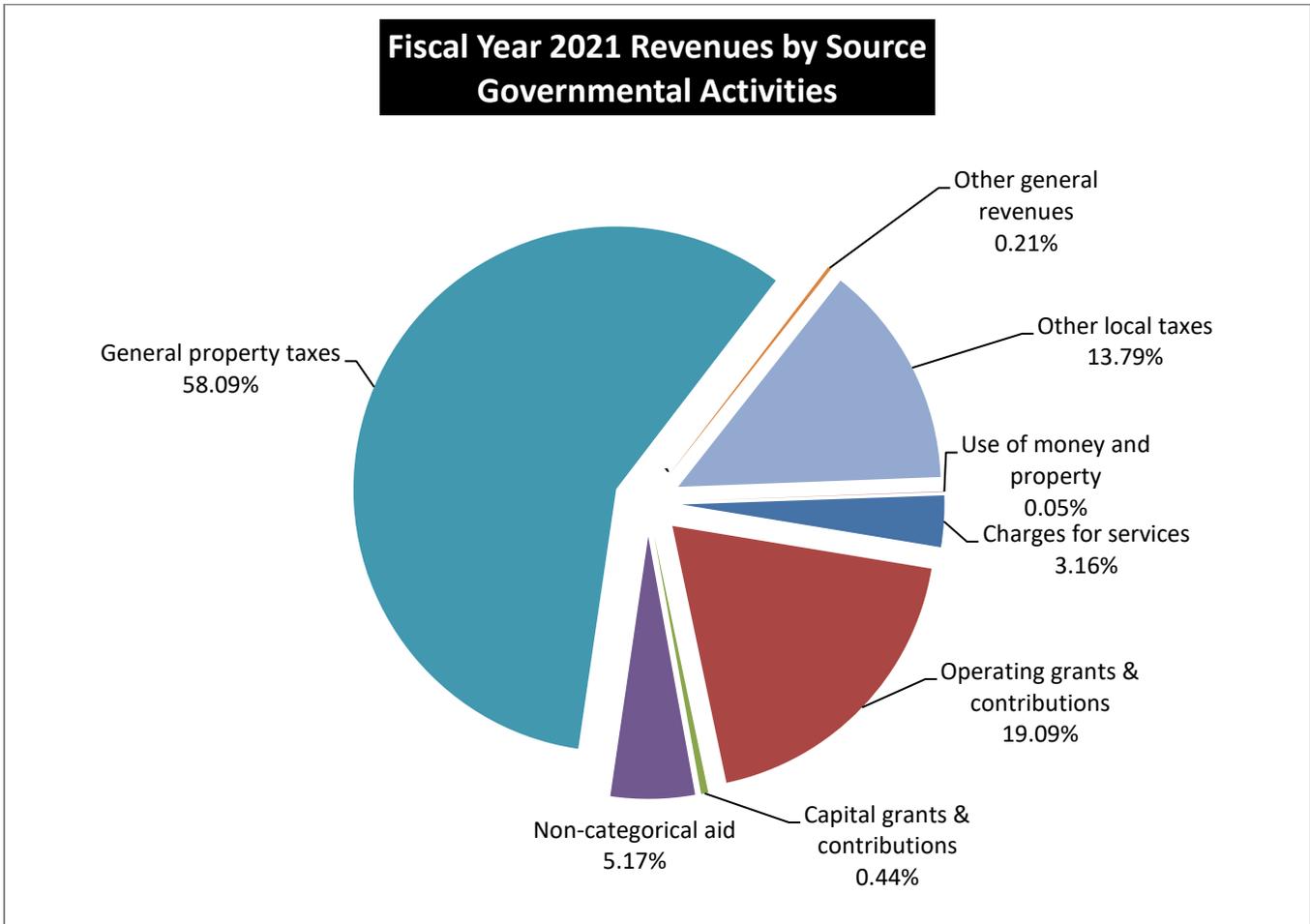
**Accomack County, Virginia
Change in Net Position**

	Governmental		Business-Type		Total	
	Activities		Activities			
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for services	\$ 2,068,302	\$ 2,144,337	\$ 4,290,380	\$ 3,790,820	\$ 6,358,682	\$ 5,935,157
Operating grants & contributions	12,496,598	10,195,625	13,468	23,451	12,510,066	10,219,076
Capital grants & contributions	289,812	1,958,574	743,122	158,077	1,032,934	2,116,651
General Revenues:						
General property taxes	38,018,190	33,053,958	-	-	38,018,190	33,053,958
Other local taxes	9,026,105	8,203,154	-	-	9,026,105	8,203,154
Investment earnings	27,226	62,170	-	-	27,226	62,170
Non-categorical aid	3,381,088	3,446,703	-	-	3,381,088	3,446,703
Other general revenues	139,715	197,348	52,000	-	191,715	197,348
Total revenues	65,447,035	59,261,869	5,098,970	3,972,348	70,546,006	63,234,217
Expenses:						
General government administration	4,601,711	4,297,569	-	-	4,601,711	4,297,569
Judicial administration	1,666,734	2,006,203	-	-	1,666,734	2,006,203
Public safety	17,350,872	13,191,818	-	-	17,350,872	13,191,818
Public works	5,030,230	5,103,434	-	-	5,030,230	5,103,434
Health and welfare	6,301,932	5,978,222	-	-	6,301,932	5,978,222
Education	12,863,844	19,035,647	-	-	12,863,844	19,035,647
Parks, recreation and cultural	1,129,852	484,488	-	-	1,129,852	484,488
Community development	2,329,054	2,042,957	-	-	2,329,054	2,042,957
Interest on long-term debt	950,571	1,108,961	-	-	950,571	1,108,961
Business-type	-	-	6,184,866	3,743,639	6,184,866	3,743,639
Total expenses	52,224,800	53,249,299	6,184,866	3,743,639	58,409,667	56,992,938
Increase (decrease) in net position before transfers	13,222,235	6,012,570	(1,085,896)	228,709	12,136,339	6,241,279
Transfers	(160,275)	(619,012)	160,275	619,012	-	-
Increase (decrease) in net position	13,061,960	5,393,558	(925,621)	847,721	12,136,339	6,241,279
Net position-Beginning as restated	46,179,444	40,757,430	8,727,196	7,879,475	54,906,640	48,636,905
Net position, June 30	\$ 59,241,404	\$ 46,150,988	\$ 7,801,575	\$ 8,727,196	\$ 67,042,979	\$ 54,878,184

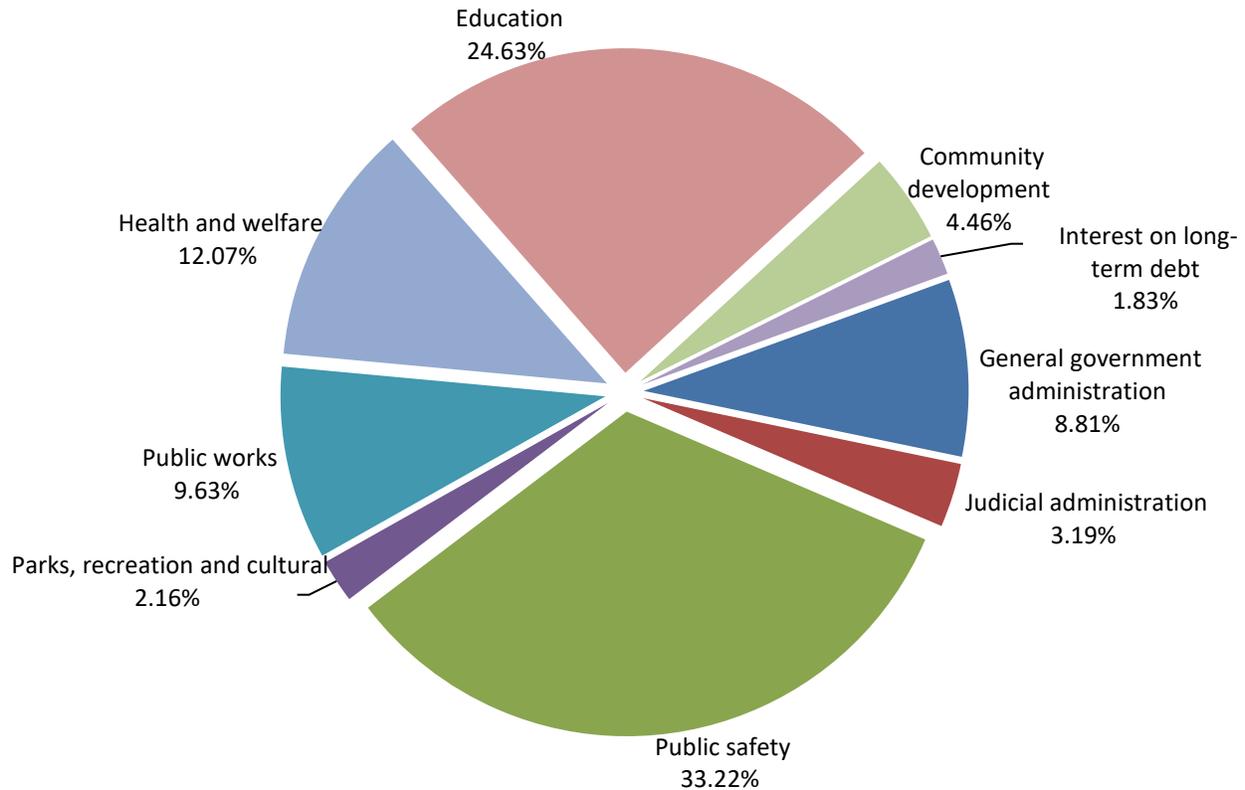
- Property taxes are the largest single revenue source comprising 58% of total governmental revenues. Property taxes increased by \$4,964,232 or 15% as the County moved back to its regular due dates of June and December 5 with no extension as was put in place in the summer of 2020. With regular due dates, the County saw more normal penalty and interest revenue and more robust collection efforts and supplemental billing for personal property in the winter and early spring of 2021.
- Operating grants for governmental activities is the second largest revenue source comprising 19% of governmental revenues. This revenue source increased by \$2,300,973 or 23% during the fiscal year. The primary driver of this increase was the second round of CARES Act funding received from the Commonwealth of Virginia in August, 2020. While ARPA first round funding was received, all of that is deferred at June 30, 2021.
- Other local taxes increased by \$822,951 or 10% primarily due to a continued increase in state sales tax followed also with an uptick versus 2020 in our transient occupancy tax. (TOT). TOT increases are in some measure a result of higher rental rates as well as some rebound in travel. Communications tax also an “other local tax” continues a multi-year decline (\$ 95,253 decrease versus FY 2020 or 11%).
- Public safety expense is the largest single category comprising 33% of total governmental expenses. Expenses for this category increased by \$4,159,054 or 32% from the previous year. Much of this increase in expenses can be traced to COVID-19 either through hazard duty pay bonuses as well as the first year of a two year targeted pay increase in hopes for better retention and recruitment of staff and also expenses normally not encountered for significant increases in PPE, and additional payouts to our Volunteer Fire Companies.
- Education expense is the second largest category comprising 25% of governmental expenses. Expenses for this category decreased \$6,171,803 or 32% as compared to the previous year. The cause for the decrease is attributable to the significant funding that Accomack County Public Schools received from various grant sources

also primarily pandemic related. The County funds the schools through a formula *as needed* with any excess appropriation for FY 21 carried over in assigned fund balance. This carry over required specific Board of Supervisors action.

- Health & Welfare expense is the third largest category comprising 12% of governmental expenses. Expenses for this category increased \$323,710 or 5% as compared to the previous year due to slight increases in the County's Department of Social Services funding for which there is a local match and a slight increase in Comprehensive Services Act funding for payments for services.



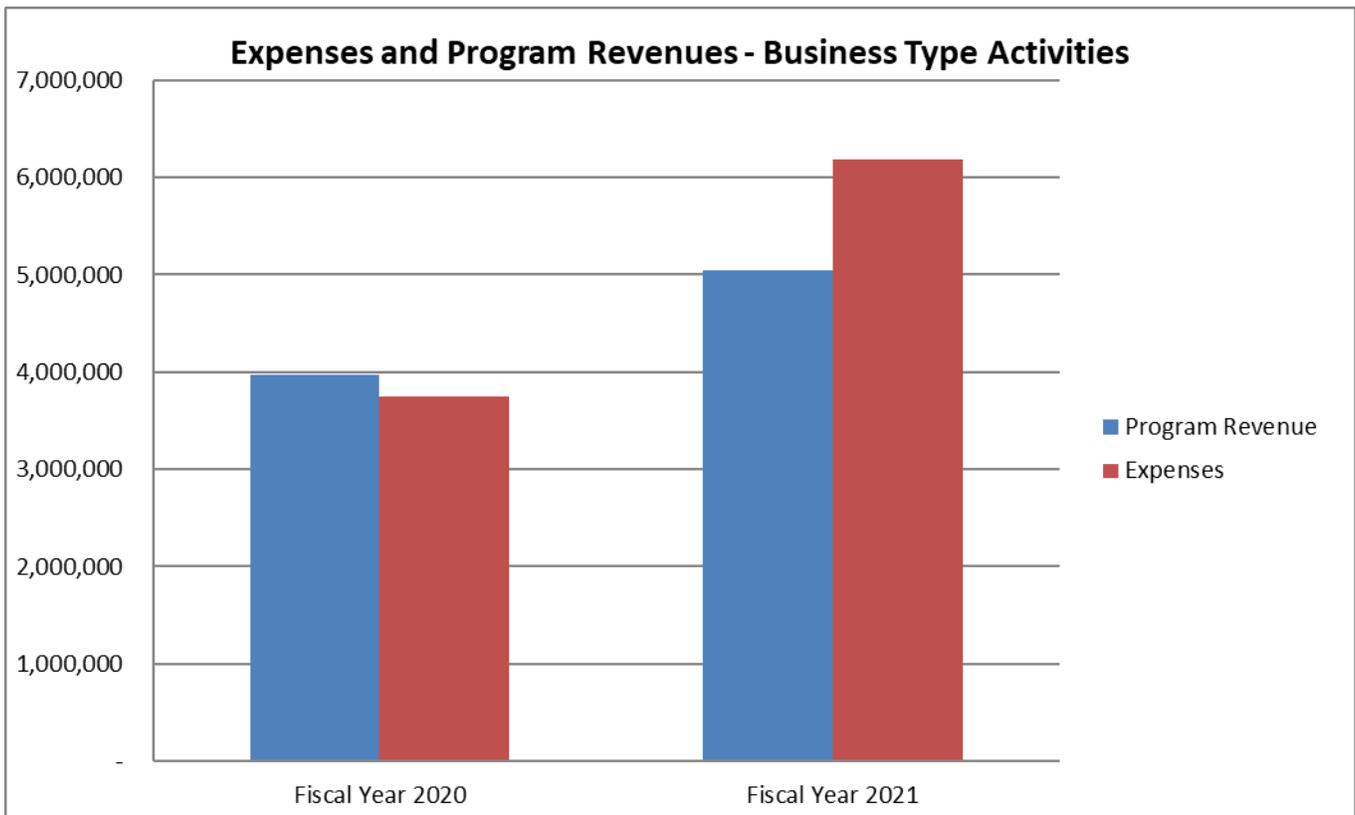
Fiscal Year 2021 Expenses by Function Governmental Activities



Business-type Activities – Business-type activities decreased the County’s net position by \$925,621 or 11% during the fiscal year.

Business-type program revenues increased by \$1,126,622 or 28%. The Landfill had an increase of \$476,172 in program revenues because of an increase in tipping volume (no increase in tipping fee) and a good year of recycling. Also, the Airport was awarded several mid-sized grants for projects such as the apron rehab and a small CARES grant for Covid-19 mitigation.

All business-type expenses increased by 65% or \$2,441,227 as compared to the prior fiscal year. Parks and Recreation expenses decreased \$13,302 or 60% again because so much programming could not be held or was very scaled back due to the pandemic even after Virginia’s closure mandates from the Governor expired. Landfill expenses increased \$2,810,530 or 120% almost singularly due to expense for post-closure costs that are for landfill cell 6A. As compared to fiscal year 2020, the timeframe for closure was moved up by more than one year, thus greatly increasing the costs in fiscal year 2021. Water and Sewer funds had a decrease in expenses of \$23,565 or 5% as costs incurred for sewage conveyed to the adjacent town for processing declined versus FY 20. We believe new metering and constructive measures for less inappropriate materials flowing into the lines from certain major companies contributed to this decrease in cost. The Airport fund had a decrease in expenses of \$332,436 or 35%. Leading this decrease was not having some very old design costs sitting in construction in progress that were determined in FY 20 as needing to be written off (and were in fiscal year 2020). The total of this in FY 20 was \$232,356 and was not recurring. Other decreases were in gas for sale costs which dropped versus FY 20 by just over \$28,000 and a \$25,115 decrease in depreciation booked.



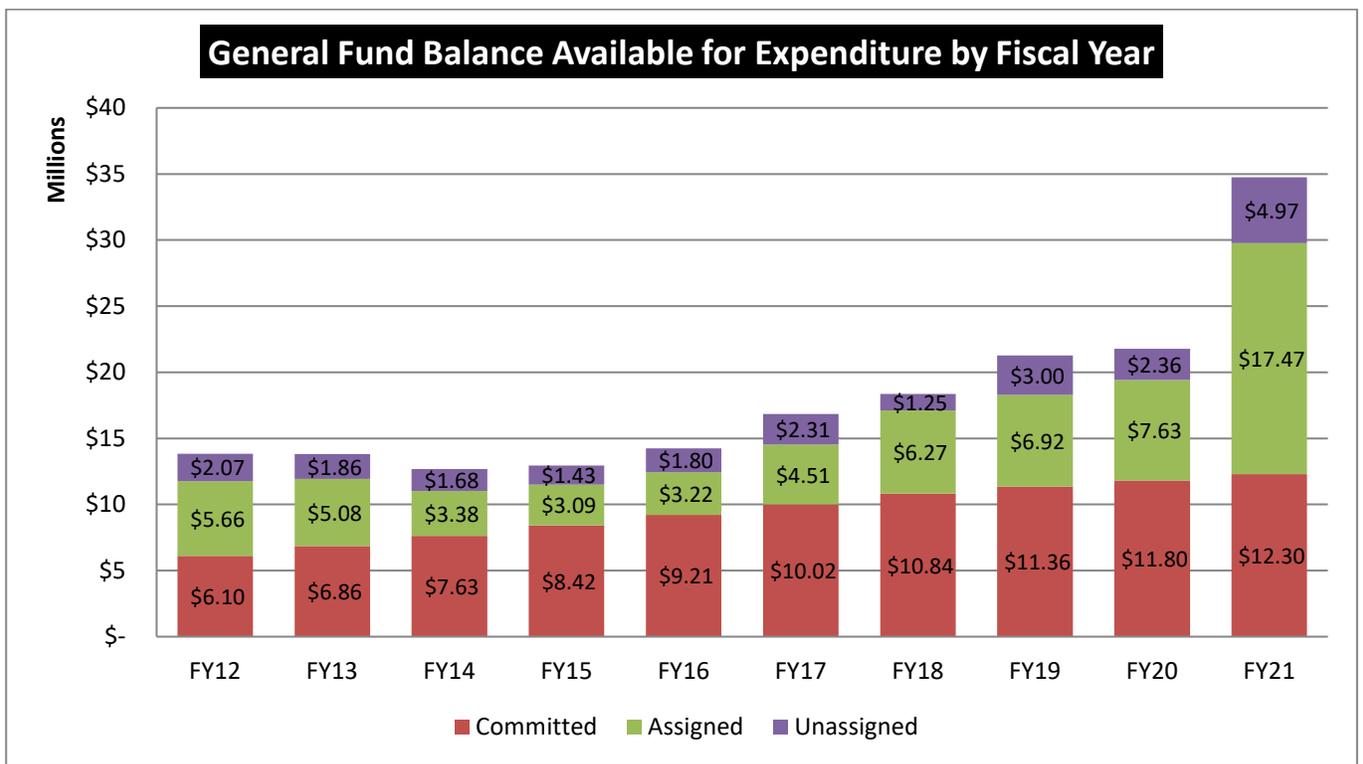
Financial Analysis of the County's Funds

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

Governmental Funds - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financial requirements. In particular, the amount of fund balance available for expenditure may serve as a useful measure of a County's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$43,313,307. Details are as follows:

- The General Fund accounted for 80% percent or \$34,740,986 of the combined ending governmental fund balance.
 - \$4,970,175 or 14% of this balance constitutes unassigned fund balance which is not tied to any specific use and is available for spending at the County's discretion.
 - \$12,302,716 or 35% is committed for a "Rainy Day" or Revenue Stabilization. This amount represents 14.6% of General Fund Revenue combined with School Operating Fund Revenue less revenue from the Primary Government.
 - Use of these funds is only permitted to temporarily address significant revenue shortfalls, to mitigate public safety threats both man-made and natural or to take emergency actions necessary to preserve the County and School Divisions overall financial health.
 - \$17,327,182 or 50% is assigned to various projects yet to be completed or funds carried forward for use in the next fiscal year.
 - \$104,700 or less than 1% of this balance is due to noncurrent advances/receivables and is therefore nonspendable.
 - The remainder, \$36,213, of general fund balance is restricted to specific use by an entity external to County government.



- The General Fund reported an increase in fund balance of \$12,952,738 or 59%. General Fund Committed Fund Balance increased by \$500,000 or 2%. The entire amount of committed fund balance, \$12,302,716, is associated with the County's "Rainy Day"/Revenue Stabilization Policy. The General Fund unassigned fund balance increased by \$2,610,463 or 111% primarily as a result of CARES funding that was used to cover certain qualifying public safety costs in FY 21.
- The Consolidated Emergency Services Fund accounted for 12% or \$5,313,629 of the combined ending governmental fund balance. This entire balance is restricted for providing emergency medical services throughout the County.

Proprietary funds - The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. All of the proprietary funds reported positive net position at the end of the year.

Budgetary Highlights

General Fund Budget Amendments:

Revenues:

The difference between the Primary Government General Fund original budget and final amended budget (schedule 1) was \$5,400,687 or 13%. The variance was due to budget amendments made to recognize other state (\$120,999) and federal (\$5,379,319) grant funds (primarily) awarded to the County during the fiscal year. There was also one budget amendment resulting from a donation (\$50,000) for work on a particular harbor. The revenue budget is also amended by pulling from unassigned fund balance. In November, 2020 a budget "rebalancing" was done as a result of the pandemic. At the November Board of Supervisors meeting the County reduced revenue by \$436,750 primarily in anticipated sales tax but also including removing Tax on Deeds (grantor). Further changes that are incorporated in the change noted above (\$5,400,687) may be seen in detail in Schedule 1. The items noted are most notable increases and decreases for the fiscal year.

Expenditures:

The difference between the Primary Government General Fund original budget and the final amended budget (schedule 2) was \$9,493,802 or 23%. Significant individual adjustments making up this difference are noted as follows:

- Public Safety related amendments – The original budget for Public Safety was amended to increase by \$5,892,223. The increase included \$5,117,958 for acceptance of grant awards including for CARES and CDBG Urgent Needs related to the pandemic.
- Public Works related amendments – The original budget was primarily amended to increase by \$722,303 for projects funded by funds carried forward from prior year for storm drainage projects (\$355,597). Public Works' budget was also amended to reflect an increase for the County garage for work performed for other departments by \$189,417. Lastly, Public Works budget was increased for new litter control awards of \$19,948. These are the three major changes, but all maybe reviewed in Exhibit 26.
- Education amendments – The original budget was increased by \$2,939,002 to recognize the carryover of fiscal 2020 funds not used during that fiscal year.

General Fund Budget Variances:

The Primary Government General Fund reported a positive variance between actual revenue and the final budget of \$2,370,596 and a positive variance between actual expenditures and the final budget of \$15,560,964.

Capital Asset and Debt Administration

Capital assets - The County's investment in capital assets for its governmental and business-type activities as of June 30, 2021 amounts to \$56,909,913 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, intangibles, machinery, equipment and construction in progress.

Additional information on the County's capital assets can be found in Note 6 of this report.

Long-term debt – At the end of the fiscal year, the County had total debt outstanding, including unamortized bond premiums, of \$22,610,887. Of this amount, \$12,414,465 represents debt backed by the full faith and credit of the County. The remainder of the County's debt is secured by property or specific revenue sources.

Legislation enacted during fiscal year ended June 30, 2002 required the Primary Government to assume debt historically reported by the School Board. At June 30, 2021 this legislation results in \$12,414,465 in debt reported on the County's Statement of Net position that is specific to school property and an expense increase of \$1,478,980 reported on the County's Statement of Activities for the transfer of school property on which debt was retired during the fiscal year to the school board. The legislation affects the reporting of local school capital assets as well and will continue until there is no debt of the schools remaining.

Additional information on the County's long-term debt and joint tenancy can be found in Note 10 of this report.

Economic Factors and Next Year's Budgets and Rates

Overall, General Fund revenues for fiscal year 2022 are forecast to decrease by 11.7% from those of FY21. This percentage change is comparing adopted FY 22 budget before any amendments that may occur during the fiscal year to total general fund budget as amended on schedule 1. The major factor in this decrease is non-replicating federal COVID-19 relief monies. Several local funding sources such as property tax are projected to increase. Total General Fund expenditures, including capital expenditures not in the capital projects funds, are forecast to increase 30.2% using the same comparator. This is a significant change, and the primary factor is use of CARES funds in public safety and some other departments whereas in FY 22 no such funds are anticipated and new ARPA funds are being considered for projects that do not impact the general funds.

Property Tax Rates/Fees

Below are the adopted property tax rates for calendar year 2020 (fiscal year 2021) and calendar year 2021 (fiscal year 2022). They were set as part of the budget process which included 1% of real estate tax revenue

growth resulting from new construction.

2021 Real Estate Tax Rates:

Chincoteague \$0.480 per \$100 of assessed valuation
Captains Cove/Greenbackville \$0.635 per \$100 of assessed valuation
All other County areas \$0.610 per \$100 of assessed valuation

2020 Real Estate Tax Rates:

Chincoteague \$0.480 per \$100 of assessed valuation
Captains Cove/Greenbackville \$0.635 per \$100 of assessed valuation
All other County areas \$0.610 per \$100 of assessed valuation
There were no user fee increases for the fiscal year 2021.

Operating Expenditures

Fiscal year 2022 operating expenditures are initially budgeted to increase to provide a 5% wage increase for County and state-supported local positions that goes into effect July 1, 2021. The 2022 operating budget also provides an additional \$468,378 to the School Division based on the County's traditional revenue sharing formula. The County shares "new" revenue with the School Division based on this formula which calls for approximately 52% of the annual growth from general fund property taxes, certain other local taxes and non-categorical aid to appropriated to the School Division.

Capital Expenditures

The County's adopted capital budget (before revisions) for 2022 totals just over \$1.4 million. This entire capital budget is cash funded using unassigned fund balance and a portion of 2022 projected operating revenues to pay for infrastructure improvements. The capital plan includes funding that addresses a variety of County buildings that have long needed improvements, such as roof replacement and generator upgrade for the General District Courthouse, and equipment and vehicle replacements for Solid Waste.

Other Initiatives

The fiscal year 2022 budget continues with the plan implemented in fiscal year 2009 to strengthen the portion of the County's general fund balance that is committed for a "Rainy Day" or revenue stabilization. The plan calls for this fund balance to be at least equal to 16.7% of County and School Board operating revenue by fiscal year **2026**. Next year's budget is only able to set aside \$64,334 for this purpose. With this small addition, the amount committed is expected actually decline to 14.4% of General Fund Revenue combined with School Operating Fund Revenue (less revenue from the Primary Government). This revised allocation given the other budgetary priorities will push achieving the goal of 16.7% out two additional years as noted.

Employment and Population

The local unemployment rate decreased from June 2020 to June 2021 as shown below. The County's 4.5% unemployment rate equals the unemployment rate for the Commonwealth and falls below the country as of June 30, 2021.

Unemployment Rates			
	June 2019	June 2020	June 2021
Accomack County	3.2%	7.7%	4.5%
Commonwealth of Virginia	2.9%	8.2%	4.5%
USA	3.7%	11.2%	6.1%

According to the Virginia Employment Commission, the number of persons employed in the County decreased from 16,947 in June, 2019 to 16,807 in June, 2020 and decreased to 15,560 in June, 2021. This equates to a decrease of 1,247 in one year or approximately 7.4%.

The County's population remains generally flat over the last decade, however results of the continuing COVID-19 pandemic continue to prevent fully accurate estimations of citizen behaviors although no significant change is

anticipated in the next fiscal year nor does the fiscal year 22 budget reflect any. Final Census results from the 2020 count show 33,413 for the County an increase of 249 from 2010 count.

Requests for Information

This financial report is designed to provide our residents, taxpayers, customers, investors and creditors with a general overview of the County of Accomack, Virginia's finances and to demonstrate accountability for the money the County receives and pays out. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the Director of Finance, Accomack County Finance Department at finance@co.accomack.va.us or P.O. Box 620, Accomac, Virginia 23301.

Basic Financial Statements



This page left blank intentionally

**COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF NET POSITION
AT JUNE 30, 2021**

Exhibit 1

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	School Board	Other
Assets:					
Cash and investments	\$ 49,329,219	\$ 3,110,468	\$ 52,439,687	\$ 5,169,679	\$ 1,653,041
Taxes receivable, net	17,648,451	-	17,648,451	-	-
Special assessments receivable, net	17,920	-	17,920	-	-
Accounts receivable, net	455,357	238,540	693,897	33,833	362,307
Loans receivable	-	-	-	-	77,521
Due from other governmental entities	2,122,183	56,073	2,178,256	3,973,905	-
Inventory	-	50,590	50,590	-	187,400
Prepaid items	-	-	-	-	24,464
Internal balances	164,254	(164,254)	-	-	-
Notes receivable	-	-	-	-	156,328
Restricted assets:					
Cash and cash equivalents	-	-	-	-	422,479
Capital assets (net of accumulated depreciation):					
Land	2,473,639	1,642,774	4,116,413	974,862	460,173
Buildings	20,971,079	595,103	21,566,182	35,397,142	396,275
Improvements other than buildings	11,745,782	9,237,138	20,982,920	2,115,658	129,705
Machinery and equipment	2,486,013	1,875,943	4,361,956	7,026,456	62,993
Intangibles	199,782	-	199,782	-	-
Construction in progress	4,107,200	1,575,460	5,682,660	185,006	-
Net pension asset	-	-	-	51,206	-
Total assets	<u>111,720,879</u>	<u>18,217,835</u>	<u>129,938,714</u>	<u>54,927,747</u>	<u>3,932,686</u>
Deferred Outflows of Resources:					
Deferred amount on refunding	202,642	-	202,642	-	-
Pension related items	3,431,271	163,924	3,595,195	12,073,576	463,824
OPEB related items	366,896	17,529	384,425	1,498,727	-
Total deferred outflows of resources	<u>4,000,809</u>	<u>181,453</u>	<u>4,182,262</u>	<u>13,572,303</u>	<u>463,824</u>
Liabilities:					
Accounts payable	1,909,381	175,262	2,084,643	2,022,481	62,859
Wages and benefits payable	155,997	1,900	157,897	5,348,596	15,343
Retainage payable	169,512	54,691	224,203	-	-
Due to other governmental entities	123,374	-	123,374	-	-
Accrued interest payable	399,535	-	399,535	-	-
Unearned revenue	3,486,525	5,328	3,491,853	942,938	245,104
Customer deposits	228,432	32,064	260,496	-	-
Long-term liabilities:					
Due within one year	4,400,421	233,743	4,634,164	1,447,286	-
Due in more than one year	26,546,261	10,038,839	36,585,100	57,703,535	711,025
Total liabilities	<u>37,419,438</u>	<u>10,541,827</u>	<u>47,961,265</u>	<u>67,464,836</u>	<u>1,034,331</u>
Deferred Inflows of Resources:					
Deferred property tax revenue	17,891,126	-	17,891,126	-	-
Pension related items	424,117	20,262	444,379	4,461,802	3,020
OPEB related items	745,603	35,624	781,227	1,135,996	-
Total deferred inflows of resources	<u>19,060,846</u>	<u>55,886</u>	<u>19,116,732</u>	<u>5,597,798</u>	<u>3,020</u>
Net Position:					
Net investment in capital assets	19,548,145	14,729,320	34,277,465	45,699,124	1,049,147
Restricted:					
Future debt service	806,668	-	806,668	-	-
Grant purposes	190,148	-	190,148	-	-
Public safety	5,385,139	-	5,385,139	-	-
Health and welfare	5,859	-	5,859	-	-
Parks Recreation and Culture	-	-	-	-	310,412
Judicial administration	66,328	-	66,328	-	-
Community development	36,213	-	36,213	-	500,000
Unrestricted	33,202,904	(6,927,745)	26,275,159	(50,261,708)	1,499,600
Total net position	<u>\$ 59,241,404</u>	<u>\$ 7,801,575</u>	<u>\$ 67,042,979</u>	<u>\$ (4,562,584)</u>	<u>\$ 3,359,159</u>

(The accompanying notes are an integral part of these financial statements.)

**COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Exhibit 2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units		
					Governmental Activities	Business-type Activities	Total	School Board	Other
Primary government:									
Governmental activities:									
General government administration	\$ 4,601,711	\$ 343,926	\$ 285,944	\$ -	\$ (3,971,841)	\$ -	\$ (3,971,841)	\$ -	\$ -
Judicial administration	1,666,734	72,637	1,214,049	-	(380,048)	-	(380,048)	-	-
Public safety	17,350,872	667,714	6,609,952	-	(10,073,206)	-	(10,073,206)	-	-
Public works	5,030,230	337,550	19,948	-	(4,672,732)	-	(4,672,732)	-	-
Health and welfare	6,301,932	444,629	3,901,643	-	(1,955,660)	-	(1,955,660)	-	-
Education	12,863,844	-	-	-	(12,863,844)	-	(12,863,844)	-	-
Parks, recreation and cultural	1,129,852	66,425	117,825	289,812	(655,790)	-	(655,790)	-	-
Community development	2,329,054	52,437	347,237	-	(1,929,380)	-	(1,929,380)	-	-
Interest on long-term debt	950,571	82,984	-	-	(867,587)	-	(867,587)	-	-
Total governmental activities	<u>52,224,800</u>	<u>2,068,302</u>	<u>12,496,598</u>	<u>289,812</u>	<u>(37,370,088)</u>	<u>-</u>	<u>(37,370,088)</u>	<u>-</u>	<u>-</u>
Business-type activities:									
Landfill	5,151,900	3,655,859	-	-	-	(1,496,041)	(1,496,041)	-	-
Airport	618,396	231,671	13,468	743,122	-	369,865	369,865	-	-
Water and sewer	405,532	399,279	-	-	-	(6,253)	(6,253)	-	-
Parks and recreation	9,038	3,571	-	-	-	(5,467)	(5,467)	-	-
Total business-type activities	<u>6,184,866</u>	<u>4,290,380</u>	<u>13,468</u>	<u>743,122</u>	<u>-</u>	<u>(1,137,896)</u>	<u>(1,137,896)</u>	<u>-</u>	<u>-</u>
Total primary government	<u><u>58,409,666</u></u>	<u><u>6,358,682</u></u>	<u><u>12,510,066</u></u>	<u><u>1,032,934</u></u>	<u><u>(37,370,088)</u></u>	<u><u>(1,137,896)</u></u>	<u><u>(38,507,984)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Component Units:									
School Board	58,968,712	99,453	47,051,523	-	-	-	-	(11,817,736)	-
Economic Development Authority	26,780	-	-	-	-	-	-	-	(26,780)
Public Library	939,273	28,758	780,736	-	-	-	-	-	(129,779)
Planning District Commission	1,977,315	1,679,361	180,525	-	-	-	-	-	(117,429)
Quinby Harbor Committee	61,982	39,444	-	-	-	-	-	-	(22,538)
Greenbackville Harbor Committee	8,557	26,520	-	-	-	-	-	-	17,963
Captain's Cove/Greenbackville Mosquito Control Commission	60,944	58,932	-	-	-	-	-	-	(2,012)
Total component units	<u>\$ 62,043,563</u>	<u>\$ 1,932,468</u>	<u>\$ 48,012,784</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,817,736)</u>	<u>(280,575)</u>
General Revenues:									
Taxes:									
General property taxes									
					38,018,190	-	38,018,190	-	-
Local sales and use taxes									
					4,724,877	-	4,724,877	-	-
Communication taxes									
					756,940	-	756,940	-	-
Consumer utility taxes									
					1,158,761	-	1,158,761	-	-
Other local taxes									
					2,385,527	-	2,385,527	-	-
Contributions from Accomack County									
					-	-	-	10,943,943	483,105
Grants and contributions not restricted to specific programs									
					3,381,088	-	3,381,088	-	-
Investment earnings									
					27,226	-	27,226	661	469
Other revenue									
					139,715	52,000	191,715	894,016	29,401
Transfers									
					(160,275)	160,275	-	-	-
Total general revenue and transfers									
					<u>50,432,049</u>	<u>212,275</u>	<u>50,644,324</u>	<u>11,838,620</u>	<u>512,975</u>
Change in net position									
					<u>13,061,960</u>	<u>(925,621)</u>	<u>12,136,339</u>	<u>20,884</u>	<u>232,400</u>
Net position-beginning, as restated for School Board and Primary Government, Governmental Activities									
					<u>46,179,444</u>	<u>8,727,196</u>	<u>54,906,640</u>	<u>(4,583,468)</u>	<u>3,126,759</u>
Net position-ending									
					<u><u>\$ 59,241,404</u></u>	<u><u>\$ 7,801,575</u></u>	<u><u>\$ 67,042,979</u></u>	<u><u>\$ (4,562,584)</u></u>	<u><u>\$ 3,359,159</u></u>

(The accompanying notes are an integral part of these financial statements.)

**COUNTY OF ACCOMACK, VIRGINIA
BALANCE SHEET
GOVERNMENTAL FUNDS
AT JUNE 30, 2021**

Exhibit 3

	Major Funds						
	General Fund	Virginia Public Assistance Fund	Consolidated Emergency Medical Services Fund	County Capital Projects Fund	County Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:							
Cash and investments	\$ 38,972,990	\$ -	\$ 5,696,105	\$ 1,941,234	\$ 1,031,581	\$ 1,687,309	\$ 49,329,219
Taxes receivable, net	13,817,820	-	1,876,681	-	1,286,889	667,061	17,648,451
Special assessments receivable, net	17,920	-	-	-	-	-	17,920
Accounts receivable, net	441,029	3,887	-	-	-	10,440	455,356
Due from other governmental entities	1,702,542	265,874	-	-	-	153,767	2,122,183
Interfund receivables	372,724	-	-	-	-	-	372,724
Total assets	<u>55,325,025</u>	<u>269,761</u>	<u>7,572,786</u>	<u>1,941,234</u>	<u>2,318,470</u>	<u>2,518,577</u>	<u>69,945,853</u>
Liabilities:							
Accounts payable	1,003,930	52,881	17,114	155,877	625	678,954	1,909,381
Wages and benefits payable	135,169	8,410	6,577	-	-	5,841	155,997
Due to other governmental entities	2,521	-	-	-	-	120,853	123,374
Retainage payable	-	-	-	169,512	-	-	169,512
Customer deposits	228,432	-	-	-	-	-	228,432
Interfund payables	-	208,470	-	-	-	-	208,470
Unearned revenue	3,418,998	-	-	-	-	67,527	3,486,525
Total liabilities	<u>4,789,050</u>	<u>269,761</u>	<u>23,691</u>	<u>325,389</u>	<u>625</u>	<u>873,175</u>	<u>6,281,691</u>
Deferred Inflows of Resources:							
Deferred property tax revenue	13,867,904	-	1,973,424	-	1,333,020	716,778	17,891,126
Unavailable revenue-property taxes	1,909,165	-	262,042	-	178,157	92,445	2,441,809
Unavailable revenue-special assessments	17,920	-	-	-	-	-	17,920
Total deferred inflows of resources	<u>15,794,989</u>	<u>-</u>	<u>2,235,466</u>	<u>-</u>	<u>1,511,177</u>	<u>809,223</u>	<u>20,350,855</u>
Fund Balances:							
Nonspendable: Noncurrent advances	104,700	-	-	-	-	-	104,700
Restricted:							
Debt service	-	-	-	-	806,668	-	806,668
Fire and rescue	-	-	5,313,629	-	-	29,252	5,342,881
Captain's Cove mosquito control	-	-	-	-	-	5,859	5,859
Law library	-	-	-	-	-	66,328	66,328
Drug seizures	-	-	-	-	-	22,968	22,968
Courthouse security	-	-	-	-	-	42,258	42,258
Rehabilitation projects	-	-	-	-	-	167,180	167,180
Wetlands mitigation	6,210	-	-	-	-	-	6,210
Committed to Rainy Day Revenue Stabilization	12,302,716	-	-	-	-	-	12,302,716
Assigned:							
Storm drainage	395,038	-	-	-	-	-	395,038
Fire and rescue	-	-	-	-	-	502,334	502,334
Public boating facility improvement or repair	977,860	-	-	-	-	-	977,860
Subsequent year's expenditures	2,279,712	-	-	-	-	-	2,279,712
Information technology projects	45,355	-	-	-	-	-	45,355
County projects	-	-	-	1,471,397	-	-	1,471,397
Hazardous materials response	48,173	-	-	-	-	-	48,173
School Board	11,134,417	-	-	-	-	-	11,134,417
Other purposes	2,446,627	-	-	144,448	-	-	2,591,075
Unassigned	5,000,178	-	-	-	-	-	5,000,178
Total fund balances	<u>34,740,986</u>	<u>-</u>	<u>5,313,629</u>	<u>1,615,845</u>	<u>806,668</u>	<u>836,179</u>	<u>43,313,307</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 55,325,025</u>	<u>\$ 269,761</u>	<u>\$ 7,572,786</u>	<u>\$ 1,941,234</u>	<u>\$ 2,318,470</u>	<u>\$ 2,518,577</u>	<u>\$ 69,945,853</u>

(The accompanying notes are an integral part of these financial statements.)

**COUNTY OF ACCOMACK, VIRGINIA
RECONCILIATION OF THE BALANCE SHEET-GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AT JUNE 30, 2021**

Exhibit 4

Total fund balances - governmental funds (Exhibit 3)		\$ 43,313,307
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. Those assets consist of:		
Land	2,473,639	
Buildings, net of depreciation	11,766,335	
Improvements other than buildings, net of depreciation	11,745,782	
Machinery and equipment, net of depreciation	2,486,013	
Intangibles, net of amortization	199,782	
Construction in progress	4,107,200	
School Board capital assets, net of depreciation	9,204,744	
Total capital assets	41,983,495	41,983,495
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
		2,459,729
Deferred inflows of resources are not due in the current period and, therefore, are not reported in the funds.		
Deferred inflows related to pensions	(424,117)	
Deferred inflows related to OPEB	(745,603)	
Total deferred inflows of resources	(1,169,720)	(1,169,720)
Pension and OPEB contributions subsequent to the measurement date and other dererred outflows will be a reduction to the net pension and OPEB liabilities in the next fiscal year and, therefore, are not reported in the funds:		
Deferred outflows related to pensions	3,431,271	
Deferred outflows related to OPEB	366,896	
Total deferred outflows of resources	3,798,167	3,798,167
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds. Long-term liabilities at fiscal year-end consist of:		
Virginia Public School Authority bonds	(12,414,465)	
Lease revenue bonds	(9,559,047)	
Accrued interest on debt	(399,535)	
Bond premiums and discounts, net of amortization	(494,968)	
Bond deferred charge on refunding	202,642	
Compensated absences	(2,240,244)	
Net OPEB liability	(2,249,310)	
Net pension liability	(3,988,648)	
Net adjustment	(31,143,575)	(31,143,575)
Total net position - governmental activities (Exhibit 1)		\$ 59,241,404

(The accompanying notes are an integral part of these financial statements.)

COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

Exhibit 5

	Major Funds							Total Governmental Funds
	General Fund	Virginia Public Assistance Fund	Consolidated Emergency Medical Services Fund	County Capital Projects Fund	County Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds	
Revenues:								
General property taxes	\$ 27,856,094	\$ -	\$ 4,732,748	\$ -	\$ 3,168,917	\$ 1,785,711	\$ 37,543,470	
Other local taxes	8,945,835	-	-	-	-	80,270	9,026,105	
Permits, fees and licenses	385,743	-	-	-	-	14,931	400,674	
Fines and forfeitures	40,094	-	-	-	-	-	40,094	
Revenue from the use of money & property	511,876	-	-	756	-	32	512,664	
Charges for services	644,681	-	-	-	-	7,508	652,189	
Miscellaneous	151,685	-	-	289,812	82,984	100,837	625,318	
Recovered costs	365,304	-	3,873	15,000	-	4,778	388,955	
Intergovernmental	11,246,162	3,308,136	65,009	117,825	82,375	966,966	15,786,473	
Total revenues	50,147,474	3,308,136	4,801,630	423,393	3,334,276	2,961,033	64,975,942	
Expenditures:								
General government administration	4,393,646	-	-	171,005	-	-	4,564,651	
Judicial administration	1,480,339	-	-	13,401	-	46,877	1,540,617	
Public safety	10,781,156	-	4,016,653	174,627	-	2,183,384	17,155,820	
Public works	4,357,929	-	-	53,099	-	-	4,411,028	
Health and welfare	1,109,455	4,070,249	-	-	-	736,220	5,915,924	
Education	10,974,714	-	-	-	-	-	10,974,714	
Parks, recreation and cultural	818,074	-	-	2,251,943	-	-	3,070,017	
Community development	1,361,898	-	-	81,233	-	551,330	1,994,461	
Debt service:								
Principal Retirement	232,100	-	-	-	2,027,365	-	2,259,465	
Interest and Other Charges	60,083	-	-	-	926,982	-	987,065	
Total expenditures	35,569,394	4,070,249	4,016,653	2,745,308	2,954,347	3,517,811	52,873,762	
Revenues over (under) expenditures	14,578,080	(762,113)	784,977	(2,321,915)	379,929	(556,778)	12,102,180	
Other financing sources (uses):								
Transfers in	128,760	762,113	-	631,688	-	229,482	1,752,043	
Transfers out	(1,782,558)	-	(129,760)	-	-	-	(1,912,318)	
Total other financing sources (uses)	(1,653,798)	762,113	(129,760)	631,688	-	229,482	(160,275)	
Net changes in fund balance	12,924,282	-	655,217	(1,690,227)	379,929	(327,296)	11,941,905	
Fund balance, beginning of year as restated	21,816,704	-	4,658,412	3,306,072	426,739	1,163,475	31,371,402	
Fund balance, end of year	\$ 34,740,986	\$ -	\$ 5,313,629	\$ 1,615,845	\$ 806,668	\$ 836,179	\$ 43,313,307	

(The accompanying notes are an integral part of these financial statements.)

COUNTY OF ACCOMACK, VIRGINIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Exhibit 6

Net changes in fund balances-governmental funds (Exhibit 5) \$ 11,941,905

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital outlays	3,221,521	
Depreciation expense	<u>(2,816,287)</u>	
Net adjustment		405,234

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net assets. (91,630)

School Board capital assets financed by are jointly owned by the County and the School Board. The County share of School Board assets is in proportion to the debt owed on such by the County. The transfers to the School Board are affected by the relationship of the debt to assets on a year to year basis. The net transfer resulting from this relationship decreased the transfers to the School Board. (1,478,980)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds

Property taxes	474,720	
Change in deferred inflows related OPEB	(208,854)	
Change in deferred inflows related to pensions	<u>202,433</u>	
Net adjustment		468,299

The issue of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, This amount is the net effect of these differences in the treatment of long-term debt and related items. 2,297,130

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in accrued interest payable	38,774	
Change in compensated absences	79,043	
Change in net OPEB obligation	433,973	
Change in net pension liability	(2,158,596)	
Change in deferred outflows related to OPEB	19,028	
Change in deferred outflows related to pensions	<u>1,107,780</u>	
Net adjustment		<u>(479,998)</u>

Change in net position of governmental activities (Exhibit 2) \$ 13,061,960

COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AT JUNE 30, 2021

Exhibit 7

	Business-type Activities-Enterprise Funds			
	Major Funds			
	Landfill Fund	Airport Fund	Nonmajor Funds	Total
Assets:				
Current assets:				
Cash and investments	\$ 2,668,791	\$ 441,677	\$ -	\$ 3,110,468
Accounts receivable (net of allowance for uncollectibles)	165,935	28,414	44,191	238,540
Due from other government entities	-	56,073	-	56,073
Inventory	-	50,590	-	50,590
Total current assets	<u>2,834,726</u>	<u>576,754</u>	<u>44,191</u>	<u>3,455,671</u>
Noncurrent assets:				
Capital Assets (net of accumulated depreciation):				
Land	402,959	1,239,815	-	1,642,774
Buildings	595,103	-	-	595,103
Improvements other than buildings	4,689,950	3,706,242	840,946	9,237,138
Machinery and equipment	1,588,634	69,179	218,130	1,875,943
Construction in progress	653,095	922,365	-	1,575,460
Total capital assets	<u>7,929,741</u>	<u>5,937,601</u>	<u>1,059,076</u>	<u>14,926,418</u>
Total assets	<u>10,764,467</u>	<u>6,514,355</u>	<u>1,103,267</u>	<u>18,382,089</u>
Deferred Outflows of Resources:				
Pension related items	148,172	15,752	-	163,924
OPEB related items	15,838	1,691	-	17,529
Total deferred outflows of resources	<u>164,010</u>	<u>17,443</u>	<u>-</u>	<u>181,453</u>
Liabilities:				
Current liabilities:				
Accounts payable	134,056	16,820	24,386	175,262
Retainage payable	-	54,691	-	54,691
Wages and benefits payable	407	1,493	-	1,900
Unearned revenue	-	5,328	-	5,328
Customer deposits	31,309	-	755	32,064
Interfund payables	-	-	164,254	164,254
Compensated absences-current	76,403	14,933	-	91,336
Capital leases payable-current	142,407	-	-	142,407
Total current liabilities	<u>384,582</u>	<u>93,265</u>	<u>189,395</u>	<u>667,242</u>
Noncurrent liabilities:				
Compensated absences	9,444	-	-	9,444
Landfill closure/post closure care	9,731,375	-	-	9,731,375
Net pension liability	172,241	18,310	-	190,551
Net OPEB liability	97,099	10,370	-	107,469
Total noncurrent liabilities	<u>10,010,159</u>	<u>28,680</u>	<u>-</u>	<u>10,038,839</u>
Total liabilities	<u>10,394,741</u>	<u>121,945</u>	<u>189,395</u>	<u>10,706,081</u>
Deferred Inflow of Resources:				
Pension related items	18,315	1,947	-	20,262
OPEB related items	32,186	3,438	-	35,624
Total deferred inflows of resources	<u>50,501</u>	<u>5,385</u>	<u>-</u>	<u>55,886</u>
Net Position:				
Net investment in capital assets	7,787,334	5,882,910	1,059,076	14,729,320
Unrestricted	(7,304,099)	521,558	(145,204)	(6,927,745)
Total net position	<u>\$ 483,235</u>	<u>\$ 6,404,468</u>	<u>\$ 913,872</u>	<u>\$ 7,801,575</u>

(The accompanying notes are an integral part of these financial statements.)

COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

Exhibit 8

	Business-type Activities-Enterprise Funds			
	Major Funds			
	Landfill Fund	Airport Fund	Nonmajor Funds	Total
Operating revenues:				
Use of property	\$ -	\$ 7,440	\$ -	\$ 7,440
Charges for services	3,560,065	223,844	400,505	4,184,414
Intergovernmental	-	13,468	-	13,468
Other operating revenue	95,794	387	2,345	98,526
Total operating revenues	<u>3,655,859</u>	<u>245,139</u>	<u>402,850</u>	<u>4,303,848</u>
Operating expenses:				
Personnel services and fringe benefits	931,773	130,031	-	1,061,804
Other operating expenses	3,440,792	206,409	385,063	4,032,264
Depreciation	773,471	281,956	29,507	1,084,934
Total operating expenses	<u>5,146,036</u>	<u>618,396</u>	<u>414,570</u>	<u>6,179,002</u>
Operating income (loss)	<u>(1,490,177)</u>	<u>(373,257)</u>	<u>(11,720)</u>	<u>(1,875,154)</u>
Nonoperating revenues (expenses):				
Interest expense and related debt expense	(5,864)	-	-	(5,864)
Gain (Loss) on disposal of capital assets	52,000	-	-	52,000
State grants - capital contribution	-	1,107	-	1,107
Federal grants - capital contribution	-	742,015	-	742,015
Total nonoperating revenues (expenses)	<u>46,136</u>	<u>743,122</u>	<u>-</u>	<u>789,258</u>
Income (loss) before transfers	<u>(1,444,041)</u>	<u>369,865</u>	<u>(11,720)</u>	<u>(1,085,896)</u>
Transfers:				
Transfers in	-	160,275	-	160,275
Total transfers	<u>-</u>	<u>160,275</u>	<u>-</u>	<u>160,275</u>
Changes in net position	(1,444,041)	530,140	(11,720)	(925,621)
Total net position, beginning of year	1,927,276	5,874,328	925,592	8,727,196
Total net position, end of year	<u>\$ 483,235</u>	<u>\$ 6,404,468</u>	<u>\$ 913,872</u>	<u>\$ 7,801,575</u>

(The accompanying notes are an integral part of these financial statements.)

**COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

Exhibit 9

	Business-type Activities-Enterprise Funds			
	Major Funds			Total
	Landfill Fund	Airport Fund	Nonmajor Funds	
Cash flows from operating activities:				
Receipts from customers	\$ 3,492,418	\$ 230,631	\$ 404,205	\$ 4,127,254
Payments to suppliers	(1,071,901)	(208,616)	(401,545)	(1,682,062)
Payments to employees and benefits paid on behalf of employees	(833,952)	(122,827)	73	(956,706)
Intergovernmental	-	13,468	-	13,468
Other receipts	94,936	387	2,025	97,348
Net cash provided by (used for) operating activities	1,681,501	(86,957)	4,758	1,599,302
Cash flows from noncapital financing activities:				
Transfer from the General Fund	-	149,967	-	149,967
Operating grant proceeds from the Commonwealth and Federal Government	-	26,670	-	26,670
Net cash provided by noncapital financing activities	-	176,637	-	176,637
Cash flows from capital and related financing activities:				
Purchase of capital assets	(342,529)	(784,837)	(416,265)	(1,543,631)
Capital transfer from the General Fund	-	10,308	160,277	170,585
Capital grant proceeds from the Commonwealth and Federal Government	-	684,478	-	684,478
Proceeds from sale of capital assets	52,000	-	-	52,000
Principal payments on debt	(281,312)	-	-	(281,312)
Interest payments on debt	(5,864)	-	-	(5,864)
Net cash used for capital and related financing activities	(577,705)	(90,051)	(255,988)	(923,744)
Net increase in cash and cash equivalents	1,103,796	(371)	(251,230)	852,195
Cash and cash equivalents, beginning of year	1,564,995	442,048	251,230	2,258,273
Cash and cash equivalents, end of year	\$ 2,668,791	\$ 441,677	\$ -	\$ 3,110,468
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (1,490,177)	\$ (373,257)	\$ (11,720)	\$(1,875,154)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation	773,471	281,956	29,507	1,084,934
Changes in assets and liabilities:				
Accounts receivable	(69,640)	(844)	3,379	(67,105)
Inventory	-	(3,315)	-	(3,315)
Pension expense, net of employer contributions	38,152	2,193	-	40,345
OPEB expense, net of employer contributions	64,359	4,742	-	69,101
Wages and benefits payable	(92)	(487)	-	(579)
Accounts payable	(53,264)	1,871	(16,408)	(67,801)
Prepaid rent	-	191	-	191
Customer deposits	1,120	-	-	1,120
Landfill closure/post closure liabilities	2,415,353	-	-	2,415,353
Compensated absences payable	2,219	(7)	-	2,212
Total adjustments	2,398,207	4,344	(13,029)	2,389,522
Net cash provided by (used for) operating activities	\$ 1,681,501	\$ (86,957)	\$ 4,758	\$ 1,599,302
Noncash investing, capital and financing activities:				
Capital asset related items in accounts payable at year end	\$ 102,757	\$ -	\$ -	\$ 102,757

(The accompanying notes are an integral part of these financial statements.)

**COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AT JUNE 30, 2021**

Exhibit 10

	Other Postemployment Benefits Trust Fund	Custodial Funds
<u>Assets:</u>		
Cash and investments held by Treasurer	\$ -	\$ 53,513
Accounts receivable	-	2,783
Cash and investments in custody of others	575,594	165,928
Total assets	575,594	222,224
<u>Liabilities:</u>		
Reconciled overdraft	23,524	-
Accounts payable	10,522	-
Amounts held for social service clients	-	56,296
Amounts held for others	-	165,928
Total liabilities	34,046	222,224
<u>Net Position:</u>		
Net position restricted for OPEB	541,548	-
Total net position	\$ 541,548	\$ -

(The accompanying notes are an integral part of these financial statements.)

**COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

Exhibit 11

	Other Postemployment Benefits Trust Fund	Custodial Funds
<u>Additions:</u>		
Contributions:		
Employer	\$ 127,067	\$ -
Retiree	106,780	-
Custodial Funds	-	454,866
Total contributions	<u>233,847</u>	<u>454,866</u>
Investment earnings:		
Net appreciation (depreciation) in Fair Value of Investments	<u>120,265</u>	-
Total investment earnings	<u>120,265</u>	-
Total additions	<u>354,112</u>	<u>454,866</u>
<u>Deductions</u>		
Health insurance credit payments	39,386	-
Benefits	131,034	-
Custodial Funds	-	454,866
Total deductions	<u>170,420</u>	<u>454,866</u>
Change in net position	183,692	-
Net position - beginning	<u>357,856</u>	-
Net position - ending	<u>\$ 541,548</u>	<u>\$ -</u>

(The accompanying notes are an integral part of these financial statements.)

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The County was formed as an independent county in 1634. The County is governed by a Board of Supervisors consisting of nine members each of which are elected to a four-year term.

The County's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County's financial reporting entity is defined and its financial statements are presented in accordance with GAAP, which defines the distinction between the County as the Primary Government and its related entities. Accordingly, these financial statements present the County and its component units, entities for which the County is considered to be financially accountable, hereafter referred to as the Reporting Entity.

Discretely Presented Component Units

The component unit columns in the financial statements include the financial data of the County's component units. They are presented in separate columns to emphasize that they are legally separate from the County. All component units have a fiscal year end of June 30, 2021.

- i. **Accomack County School Board** - The Accomack County School Board was created by state law and is vested with the responsibility of administering the public school system. The School Board is composed of nine members all of whom are elected. The County levies taxes for its operation, issues bonds or enters into capital leases for its capital requirements and approves its annual budget. The School Board is reported as a governmental fund type. The School Board does not issue separate financial statements.
- ii. **Economic Development Authority of Accomack County** - The Economic Development Authority of Accomack County (EDA), formerly known as the Industrial Development Authority of Accomack County (IDA), was established to promote industry and develop trade by inducing manufacturing, industrial, government, and commercial enterprises to locate in Accomack County. The IDA changed its mission in fiscal year 2008 to enhance the economy and development of the County hence the name change. The Authority consists of seven directors, all of which are appointed by the County Board of Supervisors. The County approves the annual operating budget of the Authority. The Authority is reported as an enterprise fund type. The Authority does not issue separate financial statements.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

A. Financial Reporting Entity-continued

- iii. **Eastern Shore Public Library** - The Eastern Shore Public Library was created for the purpose of providing public library services to residents of the Eastern Shore of Virginia. The Library Board consists of five members, a majority of which is appointed by the Accomack County Board of Supervisors. The Library is fiscally dependent upon the County for its annual contribution. Separately issued financial statements can be obtained from the Eastern Shore Public Library, Post Office Box 360, Accomack, Virginia 23301. The Library is reported as a governmental fund type.
- iv. **Accomack-Northampton Planning District Commission** - The Accomack-Northampton Planning District Commission is a multi-jurisdictional entity created for the purpose of promoting the orderly and efficient development of the physical, social, and economic elements in its district. The Commission consists of thirteen members of which seven are appointed by and serve at the pleasure of the County Board of Supervisors. The Commission receives significant financial assistance from the County and is fiscally dependent on this assistance. Separately issued financial statements can be obtained from the Accomack-Northampton Planning District Commission, Post Office Box 417, Accomack, Virginia 23301. The Commission is reported as a governmental fund type.
- v. **Quinby Boat Harbor Committee** - The Quinby Boat Harbor Committee was established to diligently conduct and enforce the rules and regulations regarding the use and occupancy of the Quinby Boat Harbor. The Committee consists of nine members, all of which are appointed and serve at the pleasure of the County Board of Supervisors. Appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization demonstrates financial accountability. Separately issued financial statements can be obtained from the Quinby Boat Harbor Committee, Post Office Box 343, Quinby, Virginia 23423. The Committee is reported as a governmental fund type.
- vi. **Greenbackville Harbor Committee** - The Greenbackville Harbor Committee was established to diligently conduct and enforce the rules and regulations regarding the use and occupancy of the Greenbackville Boat Harbor. The Committee consists of five members, all of which are appointed by and serve at the pleasure of the County Board of Supervisors. Appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization demonstrates financial accountability. Separately issued financial statements can be obtained from the Greenbackville Harbor Committee, Post Office Box 74, Greenbackville, Virginia 23356. The Committee is reported as a governmental fund type.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

A. Financial Reporting Entity-continued

- vii. **Captain's Cove Greenbackville Mosquito Control Commission** - The Captain's Cove Greenbackville Mosquito Control Commission is responsible for insect control in the Captain's Cove Greenbackville area of Accomack County. The Commission consists of three members of which two are appointed by the Primary Government. The County levies taxes on behalf of the Commission to finance the Commission's operations. Beginning in April, 2021, the County became the fiscal agent (as for the EDA noted above). The Commission is reported as a governmental fund type.

Jointly Governed Organizations

The following entities are excluded from the accompanying financial statements:

- i. **Eastern Shore of Virginia 911 Commission** - The County has joined together with Northampton County to create the Eastern Shore of Virginia 911 Commission. The purpose of the Commission is to manage the 911 system in order to save the lives and property of the citizens of Accomack and Northampton Counties. The Commission is governed by a twelve member board, six of which are appointed by Accomack County. Prior to January 1, 2007, the Commission was funded primarily by a local consumer utility tax levied and collected by both Accomack and Northampton County. State legislation effective January 1 repealed the authority to levy this tax replacing it with a state-controlled communication sales and use tax which is remitted to both counties on a monthly basis and subsequently distributed to the Commission. In fiscal year 2021, the County contributed \$713,779 to the Commission. The Commission's complete financial activity is included in the financial report of Northampton County, Virginia, its fiscal agent.

Related Organizations

The following entity is excluded from the accompanying financial statements:

- i. Eastern Shore Community Services Board – The County, in conjunction with Northampton County, participate in the Eastern Shore Community Services Board. The County's Board of Supervisors appoints a voting majority of the board members of the Eastern Shore Community Services Board, but the County's accountability for this organization does not extend beyond making the appointments. During fiscal year 2021, the County contributed \$200,036 to the Board for operations. Complete financial statements for the Board may be obtained by contacting the Eastern Shore Community Services Board, P.O. Box 453, Nassawadox, Virginia 23413.

B. Government-Wide Financial Statements

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements with all non-fiduciary activities categorized as governmental or proprietary. Fiduciary activities, whose resources are not available to finance the County's programs, are not included in the government-wide statements. In accordance with GAAP, the County's financial statements are comprised of the following components:

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

B. Government-wide Financial Statements-continued

The reporting model includes financial statements prepared using full accrual accounting for all the County's activities. This approach includes not just current assets and liabilities but also capital assets, deferred inflows and outflows, and long-term liabilities. Accrual accounting also reports all of the revenues and cost of providing services each year, not just those received or paid in the current year or soon thereafter.

Statement of Net Position

The Statement of Net Position is designed to display the financial position of the Primary Government and its discretely presented component units. The County reports all capital assets, net of accumulated depreciation, in the government-wide Statement of Net Position and report depreciation expense – the cost of “using up” capital assets - in the Statement of Activities. The net position of a government may be broken down into three categories: 1) net investment in capital assets, 2) restricted, and 3) unrestricted.

Statement of Activities

The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each government function. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

Fund Financial Statements

The Fund financial statements organize and report the financial transactions and balances of the County on the basis of fund categories. Separate statements for each of the County's three fund categories – Governmental (e.g., General), Proprietary (e.g., Enterprise) and Fiduciary are presented. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. For the governmental funds, the financial statements consist of a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances, which are presented on current financial resources and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. For the Enterprise funds, the financial statements consist of a Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues and expenditures or expenses, as appropriate. Fiduciary fund statements are used to report assets that are held in a trustee or custodial capacity and consist of a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

Reconciliation of Government-wide and Fund Financial Statements

A summary reconciliation of the difference between the total governmental fund balances and total net position for governmental activities, as shown in the government-wide Statement of Net Position, is presented in an accompanying reconciliation to the governmental funds' Balance Sheet. The asset, liability and deferred inflows and outflows of resources elements, which comprise the reconciliation differences, stem from governmental funds using the current financial resources measurement focus and the modified accrual basis of accounting while the governmental-wide financial statements use the economic resources measurement focus and the accrual basis of accounting.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. Measurement Focus and Basis of Presentation

Government-wide Financial Statements: The Statement of Net Position and the Statement of Activities display information about the County as a whole, except for fiduciary funds, and are prepared using the economic resources measurement focus, which differs from the manner in which governmental fund financial statements are prepared.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and, therefore, are clearly identifiable to a particular function. Program revenues include charges for services, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County. The County does not allocate indirect expenses.

As discussed earlier, the government has seven discretely presented component units. Only the Accomack County School Board is considered to be a major component unit and thus shown in a separate column in the government-wide financial statements. The remaining six are consolidated into one column in the government-wide financial statements labeled "other". Individual component unit financial data for these nonmajor component units is reported in the *Other Supplementary Information* section.

As a general rule, the effect of interfund activity has been removed from the government-wide financial statements except payments in lieu of taxes and other charges between the Landfill Fund and the General Fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions.

D. Fund Financial Statements

Financial transactions and accounts of the County are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances and changes therein. Fund financial statements are designed to present financial information of the County at this more detailed level. The emphasis of fund financial statements is on major governmental and proprietary funds, each displayed in a separate column. The following is a brief description of the specific funds used by the County:

Governmental Funds – These funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Accordingly, real and personal property taxes are recorded as deferred revenue and receivables when billed. Sales taxes, which are collected by the State by year-end and subsequently remitted to the County, are recognized as revenues and receivables upon collection by the State, which is generally in the month preceding receipt by the County. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. The individual governmental funds are:

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D Fund Financial Statements-continued

- **General Fund:** The General Fund is the County's primary operating fund. It accounts for and reports financial resources of the general government except those required to be accounted for in another fund. Revenues are primarily derived from property taxes. A significant part of the General Fund's revenues are used to finance operations of the Accomack County School Board.
- **Virginia Public Assistance Fund:** The Virginia Public Assistance Fund accounts for and reports the resources of the Social Services department which is responsible for administering welfare related programs as mandated by the Code of Virginia. Revenues are primarily derived from the intergovernmental funding including significant local funding from the County's General Fund.
- **Consolidated Emergency Medical Services Fund:** The Consolidated Emergency Medical Services Fund accounts for and reports revenues and expenditures associated with fire and rescue services. Revenues are derived from a special property tax levied on all residents of the County except those located in the Town of Chincoteague. Expenditures are restricted for use on fire and rescue services.
- **County Capital Projects Fund:** The County Capital Projects Fund is used to account for and report the acquisition or construction of major capital facilities in the County. This fund also accounts for proceeds from bonds issued on behalf of the Accomack County School Board and disbursed to the school board for education related capital projects.
- **County Debt Service Fund:** The County Debt Service Fund accounts for and reports revenues derived from a special property tax levied on County residents exclusively for the current and future retirement of debt. The majority of the debt service reported by the fund pertains to public school construction. In Virginia, public school systems do not have borrowing authority so all school related debt must be issued and therefore reported by the County.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Basis of Presentation-Fund Financial Statements – continued

The County reports the following major proprietary funds:

- **Landfill Fund:** The Landfill Fund is an enterprise fund used to account for waste disposal operations of the County's North Landfill and South Transfer Station. The cost of waste disposal services is primarily financed through user charges to the County, residents and commercial customers.
- **Airport Fund:** The Airport fund is used to account for the operation of the County's airport located in Melfa, Virginia. This enterprise fund was established in fiscal year 2013 as a result of the Airport Commission being dissolved by the County. Previous to this action, the operation of the airport was reported under the Airport Commission which was a discretely presented component unit. The cost of operating the Airport is primarily funded through user fees.

Additionally the County reports the following nonmajor governmental fund types, nonmajor proprietary funds and Fiduciary Funds:

- **Special Revenue Funds:** Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.
- **Enterprise Funds:** Enterprise funds are used to report an activity for which a fee is charged to external users for goods or services.
- **Fiduciary Funds:** Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for other individuals or organizations. Fiduciary funds consist of the Other Postemployment Benefits Trust Fund and the following custodial funds: Special Welfare Fund and Sheriff Canteen Fund. These are fiduciary funds used to account for assets held by the County in a trustee capacity or as agent or custodian for other governmental units or other funds. They are presented in the fund financial statements by type. The County's Custodial funds include assets held for entities for which the County is the fiscal agent. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements

E. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

E. Measurement Focus, Basis of Accounting and Financial Statement Presentation – continued

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, licenses and interest associated with the fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure driven grants are recognized as revenue with the qualifying expenditure have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for the revenue source. All other revenue items are considered to be measureable and available only when cash is received by the County.

Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilize the accrual basis of accounting for reporting assets and liabilities.

F. Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except for the Rehabilitation Projects Fund and the County Capital Projects Fund which adopt project/grant length budgets. The following procedures are used by the County in establishing the budgetary data reflected in the financial statements:

- Prior to March 30, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year beginning the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them. This budget excludes intergovernmental grant revenues and expenditures unless they were officially awarded prior to the budget submission to the Board of Supervisors. Intergovernmental grants awarded after adoption of the budget are reflected in the amended budget once approved by the Board of Supervisors.
- Public hearings are conducted to obtain citizen comments.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

F. Budgetary Basis of Accounting – continued

- Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution. The Appropriations Resolution places legal restrictions on expenditures at the department level. The appropriation for each department or category can be revised only by the Board of Supervisors. The School Board is authorized to transfer budgeted amounts within the school system's categories.
- Formal budgetary integration is employed as a management control device during the year for all funds.
- Appropriations lapse on June 30 for all County units except for Capital Funds which carry unexpended balances into the following year on a continuing appropriation basis.
- Budget amounts reported in the financial statements are labeled as either original or final. The original budget is the initial adopted budget plus amendments made prior to the beginning of the fiscal year. The final budget is the original budget combined with amendments approved during the fiscal year.

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, & Net Position/Fund Balance

i. Deposits and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term, highly liquid investments with a maturity date within three months of the date acquired by the County. Cash and cash equivalents are recorded at cost, which approximates market. This definition also applies to cash and cash equivalents presented in the statement of cash flows.

Short-term investments may consist of certificates of deposit, repurchase agreements, commercial paper, and investments in the Local Government Investment Pool (LGIP) and Virginia Investment Pool (VIP). Applicable investments are measured at fair value and are categorized within the fair value hierarchy using valuation techniques promulgated by GAAP.

ii Receivables

All receivables, including tax receivables, are shown net of allowance for uncollectibles. At June 30, 2021, the allowance for General fund uncollectible taxes receivable as shown in footnote 3 represents 25.8% of the outstanding balance of taxes receivable in that fund. Similarly, for the Consolidated Emergency Medical Services fund, the County Debt Service fund and all non-major funds the allowance of uncollectible taxes receivable represent 26.8%, 26.7% and 26.7% respectively.

Outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statements as internal balances. Outstanding balances between the County and its component units are reported as due to/from component unit or due to/from Primary Government.

iii. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. Only the Airport Enterprise Fund reports inventory which consists of aviation fuel and pilot supplies. The cost of these inventories is recorded as expenses when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and reported as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, & Net Position/Fund Balance - continued.

iv. Capital Assets

Capital assets, including land, improvements to land, buildings, building improvements, vehicles, machinery, equipment and intangible assets that individually cost \$5,000 and over, with a useful life of greater than one year are reported in proprietary funds and applicable governmental or business-type activities columns in the government-wide financial statements. The County does not capitalize roads and bridges since these assets belong to the Commonwealth of Virginia. Capital assets are stated at historical cost or estimated historical cost. Gifts or contributions of capital assets are recorded at their acquisition value as of the date of the donation. Capital assets are depreciated over their useful lives using the straight-line method. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the current or previous year. Estimated lives for County and School Board Component Unit assets are as follows:

<u>Capital Assets</u>	<u>Estimated Useful Lives (years)</u>
Buildings	30-50
Improvements other than buildings	15-40
School Buses	12
Cars and light duty trucks	5-7
Heavy equipment	10
Computer & related	5
Intangibles (Software)	5
Other machinery and equipment	5-20

v. Deferred Outflows/Inflows of Resources

Deferred inflows and outflows of resources represent the acquisition and consumption, respectively, of net position that applies to a future period. At June 30, 2021, the Primary Government had \$202,642 in deferred outflows of resources representing debt refunding resulting in loss transactions which are amortized over the life of the refunded debt, \$4.0 million in deferred charges related to Pension and OPEB contributions, experience, assumptions, earnings, and proportion. The Primary Government also had \$17.9 million in deferred inflows of resources related to property tax revenue and \$1.2 million of deferred inflows related to changes in the Pension and OPEB experience, assumptions, earning and proportion which are amortized over the average future service life of all plan members, except earnings, which are amortized over a five year period.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

G Assets, Liabilities, Deferred Outflows/Inflows of Resources, & Net Position/Fund Balance – continued

v. Deferred Outflows/Inflows of Resources continued

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has multiple items that qualify for reporting in this category. One item is deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Another item is comprised of certain items related to the measurement of the net pension asset/liability and net OPEB asset/liability (ies) and/or contributions to the pension and OPEB plan(s) made during the current year and subsequent to the net pension asset/liability and net OPEB asset/liability measurement date.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has multiple items that qualify for reporting in this category. Under a modified accrual basis of accounting, unavailable revenue representing property taxes receivable is reported in the governmental funds balance sheet. This amount is comprised of uncollected property taxes due prior to June 30, 2nd half installments levied during the fiscal year but due after June 30th, and amounts prepaid on the 2nd half installments and is deferred and recognized as an inflow of resources in the period that the amounts becomes available. Under the accrual basis, 2nd half installments levied during the fiscal year but due after June 30th and amounts prepaid on the 2nd half installments are reported as deferred inflows of resources. In addition, certain items related to the measurement of the net pension asset/liability and net OPEB asset/liability (ies) are reported as deferred inflows of resources.

vi. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position is comprised of three components:

Net Investment in Capital Assets – Consists of the historical cost of capital assets net of any accumulated depreciation and outstanding debt which was used to finance those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

Restricted – Consists of assets where limitations are imposed on their use through enabling legislation adopted by the County or through external restrictions imposed by creditors, grantor or the laws and regulations of other governments.

Unrestricted – Net position not reported as net investment in capital assets or restricted.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

G Assets, Liabilities, Deferred Outflows/Inflows of Resources, & Net Position/Fund Balance – continued

vi. Net Position Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

vi. Fund Balance Flow Assumptions

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statement, flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

vii. Fund Balance

In the governmental fund financial statements, fund balance is reported in five categories which denote the nature and extent of constraints, if any, placed on the County’s fund balance. These five categories are as follows:

Fund Balance Category	Definition	Applicability
Nonspendable	Includes amounts that are not in expendable form.	The County reports long-term receivables that are not available for expenditure in this category.
Restricted	Includes amounts restricted to specific uses by external entities or by law. Externally imposed restrictions include amounts that are restricted for specific purposes.	The County reports residual amounts of taxes levied exclusively for debt service, fire & rescue and mosquito control along with unspent bond proceeds held in trust in this category.
Committed	Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Accomack County Board of Supervisors.	The County reports amounts committed by resolution of the Board of Supervisors for use in emergency situations or when revenue shortages arise as committed fund balance. This amount is shown in the financial statements as committed to <i>Rainy Day/Stabilization</i> . Additions are approved by Board action. Use of these funds is only permitted to address revenue shortages that are greater than 1% of General Fund revenue, an urgent event that jeopardizes public safety or to mitigate damage caused by a natural disaster.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, & Net Position/Fund Balance – continued

Assigned	Consists of amounts intended to be used by the County for a specific purpose but are neither restricted nor committed.	Assigned for subsequent year's expenditures is the portion of fund balance that has been approved by formal action of the Board of Supervisors for appropriation in the fiscal year 2021 budget. Amendment of this amount requires approval of the Board. Additional assignments for residual funds associated with ongoing capital projects and special revenue funds have been made by the Finance Director who is given that authority.
Unassigned	Fund balance that has not been reported in any other classification.	Positive unassigned fund balance is only reported in the General Fund. In governmental funds other than the General Fund, a negative unassigned fund balance may be reported if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes.

H. Revenues and Expenditures/Expenses

i. Program Revenue

Amounts reported as program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions (including special assessment) that are restricted to meeting the operational or capital requirement of a particular function or segment. All taxes including those dedicated for specific purposes and internally dedicated resources are reported as general revenues rather than as program revenue.

ii. Property Taxes

Property is assessed at its value on January 1. Property taxes attach as an enforceable lien on property as of January 1. Real estate and personal property taxes are due in two installments payable in December and June. Personal property taxes are prorated based on the number of months property is owned. The County bills and collects its own property taxes.

In 1998, the Virginia General Assembly passed the Personal Property Tax Relief Act (PPTRA). The purpose of this legislation was to gradually eliminate the personal property tax on automobiles by increasing Commonwealth funding to localities. The PPTRA provides tax relief via a tax credit that appears on the citizen's tax assessment as a reduction to taxes due. The credit applies to the first \$20,000 of taxable value of automobiles and motorcycles held for personal use. The tax credit on vehicles valued between \$1,000 and \$20,000 for tax year 2021 was equal to 40% of the tax assessment. The tax credit on vehicles with a taxable value of less than \$1,000 was equal to 100% of the tax assessment. Revenue from the Commonwealth pertaining to PPTRA is recorded as non-categorical aid.

iii. Compensated Absences

All County and School Board full-time employees earn annual leave based on years of service. Accumulated annual leave vests immediately. County and School Board employees are paid for unused annual leave, at their normal rate of pay, at termination. Annual leave termination

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

H. Revenues and Expenditures/Expenses – continued

payments are limited only by maximum accumulation policies. All County and School Board Component Unit full-time employees also earn ten hours of sick leave per month. Maximum accumulation is unlimited. Employees of the County are entitled to the lesser of 25% of accrued sick leave or \$5,000 upon termination providing the employee has 5 years of service. Employees of the School Board are entitled to the lesser of 25% of accrued sick leave or \$7,500 upon termination providing the employee has 5 years of service. The amount of unpaid annual, sick and compensatory leave, including applicable payroll taxes, is accrued when incurred in the government-wide and proprietary fund financial statements. Only the current portion due, if any, is recorded in the fund financial statements. Compensated absences are reported in governmental funds only if they are matured.

iv. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary fund's principal ongoing operations. The principal operating revenues of the water/sewer fund, airport fund, landfill fund and parks and recreation revolving fund are charges to customers. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues not meeting this definition are reported as nonoperating revenues and expenses.

v. Use of Estimates

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

I. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's and School Board's Retirement Plan and the additions to/deductions from the County's and School Board's Retirement Plan's net fiduciary position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). 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.

J. Other Postemployment Benefits (OPEB)

Group Life Insurance

The Virginia Retirement System (VRS) Group Life Insurance (GLI) Program provides coverage to state employees, teachers, and employees of participating political subdivisions. The GLI Program was established pursuant to §51.1-500 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. The GLI Program is a defined benefit plan that provides a basic group life insurance benefit for employees of participating employers. For purposes of measuring the net GLI Program OPEB liability, deferred outflows of resources and deferred inflows of resources related to the GLI OPEB, and GLI OPEB expense, information about the fiduciary net position of the VRS GLI Program OPEB and the additions to/deductions from the VRS GLI OPEB's net fiduciary position have been determined on the

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

J. Other Postemployment Benefits (OPEB)

Group Life Insurance

same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

K. *Political Subdivision, Teacher Employee and School Non-Professional Staff Health Insurance Credit Program*

The VRS Political Subdivision Health Insurance Credit Program (County), the Virginia Retirement System (VRS) Teacher Employee Health Insurance Credit (HIC) and the VRS Political Subdivision (Non-Professional Plan) were established pursuant to §51.1-1400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. The County, the Teacher Employee HIC Program and the Non-Professional Plan are all defined benefit plans that provides a credit toward the cost of health insurance coverage for retired political subdivision employees, teachers and non-professional school staff. For purposes of measuring the net OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to the Programs' OPEB, and the related OPEB expenses, information about the fiduciary net position of the County, VRS Teacher Employee HIC Programs, and Non-Professional Staff; and the additions to/deductions from the County and VRS Teacher Employee and Non-Professional staff HIC Programs' net fiduciary position have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. Future GASB Pronouncements

- The Governmental Accounting Standards Board (GASB) has issued the following Statements.

The GASB has issued Statement No. 87, *Leases*, to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The provisions of this statement are effective for fiscal years beginning after June 15, 2021. Management has not completed the process of evaluating the impact that will result from adoption of the standard and is, therefore, unable to disclose the impact of adoption.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

L. Future GASB Pronouncements continued

The GASB has issued Statement No. 91, *Conduit Debt Obligations*, to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. The provisions of this statement are effective for fiscal years beginning after December 15, 2021. Management has not completed the process of evaluating the impact that will result from adoption of the standard and is, therefore, unable to disclose the impact of adoption.

The GASB has issued Statement No. 92, *Omnibus 2020*, to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Some provisions of this statement are effective upon issuance, and other provisions of this statement are effective for fiscal years beginning after June 15, 2021. Management has not completed the process of evaluating the full impact that will result from adoption of the standard and is, therefore, unable to disclose the impact of adoption.

The GASB has issued Statement No. 93, *Replacement of Interbank Offered Rates*, to address accounting and financial reporting implications that result from the replacement of an interbank offered rate. The provisions of this statement related to the removal of the London Interbank Offered Rate are effective for reporting periods ending after December 31, 2021. All other provisions of this statement are effective for reporting periods beginning after June 15, 2021. Management has not completed the process of evaluating the impact that will result from adoption of the standard and is, therefore, unable to disclose the impact of adoption.

The GASB has issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This statement also provides guidance for accounting and financial reporting for availability payment arrangements. The provisions of this statement are effective for fiscal years beginning after June 15, 2022. Management has not completed the process of evaluating the impact that will result from adoption of the standard and is, therefore, unable to disclose the impact of adoption.

The GASB has issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. This statement defines a subscription-based information technology arrangement, establishes that a subscription-based information technology arrangement results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability, provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a subscription-based information technology arrangement, and requires note disclosures regarding a subscription-based information technology arrangement. The provisions of this statement are effective for fiscal years beginning after June 15, 2022. Management has not completed the process of evaluating the impact that will result from adoption of the standard and is, therefore, unable to disclose the impact of adoption.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

L. Future GASB Pronouncements continued

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code (IRC) Section 457 Deferred Compensation Plans – an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The first objective of this statement is to increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform. The second objective of this statement is to mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit plans, and employee benefit plans other than pension plans or other postemployment plans as fiduciary component units in fiduciary financial statements. The third objective of this statement is to enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through these plans. Some provisions of this statement are effective immediately, and some provisions of this statement are effective for reporting periods beginning after June 15, 2021. Management has not completed the process of evaluating the full impact that will result from adoption of the standard and is, therefore, unable to disclose the impact of adoption

Management is currently evaluating the impact these standards will have on the financial statements when adopted.

2. DEPOSITS AND INVESTMENTS

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the “Act”) Section 2.2-4400 et. seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Statutes authorize the County Treasurer, an elected official, to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper and certain corporate notes, banker’s acceptances, repurchase agreements and the State Treasurer’s Local Government Investment Pool (LGIP) and Virginia Investment Pool, a service of Virginia Municipal League and Virginia Association of Counties (VIP). Short-term investments are stated at amortized cost or at fair value with any net appreciation or depreciation in fair value reflected as investment income.

The carrying amount of cash and investments of the Primary Government and the School Board Component Unit at June 30, 2021 is as follows:

Deposits with Financial Institutions	\$ 12,960,542
Investments	43,838,043
Petty Cash	859,294
Cash on Hand	5,000
Total Cash and Investments of the Primary Government and School Board Component Unit	<u><u>\$ 57,662,879</u></u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

2. DEPOSITS AND INVESTMENTS – CONTINUED

A reconciliation to the basic financial statements is as follows:

Primary Government Cash and Investments per Exhibit 1	\$	52,439,687
School Board Component Unit Cash and Investments per Exhibit 1		5,169,679
Other Component Unit Cash and Investments per Exhibit 1		2,075,520
Fiduciary Funds Cash and Investments per Exhibit 10		795,035
Total Cash and Investments for the Reporting Entity		60,479,921
Less: Other Component Unit Cash and Investments per Exhibit 1 not in the custody of the Treasurer		(2,075,520)
Less: Fiduciary Funds Cash and Investments per Exhibit 10 not in the custody of the Treasurer		(741,522)
Total Cash and Investments in the custody of the Treasurer	\$	57,662,879

Credit Risk of Debt Securities

Per state statutes, all commercial paper must be rated “prime quality” by at least two nationally recognized statistical rating organizations (A-1 by both Standard & Poor’s and Moody’s Investor Service) and corporate notes and bonds must be rated in the AAA or AA categories by both Standard & Poor’s and Moody’s Investor Service. As of June 30, 2021, the County’s investments as rated by Standard & Poor’s were as follows:

<u>Investment Type</u>	<u>Amount</u>	<u>Rating</u>
Virginia Local Government Investment Pool	\$ 33,846,006	AAAm
VACo/VML Virginia Investment Pool	9,992,037	AA/S1
Total Investments	\$ 43,838,043	

Concentration of Credit Risk

State statute limits the percentage of the portfolio that can be invested in any one issuer, excluding the U.S. Government, U.S. Government Agencies, the Commonwealth of Virginia and its authorities, mutual funds and pooled investment funds. No more than 35% of total available funds may be invested in commercial paper. Furthermore, not more than 5% of the total funds available for investment may be invested in commercial paper of any one issuing corporation. As of June 30, 2021, the County’s investment portfolio was invested with Virginia Local Investment Pool which is administered by the Treasury Board of the Commonwealth of Virginia and VACo/VML Virginia Investment Pool which is a government trust under Section 115 of the Internal Revenue Code established through the Joint Exercise of Powers provisions of the State Code.

Interest Rate Risk

The County’s investments as of June 30, 2021 are presented below along with their maturity. The County had no policy on interest rate risk at June 30.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

2. DEPOSITS AND INVESTMENTS – CONTINUED

Custodial Credit Risk

As of June 30, 2021, all investment securities purchased by the County Treasurer were held by bank trust departments in the County's name and evidenced by safekeeping receipts in the County's name.

3. ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

The County calculates its allowance for uncollectible accounts using historical collection data, specific account analysis and subsequent cash receipts. The allowances at June 30, 2021 are as follows:

Major Funds					
Consolidated					
Emergency					
Medical					
County					
Nonmajor					
Type:	General Fund	Services Fund	Debt Fund	Funds	Total
Taxes receivable	\$ 4,800,494	\$ 686,166	\$ 467,802	\$ 242,788	\$ 6,197,250

4. DUE FROM OTHER GOVERNMENTAL ENTITIES

Amounts due from other governments at June 30, 2021 consisted of the following:

	Major Governmental Funds			Total Primary Governmental Activities	Major Fund Airport Enterprise Fund	Total Primary Government
	General Fund	Virginia Public Assistance Fund	Nonmajor Govern- mental Funds			
Miscellaneous government entities:						
Eastern Shore Public Service Authority	\$104,700	\$ -	\$ -	\$104,700	\$ -	\$104,700
Commonwealth of Virginia:						
Local sales tax	954,189	-	-	954,189	-	954,189
Recordation tax	62,074	-	-	62,074	-	62,074
Constitutional officer shared expenses	310,630	-	-	310,630	-	310,630
Jail per diem for prisoner housing	63,296	-	-	63,296	-	63,296
Mobile home tax	7,050	-	-	7,050	-	7,050
Communications tax	118,062	-	-	118,062	-	118,062
Miscellaneous	6,256	-	-	6,256	-	6,256
Public assistance funds	-	93,772	-	93,772	-	93,772
Airport maintenance funds	-	-	-	-	1,382	1,382
Comprehensive services act reimbursements	-	-	119,258	119,258	-	119,258
Total due from the Commonwealth	1,521,557	93,772	119,258	1,734,587	1,382	1,735,969
Federal Government:						
Emergency management assistance	7,500	-	-	7,500	-	7,500
Community Corrections Grant Program	17,485	-	-	17,485	-	17,485
Rehabilitation project	-	-	34,509	34,509	-	34,509
Hazardous Material Response	51,300	-	-	51,300	-	51,300
Airport construction funds	-	-	-	-	54,691	54,691
Public assistance funds	-	172,102	-	172,102	-	172,102
Total due from the Federal Government	76,285	172,102	34,509	282,896	54,691	337,587
Total due from other governmental entities	\$1,702,542	\$ 265,874	\$153,767	\$2,122,183	\$56,073	\$2,178,256

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

4. DUE FROM OTHER GOVERNMENTAL ENTITIES continued

School Board Component Unit:

Commonwealth of Virginia:	
State sales tax contribution	\$ 483,747
SOL web base	232,778
Total due from Commonwealth	<u>716,525</u>
Federal Government:	
Title I	773,242
Title II	64,694
Title III	203,658
Title IV	92,067
Title V	18,733
Title VI-B Special Education	345,735
Migrant	4,615
Vocational/Perkins	21,571
Food services	144,719
ESSER	1,588,346
Total due from Federal Government	<u>3,257,380</u>
Total due from other governmental entities	<u>\$ 3,973,905</u>

5. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2021 are as follows:

	Interfund	
	Receivables	Payables
PRIMARY GOVERNMENT:		
Governmental Funds:		
General Fund	\$ 372,724	\$ -
Virginia Public Assistance Fund	-	208,470
Total Governmental Funds	<u>372,724</u>	<u>208,470</u>
Non-major proprietary funds	-	164,254
Total Primary Government	<u>\$ 372,724</u>	<u>\$ 372,724</u>

The above internal balances are the result of temporary cash deficits created by reimbursement-type grants. These internal balances have been eliminated in the government-wide financial statements.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

6. CAPITAL ASSETS

A. Primary Government:

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,473,639	\$ -	\$ -	\$ 2,473,639
Construction in progress	4,149,964	2,199,883	(2,242,647)	4,107,200
Total capital assets not being depreciated	<u>6,623,603</u>	<u>2,199,883</u>	<u>(2,242,647)</u>	<u>6,580,839</u>
Other capital assets:				
Buildings	15,514,568	2,738,939	(28,268)	18,225,239
School buildings	13,902,875	-	(2,011,837)	11,891,038
Improvements other than buildings	20,828,851	-	-	20,828,851
Machinery and equipment	9,138,580	516,632	(317,769)	9,337,443
Intangibles	1,515,728	8,750	-	1,524,478
Total other capital assets	<u>60,900,602</u>	<u>3,264,321</u>	<u>(2,357,874)</u>	<u>61,807,049</u>
Less accumulated depreciation:				
Buildings	(5,888,596)	(581,791)	11,483	(6,458,904)
School buildings	(2,821,155)	(397,996)	532,857	(2,686,294)
Improvements other than buildings	(7,927,641)	(1,155,428)	-	(9,083,069)
Machinery and equipment	(6,539,122)	(603,288)	290,980	(6,851,430)
Intangibles	(1,246,912)	(77,784)	-	(1,324,696)
Total accumulated depreciation	<u>(24,423,426)</u>	<u>(2,816,287)</u>	<u>835,320</u>	<u>(26,404,393)</u>
Total governmental activities, net	<u>43,100,779</u>	<u>2,647,917</u>	<u>(3,765,201)</u>	<u>41,983,495</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	1,642,774	-	-	1,642,774
Construction in progress	1,125,682	1,033,683	(583,905)	1,575,460
Total capital assets not being depreciated	<u>2,768,456</u>	<u>1,033,683</u>	<u>(583,905)</u>	<u>3,218,234</u>
Other capital assets:				
Buildings	2,162,261	-	-	2,162,261
Improvements other than buildings	18,926,975	829,480	-	19,756,455
Motor vehicles and equipment	6,826,751	264,373	(59,500)	7,031,624
Intangibles	29,710	-	-	29,710
Total other capital assets	<u>27,945,697</u>	<u>1,093,853</u>	<u>(59,500)</u>	<u>28,980,050</u>
Less accumulated depreciation:				
Buildings	(1,532,734)	(34,424)	-	(1,567,158)
Improvements other than buildings	(9,770,071)	(749,246)	-	(10,519,317)
Motor vehicles and equipment	(4,913,917)	(301,264)	59,500	(5,155,681)
Intangibles	(29,710)	-	-	(29,710)
Total accumulated depreciation	<u>(16,246,432)</u>	<u>(1,084,934)</u>	<u>59,500</u>	<u>(17,271,866)</u>
Total business-type activities, net	<u>14,467,721</u>	<u>1,042,602</u>	<u>(583,905)</u>	<u>14,926,418</u>
Total primary government, net	<u>\$ 57,568,500</u>	<u>\$ 3,690,519</u>	<u>\$ (4,349,106)</u>	<u>\$ 56,909,913</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

6. CAPITAL ASSETS – CONTINUED

A. Primary Government: continued

Depreciation expense was charged to the primary government as follows:

	Governmental Activities	Business-type Activities	Total Primary Government
General government administration	\$ 99,548	\$ -	\$ 99,548
Judicial administration	171,110	-	171,110
Public safety	406,737	-	406,737
Public works	629,725	-	629,725
Health and welfare	255,059	-	255,059
Education	410,150	-	410,150
Parks, recreation and cultural	433,219	-	433,219
Community development	410,739	-	410,739
Landfill	-	773,471	773,471
Airport	-	281,956	281,956
Water and sewer	-	28,509	28,509
Parks and Recreation	-	998	998
Total	<u>\$ 2,816,287</u>	<u>\$ 1,084,934</u>	<u>\$ 3,901,221</u>

B. School Board Component Unit:

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021
Capital assets not being depreciated:				
Land	\$ 974,862	\$ -	\$ -	\$ 974,862
Construction in progress	-	185,006	-	185,006
Total capital assets not being depreciated	<u>974,862</u>	<u>185,006</u>	<u>-</u>	<u>1,159,868</u>
Other capital assets:				
Buildings	76,608,859	2,011,837	-	78,620,696
Improvements other than buildings	5,420,586	72,394	-	5,492,980
Motor vehicles and equipment	16,862,332	2,237,322	(789,413)	18,310,241
Total other capital assets	<u>98,891,777</u>	<u>4,321,553</u>	<u>(789,413)</u>	<u>102,423,917</u>
Less accumulated depreciation:				
Buildings	(41,241,444)	(1,982,110)	-	(43,223,554)
Improvements other than buildings	(3,214,610)	(162,712)	-	(3,377,322)
Motor vehicles and equipment	(10,974,649)	(1,056,749)	747,613	(11,283,785)
Total accumulated depreciation	<u>(55,430,703)</u>	<u>(3,201,571)</u>	<u>747,613</u>	<u>(57,884,661)</u>
Total school board component unit, net	<u>\$ 44,435,936</u>	<u>\$ 1,304,988</u>	<u>\$ (41,800)</u>	<u>\$ 45,699,124</u>

Total depreciation expense charged to the School Board component unit was \$ 3,087,610.

Legislation enacted during the fiscal year 2002, Section 15.2-1800.1 of the Code of Virginia, 1950, as amended, has changed the reporting of local school capital assets and related debt for financial statement purposes. Historically, debt incurred by local governments “on-behalf” of school boards was reported in the school board’s discrete column along with the related capital assets. Under the new law, local governments have a “tenancy in common” with the school board whenever the locality incurs any financial obligation for any school property which is payable over more than one fiscal year. For financial reporting purposes, the legislation permits the locality to report the portion of school property related to any outstanding financial obligation eliminating any potential deficit from capitalizing assets financed with debt. The effect on the County of Accomack, Virginia, for the year ended June 30, 2021, is that debt and related assets in the amount of \$9,204,744 have been transferred to the Primary Government from the School Board Component Unit for financial reporting purposes.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

6. CAPITAL ASSETS – CONTINUED

C. Economic Development Authority Component Unit:

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021
Capital assets not being depreciated:				
Land	\$ 293,591	\$ -	\$ -	\$ 293,591
Other capital assets:				
Improvements other than buildings	779,575	-	-	779,575
Motor vehicles and equipment	7,799	-	-	7,799
Total other capital assets	<u>787,374</u>	-	-	<u>787,374</u>
Less accumulated depreciation:				
Improvements other than buildings	(779,575)	-	-	(779,575)
Motor vehicles and equipment	(4,485)	(780)	-	(5,265)
Total accumulated depreciation	<u>(784,060)</u>	<u>(780)</u>	-	<u>(784,840)</u>
Total economic development authority component unit	<u>\$ 296,905</u>	<u>\$ (780)</u>	<u>\$ -</u>	<u>\$ 296,125</u>

Total depreciation expense charged to the Authority during the fiscal year amounted to \$780.

Subsequent to year end, the Authority purchased land and buildings for future development use near the County Airport. The cost of purchase was \$ 350,000 with a bank making a loan for the full cost of purchase. The loan is interest only for the first two years at 3.79% at which time principal and interest payments will commence for another two years based on a 25 year amortization. At the end of the 47 months, the remaining principal and interest will be due.

7. UNEARNED REVENUE

Unearned revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, such amounts are measurable, but not available. Under the full accrual basis of accounting, such amounts are measurable, but are unearned.

Unearned revenue at June 30, 2021 consisted of the following:

Unearned Revenue	General Fund	Special Revenue		School Board Component Unit
		Funds - Nonmajor	Enterprise Funds	
Advance grant funding received	\$ 3,418,998	\$ 67,527	\$ -	\$ 942,938
Prepaid rent received	-	-	5,328	-
Total	<u>\$ 3,418,998</u>	<u>\$ 67,527</u>	<u>\$ 5,328</u>	<u>\$ 942,938</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

8. COMPENSATED ABSENCES

Accrued compensated absences are as follows at June 30, 2021:

Compensated Leave	Primary Government		School Board Component Unit
	Governmental Activities	Business-type Activities	
Annual	\$ 1,146,095	\$ 59,342	\$ 695,490
Sick	437,683	35,645	856,776
Compensatory	656,466	5,793	-
Total	<u>\$ 2,240,244</u>	<u>\$ 100,780</u>	<u>\$ 1,552,266</u>

9. OPERATING LEASES

The primary government leases approximately 66.4 acres of land from the National Aeronautics and Space Administration (NASA) Goddard Space Flight Center's Wallops Flight Facility. The leased property is located in the County's Wallops Research Park and will be used to support economic growth opportunities affiliated with activities of the Wallops Flight Facility. The expiration of the lease is September 30, 2099. The lease stipulates an annual base rent equal to no less than 2% of the fair market value of the land currently appraised at \$900,000. Total lease cost for the year ended June 30, 2021 was \$21,510. Future rent increases are contingent upon changes in the Consumer Price Index, measured every 5 years with the next measurement date October 1, 2024 and future property appraisals, scheduled every 20 years. The future minimum lease payments are as follows:

Year Ending June 30	Amount
2022	\$ 21,510
2023	21,510
2024	21,510
2025	21,510
2026	21,510
2027 and thereafter	1,591,740
Total	<u>\$ 1,699,290</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

10. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2021:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Amount due within 1 year
Primary Government:					
Governmental Activities:					
Compensated absences	\$ 2,319,287	\$ 237,548	\$ 316,591	\$ 2,240,244	\$ 1,993,817
Virginia Public School Authority bonds (1)	13,861,216	-	1,446,751	12,414,465	1,511,483
Lease revenue bonds(1)	10,327,817	-	768,770	9,559,047	794,383
Qualified zone academy bonds	41,660	-	41,660	-	-
Deferred premiums and discounts, net	565,310	-	70,342	494,968	70,342
Net OPEB liability:					
Net Health Insurance OPEB liability	1,412,690	441,987	833,542	1,021,135	-
Net VRS Group Life Insurance OPEB liability	965,974	263,731	228,670	1,001,035	-
Net VRS Health Insurance Credit OPEB liability	237,124	46,724	56,708	227,140	-
Net OPEB liability	2,615,788	752,442	1,118,920	2,249,310	-
Net Pension Liability	1,820,052	4,924,226	2,755,630	3,988,648	-
Total governmental activities long-term obligations	<u>31,551,130</u>	<u>5,914,216</u>	<u>6,518,664</u>	<u>30,946,682</u>	<u>4,370,025</u>
Business-type Activities:					
Compensated absences	98,567	46,911	44,698	100,780	91,336
Capital leases	423,718	-	281,311	142,407	142,407
Landfill closure/postclosure	7,316,022	2,568,153	152,800	9,731,375	-
Net OPEB liability:					
Net Health Insurance OPEB liability	67,496	21,118	39,825	48,789	-
Net VRS Group Life Insurance OPEB liability	52,370	12,600	17,142	47,828	-
Net VRS Health Insurance Credit OPEB liability	12,855	2,232	4,235	10,852	-
Net OPEB liability	65,225	14,832	21,377	107,469	-
Net Pension Liability	92,685	235,264	137,398	190,551	-
Total business-type entities long-term obligations	<u>8,063,713</u>	<u>2,886,278</u>	<u>677,409</u>	<u>10,272,582</u>	<u>233,743</u>
Total primary government long-term obligations	<u>39,614,843</u>	<u>8,800,494</u>	<u>7,196,073</u>	<u>41,219,264</u>	<u>4,603,768</u>
School Board Component Unit:					
Compensated absences	1,717,092	133,478	298,304	1,552,266	1,381,517
Early retirement termination benefits	166,594	-	100,825	65,769	65,769
Net pension liability-Teacher Plan	44,335,323	17,001,148	13,545,646	47,790,825	-
Net OPEB liability:					
Net Health Insurance OPEB liability	3,032,262	600,405	1,045,455	2,587,212	-
Net VRS Group Life Insurance OPEB liability	2,594,187	692,748	715,259	2,571,676	-
Net VRS Health Insurance Credit Non Professional OPEB liability	-	303,085	-	303,085	-
Net VRS Health Insurance Credit Teacher OPEB liability	4,406,422	628,317	754,751	4,279,988	-
Net OPEB Liability	10,032,871	2,224,555	2,515,465	9,741,961	-
Total School Board long-term obligations	<u>\$ 56,251,880</u>	<u>\$ 19,359,181</u>	<u>\$ 16,460,240</u>	<u>\$ 59,150,821</u>	<u>\$ 1,447,286</u>

(1) Direct borrowing and/or direct placement.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

10. LONG-TERM OBLIGATIONS – CONTINUED

Annual requirements to amortize long-term debt and related interest are as follows:

A. Primary Government:

Year Ending June 30,	Governmental Activities				Business Type Activity		
	VPSA Bonds(1)		Lease Revenue Bonds(1)		Capital Lease		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2022	\$ 1,511,483	\$ 565,013	\$ 794,383	\$ 318,438	\$ 142,407	\$ 1,181	\$ 3,332,905
2023	1,576,984	487,057	821,195	291,855	-	-	3,177,091
2024	1,641,855	408,257	849,110	262,294	-	-	3,161,516
2025	1,711,765	327,796	871,434	235,309	-	-	3,146,304
2026	1,782,376	244,828	900,872	206,691	-	-	3,134,767
2027-2031	4,190,000	342,216	3,723,053	573,524	-	-	8,828,793
2032-2036	-	-	1,197,000	147,432	-	-	1,344,432
2037-2041	-	-	402,000	13,009	-	-	415,009
Total	<u>\$ 12,414,463</u>	<u>\$ 2,375,167</u>	<u>\$ 9,559,047</u>	<u>\$ 2,048,552</u>	<u>\$ 142,407</u>	<u>\$ 1,181</u>	<u>\$ 26,540,817</u>

The primary government uses general and debt service fund revenues to liquidate compensated absences and other long-term obligations.

B. Details of long-term indebtedness as of June 30, 2021:

Financing Type	Purpose	Amount Issued	Interest Rates	Date Issued	Final Maturity Date	Amount Outstanding
Primary Government:						
Governmental Activities:						
Virginia Public School Authority (VPSA) 2003A	School construction	\$ 6,270,000	3.10% - 5.35%	5/15/2003	7/15/2028	\$ 2,880,000
VPSA 2003B	School construction	12,170,000	3.10% - 5.35%	11/6/2003	7/15/2028	5,650,000
VPSA 2005A	School construction	1,935,000	4.35% - 5.10%	11/10/2005	7/15/2030	1,075,000
VPSA 2005B	School construction	9,370,000	4.28%	11/10/2005	7/15/2025	2,809,465
VRA 2013B Lease Revenue Bond	Research park construction	3,765,000	1.125% - 4.847%	8/14/2013	10/1/2032	2,950,000
Lease revenue bond	Various Projects	4,350,000	1.66%	10/21/2015	6/15/2030	2,857,547
2013 Lease Revenue Refunding Bond	Office construction	4,031,900	2.93%	12/19/2013	3/1/2028	1,818,500
Lease revenue bond 2019	Library	2,086,000	3.173%	8/8/2019	6/1/2039	1,933,000
Total governmental activities:						<u>21,973,512</u>
Business-type Activities:						
Tax-exempt capital lease	Landfill Heavy Equip	1,372,523	1.66%	12/29/2016	12/29/2021	142,407
Total primary government						<u>\$ 22,115,919</u>

Subsequent to year end, the County entered into a capital lease revenue bond agreement with Virginia Resource Authority for new debt in the amount of \$ 3,750,000 for expansion of the North Landfill. The rate of interest is 5.125% and final maturity is October, 2028. Proceeds will be used for expansion and creation of cell 7 and will be complete in the spring of fiscal year 2022. The County also refunded certain portions of debt issued in 2013 listed above as Research Park Construction. Rates of interest range from 1.775% to 2.839% with final maturity in October, 2032.

Subsequent to year end, the Economic Development Authority (Authority) entered into an unsecured line of credit with a bank with a minimum rate of interest of 4%. The first draw on this line was made in December, 2021.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

11. LANDFILL CLOSURE AND POST-CLOSURE CARE COST

State and federal laws and regulations require the County to place a final cover on its North Landfill if it stops accepting waste and to perform certain maintenance and monitoring functions at this site for thirty years after closure. Although closure and post-closure costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs in each period based on landfill capacity used as of each statement of net position date. At this time, an expansion project at the north landfill is under way with completion expected in late spring of 2022, weather permitting.

The \$9,731,375 reported as landfill closure and post-closure care liability at June 30, 2021, represents the cumulative amount reported to date based on the use of 83% of the estimated capacity of the North Landfill Cell Six A. The County will recognize the remaining estimated North Landfill cost of closure and post-closure care of \$1,091,122 as its remaining estimated capacity is filled. These amounts are based on what costs would be to perform all closure and post-closure care in 2021. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County expects to fund landfill closure and post-closure care costs from operating revenues.

The County uses the Commonwealth of Virginia's financial assurance mechanism to meet the Department of Environmental Quality's assurance requirements for landfill closure and post-closure costs. The County demonstrated financial assurance requirements for closure, post-closure care, and corrective action costs through the submission of a Local Government Financial Test to the Virginia Department of Environmental Quality in accordance with Section 9VA C20-70 of the Virginia Administrative Code.

12. DEFERRED INFLOWS OF RESOURCES

Governmental funds report deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the components of these deferrals were as follows:

	Primary Government				
	General Fund	Consolidated Emergency Medical Services Fund	County Debt Service Fund	Nonmajor Special Revenue Funds	Total
Deferred Revenue:					
Unbilled property taxes	\$ 10,492,351	\$ 1,454,785	\$ 989,081	\$ 513,111	\$ 13,449,328
Prepaid taxes	3,375,553	518,639	343,939	203,667	4,441,798
Total deferred revenue	13,867,904	1,973,424	1,333,020	716,778	17,891,126
Unavailable Revenue:					
Uncollected taxes	1,909,165	262,042	178,157	92,445	2,441,809
Special Assessments not yet due	17,920	-	-	-	17,920
Total unavailable revenue	\$ 1,927,085	\$ 262,042	\$ 178,157	\$ 92,445	\$ 2,459,729

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

13. INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2021 were made up of the following:

Primary Government:	Transfers	Transfers
	In	Out
Governmental funds:		
General fund	\$ 128,760	\$ 1,782,558
Virginia Public Assistance Fund	762,113	-
Consolidated emergency medical services	-	129,760
County capital projects fund	631,688	-
Non-major governmental funds	229,482	-
Total governmental funds	<u>1,752,043</u>	<u>1,912,318</u>
Enterprise funds:		
Airport fund	160,275	-
Total enterprise funds	<u>160,275</u>	<u>-</u>
Total Primary Government	<u>\$ 1,912,318</u>	<u>\$ 1,912,318</u>

The purpose of the interfund transfers is as follows:

<u>Purpose</u>	<u>Amount</u>
Finance pay-as-you-go capital projects	\$ 631,688
Satisfy grant local match requirements	65,190
Supplement operations and local match requirements of the Dept. of Social Services	762,113
Satisfy local share of hazardous duty supplement	128,760
Supplement operations of the County's Stormwater Ordinance Fund	148,292
Supplement operations of the County's Fire Programs Fund	16,000
Supplement operations of the Accomack County Airport	160,275
Total interfund transfers	<u>\$ 1,912,318</u>

The Primary Government also transferred \$10,943,943 to the School Board Component Unit, \$444,844 to the Eastern Shore Library Component Unit, \$105,724 to the Planning District Component Unit, \$58,932 to the Captain's Cove/Greenbackville Mosquito Control Commission Component Unit in the form of specified tax revenues, and \$7,500 to the Economic Development Authority Component Unit. These amounts are reported as expenditures in the County's financial statements with the exception of the Mosquito Commission tax payments.

14. COMMITMENTS AND CONTINGENT LIABILITIES

Encumbrances – The County had \$1,163,753 encumbered at year end specific to the ongoing new Library being constructed in a capital projects fund specific to this purpose. Total contract for this project to one vendor is \$4,785,499. The amount paid to the contracted vendor during fiscal year 2021 was \$1,811,831. Estimated completion date is summer, 2022. The Accomack County Schools had encumbered \$ 669,780 on two of three roof projects for two elementary schools and one high school. Awarded to two vendors, the total re-roof projects were \$ 4,011,000 with \$98,101 paid to the three vendors during fiscal year 2021. Project completion is expected in summer, 2022.

Commitments - The County's Airport was awarded a grant from the FAA for Airport Improvement which is being used to improve a runway apron. Design work was awarded to one vendor and construction to a second vendor for the fully funded amount of \$972,000. At year end, \$342,471 was expended, with completion expected during fiscal year 2022.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

14. COMMITMENTS AND CONTINGENT LIABILITIES - continued

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial. The primary government and its component units are defendants in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the government's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the reporting entity.

15. RISK MANAGEMENT

The County is a member of the Virginia Municipal Group Self Insurance Association for workers' compensation and the Virginia Association of Counties Risk Pool for property, general liability, automobile and crime insurance. Each Association member jointly and severally agrees to assume, pay and discharge any liability. The County pays the Virginia Municipal Group Insurance Association and the Virginia Association of Counties Risk Pool contributions and assessments based upon classifications and rates into a designated cash reserve fund out of which expenses of the Association and claims and awards are paid. In the event of a loss deficit and depletion of all available excess insurance, the Associations may assess all members in the proportion which the premium of each bears to the total premiums of all members in the year in which such deficit occurs. The County continues to carry commercial insurance for all other risks of losses. During the last three fiscal years, settled claims from these risks have not exceeded commercial coverage.

16. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

A. Primary Government:

For the year ended June 30, 2021, the following expenditures exceeded appropriations:

Major Funds:

General Fund:	
General District Court	\$ 1,990
Sanitation refuse disposal	137,253
Property tax relief	19,123
Summer food program	11,979
Boating facilities	26,431
Erosion and sediment	68,545
ESVA Broadband Authority supplement	100,312
Total General Fund	<u>\$ 365,633</u>
Debt Service Fund	<u>\$ 34</u>

Nonmajor Funds:

Greenbackville/Captains Cove Mosquito Control Fund	<u>\$ 6,423</u>
--	-----------------

The General Fund and Debt Service Fund variances were funded by unassigned fund balance. All non-major fund variances were funded by grant program income or unassigned fund balance.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

17. SURETY BONDS

The following elected officials and County employees were covered by surety bonds at June 30, 2021:

Commonwealth of Virginia Division of Risk Management (Commonwealth funded):	
James A. Lilliston, Treasurer ⁽¹⁾	\$ 500,000
Walter T. Wessells, Sheriff ⁽¹⁾	30,000
Deborah Midgett, Commissioner of the Revenue ⁽¹⁾	3,000
Samuel H. Cooper, Clerk of the Court ⁽¹⁾	350,000
Virginia Association of Counties Self Insurance-Risk Pool:	
All County employees - Blanket bond coverage	1,000,000
All School employees - Blanket bond coverage	1,000,000
All Social Services employees - Blanket bond coverage	1,000,000

¹Commonwealth funded surety bonds also cover employees of the elected official.

18. TRUST FOR OTHER POSTEMPLOYMENT BENEFITS

The County of Accomack has established an irrevocable trust pursuant to Section 15.2-1544 of the Code of Virginia, as amended for the purpose of accumulating and investing assets to fund Other Postemployment Benefits (OPEB) and to participate in the Virginia Pooled OPEB Trust Fund and has established a Local Finance Board to become a Participating Employer in the Trust Fund. The Trust Fund provides administrative, custodial and investment services to the Participating Employers in the Trust Fund. For the fiscal year ending June 30, 2021 the County contributed \$127,067 to the Trust Fund. Expenses allocated to the Trust Fund during the fiscal year ended June 30, 2021 were \$170,420.

The County participates in the Virginia Pooled OPEB Trust Fund, an irrevocable trust established for the purpose of accumulating assets to fund postemployment benefits other than pensions. The Trust Fund issues a separate report, which can be obtained by requesting a copy from the plan administrator, Virginia Municipal League (VML) at P.O. Box 12164, Richmond, Virginia 23241.

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE

County:

Plan Description:

The County Post-Retirement Medical Plan is a single-employer defined benefit healthcare plan which provides post-retirement health insurance benefits to qualifying employees. The exact benefit is dependent on the eligibility rules for each benefit. The following is a summary of three postemployment health insurance benefits available to retirees.

- Post-65 Retiree Health Insurance Plan - Provides post retirement supplemental health insurance benefits for employees who are at least 65 years old, are enrolled in Medicare parts A and B, and who have at least 15 years of service with the County if they retire from service prior to January 1, 2017. The sunset date of January 1, 2014 was adopted by the County in fiscal year 2014. After this date, no additional retirees will be eligible for plan.
- County Supplemental Health Insurance Credit Plan - Provides a monthly insurance premium reimbursement to employees who retire with 15 more years of VRS service, participate in a County-sponsored or personal health insurance plan, and were employed by the County as of June 30, 2014. The amount of the monthly reimbursement is based on total VRS years of service.
- Early Retiree Health Insurance Continuation Plan - Allows employees who retire prior to age 65 and have at least 15 years of service to remain on the County's health insurance plan at their own expense

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

County- continued

- until they reach age 65. The County's Post-Retirement Medical Plan does not issue a separate, audited GAAP-basis report.

Plan Administration

Accomack County administers the Accomack County Retiree Benefits Plan (ACRBP)-a single employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for all permanent full-time general and public safety employees of the County.

Management of the ACRBP is vested in the Accomack County Local Finance Board (ACLF Board), which consists of the Chief Financial Officer of the County, the County Treasurer, and at least one other additional person who shall be a citizen of the Commonwealth with proven integrity, business ability, and demonstrated experience in cash management and in investments.

Benefits Provided

The County establishes employer contribution rates for plan participants as part of the budgetary process each year. The County also determines how the plan will be funded each year, whether it will partially fund the plan or fully fund the plan. Again this is determined annually as part of the budgetary process. For retirees participating in the *Post-65 Retiree Health Insurance Plan*, the County pays 50% of the monthly employee-only insurance premium with the retiree responsible for the remainder. Participation ceases upon the retiree's death or the retiree's failure to pay their share of the premium. Retirees participating in the *Early Retiree Health Insurance Continuation Plan* are responsible for 100% of the cost of continuing their County insurance coverage. Participation ceases at age 65. Retirees participating in the *County's Supplemental Health Insurance Credit Plan* receive a monthly reimbursement for insurance premiums paid. The base monthly credit is equal to \$2.50 for each year of VRS service. An additional credit of \$450 per month is paid to retirees who became permanently and totally disabled as a direct result of an injury sustained in the performance of their County job. The total reimbursement cannot exceed the premium paid by the retiree. The disability credit ceases when the retiree becomes Medicare eligible or dies. The base credit continues until the retiree's death.

Plan Membership

At June 30, 2021 (measurement date), the following employees were covered by the benefit terms:

Total active employees with coverage	268
Total retirees with coverage	63
Total	331

Contributions

Accomack County Code grants the authority to establish and amend the contribution requirements of the County and plan members to the Accomack County Local Finance Board. The Board establishes rates based on an actuarially determined rate. For the year ended June 30, 2021, the County's average contribution rate was .96 percent of covered-employee payroll. Plan members are not required to contribute to the plan.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

County- continued

Investment Policy

ACRBP's policy in regard to the allocation of invested assets is established and may be amended by the Accomack County Local Finance Board by a majority vote of its members. It is the policy of the Accomack County Local Finance Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. ACRBP's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2021:

Asset Class	Target Allocation
Domestic Equity	36%
International Funds	18%
Fixed Income – U.S.	21%
Long/Short Equity & Absolute Return	10%
Real Estate	10%
Private Equity	5%
Total	100%

Concentrations

The Trust does not hold investments in any one organization that represent five percent or more of the OPEB Trust's Fiduciary Net Position.

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 29.15%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Schedule of Investment Returns

Last 10 Fiscal Years

Annual Money-Weighted Rate of Return Net of Investment Expense

6/30/2017	12.33%
6/30/2018	9.42%
6/30/2019	4.03%
6/30/2020	3.05%
6/30/2021	29.15%

The chart is intended to show information for 10 years. More data will be added as it becomes available.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

County- continued

Net/ OPEB Liability

The County's net OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	0.00%
Discount Rate	6.92%
Investment Rate of Return	7.00%

Mortality rates for active employees and healthy retirees were based on the PUB2010 Headcount tables for General employees and for Safety employees and for males and females, fully generational, projected using scale SSA2020.

The date of the most recent actuarial experience study for which significant assumptions were based is June 30, 2020.

The Long-Term Expected Rate of Return on OPEB Plan investments is 7.00% as of June 30, 2021.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.92 percent. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

County- continued

Changes in Net OPEB Liability

	Changes in Net OPEB Liability - County		
	Total OPEB Liability (a)	Primary Government Increase (Decrease)	
		Net Position (b)	Liability (a)-(b)
Balances at June 30, 2020	\$ 1,873,341	\$ 393,155	\$ 1,480,186
Changes for the year:			
Service Cost	16,784	-	16,784
Interest	125,843	-	125,843
Differences between expected and actual experience	(258,054)	-	(258,054)
Changes in assumptions	(48,756)	-	(48,756)
Contributions - employer	-	125,814	(125,814)
Net investment income	-	120,765	(120,765)
Benefit payments	(83,640)	(83,640)	-
Admin expenses	-	(500)	500
Net changes	(227,823)	182,439	(410,262)
Balances at June 30, 2021	<u>\$ 1,645,518</u>	<u>\$ 575,594</u>	<u>\$ 1,069,924</u>

The net position as a percentage of total OPEB liability for June 30, 2021 is 35%.

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

The following amounts present the net OPEB liability of the County, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.92%) or one percentage point higher (7.92%) than the current discount rate:

	Rate		
	Current Discount		
	1% Decrease 5.92%	Rate 6.92%	1% Increase 7.92%
Net OPEB Liability	\$ 1,218,666	\$ 1,069,924	\$ 941,304

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the County, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (3.25%) or one percentage point higher (5.25%) than the current healthcare cost trend rates:

	Rate		
	Healthcare Cost		
	1% Decrease 3.25%	Trend 4.25%	1% Increase 5.25%
Net OPEB Liability	\$ 929,149	\$ 1,069,924	\$ 1,233,792

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

County- continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2021, the County recognized OPEB expense in the amount of \$21,717. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 108,054	\$ (229,381)
Changes in assumptions	-	(440,935)
Net difference between projected and actual earnings on OPEB plan investments	-	(61,964)
Balances at June 30, 2021	\$ 108,054	\$ (732,280)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense in future reporting periods as follows:

Year ended June 30	Net Amount of Outflow/(Inflow)
2022	\$ (92,312)
2023	(91,202)
2024	(93,011)
2025	(95,967)
2026	(77,632)
After 2026	(174,102)

Additional disclosures on changes in net OPEB liability, related ratios, and employer contributions can be found in the required supplementary information following the notes to the financial statements.

School Board

Plan Description

The School Board Post-Retirement Medical Plan is a single-employer defined benefit healthcare plan that provides post-retirement health care insurance benefits for employees who are eligible. Employees who retired effective 1985-86 school year or later and under provisions of the Virginia Supplemental Retirement System (VSRS) prior to age 65 and were on full-time status in a VSRS covered position and were participating in the hospitalization plan at the time of retirement are eligible. The School Board's Post-Retirement Healthcare Plan does not issue a separate, audited GAAP basis report.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

School Board- continued

Benefits Provided

Postemployment benefits provided to eligible retirees include health insurance. The benefits that are provided for active employees are the same for eligible retirees, spouses and dependents of eligible retirees. All permanent employees of the School Board who meet eligibility requirements of the pension plan are eligible to receive postemployment health care benefits. Retirees pay 100% of the monthly premiums. Coverage ceases when retirees reach the age of 65. Surviving spouses can stay in the plan but must pay the full premium.

Plan Membership

At June 30, 2021 (measurement date), the following employees were covered by the benefit terms:

Total active employees with coverage	793
Total retirees with coverage	11
Total	804

Contributions

The School Board establishes employer contribution rates for plan participants as part of the budgetary process each year. The School Board also determines how the plan will be funded each year, whether it will partially fund the plan or fully fund the plan. Again, this is determined annually as part of the budgetary process.

Total OPEB Liability

The School Board's total OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020.

Actuarial Assumptions

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary Increases	2.5%
Discount Rate	1.92%

The mortality rates for active and healthy retirees was calculated using the PUBT2010 Headcount for males and females, fully generational, projected using scale SSA2020.

The date of the most recent actuarial experience study for which significant assumptions were based is June 30, 2020.

Discount Rate

The discount rate used when OPEB plan investments are insufficient to pay for future benefit payments is selected from a range of 20-Year Municipal Bond Indices and include the Bond Buyer 11-Bond GO Index, the S&P Municipal Bond 20-Year High Grade Rate Index, and the Fidelity 20-Year GO Municipal Bond Index. The final equivalent single discount rate used for this year's valuation is 1.92%.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

School Board- continued

Changes in Total OPEB Liability

Changes in Net OPEB Liability - School Board	
	School Board Total OPEB Liability
Balance at June 30, 2020	\$ 3,032,262
Changes for the year:	
Service Cost	108,124
Interest	75,672
Difference between expected and actual experience	(661,445)
Changes in assumptions	136,675
Contributions - employer	-
Net investment income	-
Benefit payments	(104,076)
Net changes	(445,050)
Balance at June 30, 2021	\$ 2,587,212

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

The following amounts present the total OPEB liability of the School Board, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (0.92%) or one percentage point higher (2.92%) than the current discount rate:

	Rate		
		Current Discount Rate	
	1% Decrease 0.92%	1.92%	1% Increase 2.92%
Net OPEB Liability	\$ 2,829,817	\$ 2,587,212	\$ 2,367,144

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

The following presents the total OPEB liability of the School Board, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (3.25% for Choice and Choice Plus Plans/3.50% for HD Plan) or one percentage point higher (5.25% for Choice and Choice Plus Plans/ 5.50% HD Plan) than the current healthcare cost trend rates:

	Rate		
		Healthcare Cost Trend	
	1% Decrease 3.25%/3.5%	4.25%/4.5%	1% Increase 5.25%/5.5%
Net OPEB Liability	\$ 2,305,126	\$ 2,587,212	\$ 2,922,971

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

School Board- continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2021, the School Board recognized OPEB expense in the amount of \$165,906. At June 30, 2021, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (682,546)
Changes in assumptions	452,826	-
Total	\$ 452,826	\$ (682,546)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense in future reporting periods as follows:

Year ended June 30	Net Amount of Outflow/(Inflow)
2022	\$ (17,890)
2023	(17,890)
2024	(17,890)
2025	(17,890)
2026	(17,890)
After 2026	(140,270)

Additional disclosures on changes in net OPEB liability, related ratios, and employer contributions can be found in the required supplementary information following the notes to the financial statements.

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS

In addition to their participation in the pension plans offered through the Virginia Retirement System (VRS), the County of Accomack also participates in various cost-sharing and agent multi-employer other postemployment benefit plans, described as follows.

Plan Description

Group Life Insurance Program

All full-time teachers and employees of political subdivisions are automatically covered by the VRS Group Life Insurance (GLI) Program upon employment.

In addition to the Basic Group Life Insurance Benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional Group Life Insurance Program. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the GLI Program OPEB.

Specific information for the GLI is available at <https://www.varetire.org/members/benefits/life-insurance/basic-group-life-insurance.asp>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

Plan Description- continued

Teacher Employee Health Insurance Credit Program

All full time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Employee Health Insurance Credit (HIC) Program. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The health insurance credit is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

Specific information about the Teacher HIC is available at <https://www.varetire.org/retirees/insurance/healthinscredit/index.asp>

The GLI and Teacher HIC are administered by the VRS along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Both of these plans are considered multiple employer, cost sharing plans.

General Employee Health Insurance Credit Program

The General Employee Health Insurance Credit Program (HIC) is available for all full time, salaried employees of local government entities other than teachers. The General Employee HIC provides all the same benefits as the Teacher HIC, except that this plan is considered a multi-employer agent plan.

As of the June 30, 2019 actuarial valuation, the following employees were covered by the benefit terms of the General Employee Health Insurance Credit Program:

	Number
Inactive members or their beneficiaries currently receiving benefits	41
Inactive members:	
Vested inactive members	-
Non-vested inactive members	-
Inactive members active elsewhere in VRS	-
Total inactive members	41
Active members	149
Total covered employees	190

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

Contributions

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2019. The actuarially determined rates were expected to finance the cost of benefits earned by employees during the year, with an additional amount to fund any unfunded accrued liability. Specific details related to the contributions for the VRS OPEB programs are as follows:

Primary Government Group Life Insurance Program

Governed by:	<i>Code of Virginia</i> 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions and governmental agencies by the Virginia General Assembly.
Total rate:	1.34% of covered employee compensation. Rate allocated 60/40; 0.80% employee and 0.54% employer. Employers may elect to pay all or part of the employee contribution.
June 30, 2021 Contribution	\$67,604
June 30, 2020 Contribution	\$67,263

Teacher Group Life Insurance Program

Governed by:	<i>Code of Virginia</i> 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly.
Total rate:	1.34% of covered employee compensation. Rate allocated 60/40; 0.80% employee and 0.54% employer. Employers may elect to pay all or part of the employee contribution.
June 30, 2021 Contribution	\$149,624
June 30, 2020 Contribution	\$149,673

School Board Non-professional Group Life Insurance Program

Governed by:	<i>Code of Virginia</i> 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly.
Total rate:	1.34% of covered employee compensation. Rate allocated 60/40; 0.80% employee and 0.54% employer. Employers may elect to pay all or part of the employee contribution.
June 30, 2021 Contribution	\$14,876
June 30, 2020 Contribution	\$15,243

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

Contributions- continued

Primary Government General Employee Health Insurance Credit Program

Governed by:	<i>Code of Virginia</i> 51.1-1402(E) and may be impacted as a result of funding provided to governmental agencies by the Virginia General Assembly.
Total rate:	.45% of covered employee compensation.
June 30, 2021 Contribution	\$29,691
June 30, 2020 Contribution	\$30,407

Teacher Health Insurance Credit Program

Governed by:	<i>Code of Virginia</i> 51.1-1401(E) and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly.
Total rate:	1.21% of covered employee compensation.
June 30, 2021 Contribution	\$333,130
June 30, 2020 Contribution	\$345,158

School Board Non-professional Health Insurance Credit Program

Governed by:	<i>Code of Virginia</i> 51.1-1402(E) and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly.
Total rate:	.81% of covered employee compensation.
June 30, 2021 Contribution	\$22,202
June 30, 2020 Contribution	\$-

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB

The net OPEB liabilities were measured as of June 30, 2020 and the total OPEB liabilities used to calculate the net OPEB liabilities was determined by an actuarial valuation performed as of June 30, 2019 and rolled forward to the measurement date of June 30, 2020. The covered employer's proportion of the net OPEB liabilities, except for LODA, were based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. LODA proportion was determined based on pay-as-you-go employer contributions instead of actuarially determined contributions.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB – continued

Primary Government Group Life Insurance Program

June 30, 2021 proportionate share of liability	\$1,048,863
June 30, 2020 proportion	.0629%
June 30, 2019 proportion	.0626%
June 30, 2021 expense	\$44,606

Teacher Group Life Insurance Program

June 30, 2021 proportionate share of liability	\$2,334,034
June 30, 2020 proportion	.1399%
June 30, 2019 proportion	.1443%
June 30, 2021 expense	\$79,848

School Board Non-professional Group Life Insurance Program

June 30, 2021 proportionate share of liability	\$237,642
June 30, 2020 proportion	.0142%
June 30, 2019 proportion	.0152%
June 30, 2021 expense	\$4,900

Teacher Health Insurance Credit Program

June 30, 2021 proportionate share of liability	\$4,279,988
June 30, 2020 proportion	.33%
June 30, 2019 proportion	.34%
June 30, 2021 expense	\$330,400

Since there was a change in proportionate share between measurement dates, a portion of the OPEB expense above was related to deferred amount from changes in proportion.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB – continued

Primary Government General Employee Health Insurance Credit Program

Changes in net OPEB liability of the General Employee Health Insurance Credit Program were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at June 30, 2019	\$300,655	\$50,676	\$249,979
Changes for the year:			
Service cost	5,528	-	5,528
Interest	19,425	-	19,425
Differences between expected and actual experience	(5,459)	-	(5,459)
Contributions – employer	-	30,407	(30,407)
Net investment income	-	1,179	(1,179)
Benefit payments	(25,757)	(25,757)	-
Administrative expenses	-	(105)	105
Net changes	(6,263)	5,724	(11,987)
Balances at June 30, 2020	\$294,392	\$56,400	\$237,992

In addition, for the year ended June 30, 2021, the County of Accomack recognized OPEB expense of \$19,939 related to the General Employee Health Insurance Credit Program.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB – continued

Teacher Health Insurance Credit Program

Changes in net OPEB liability of the professional Health Insurance Credit Program were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at June 30, 2019	-	-	-
Changes for the year:			
Benefit changes	303,085	-	303,085
Net changes	303,085	-	303,085
Balances at June 30, 2020	\$303,085	-	\$303,085

In addition, for the year ended June 30, 2021, the County of Accomack School Board recognized OPEB expense of \$303,085 related to the Professional Health Insurance Credit Program.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB - continued

At June 30, 2021, the County of Accomack reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

Primary Government Group Life Insurance Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$67,275	(\$9,420)
Change in assumptions	52,455	(21,901)
Net difference between projected and actual earnings on OPEB plan investments	31,507	-
Changes in proportion	15,800	-
Employer contributions subsequent to the measurement date	67,484	-
Total	\$234,521	(\$31,321)

Teacher Group Life Insurance Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$149,707	(\$20,964)
Change in assumptions	116,729	(48,736)
Net difference between projected and actual earnings on OPEB plan investments	70,112	-
Changes in proportion	18,400	(91,473)
Employer contributions subsequent to the measurement date	149,624	-
Total	\$504,572	(\$161,173)

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB - continued

School Board Non-professional Group Life Insurance Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$15,243	(\$2,135)
Change in assumptions	11,885	(4,962)
Net difference between projected and actual earnings on OPEB plan investments	7,139	-
Changes in proportion	-	(20,062)
Employer contributions subsequent to the measurement date	14,876	-
Total	\$49,143	(\$27,159)

Teacher Health Insurance Credit Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	(\$57,157)
Change in assumptions	84,609	(23,385)
Net difference between projected and actual earnings on OPEB plan investments	18,967	-
Changes in proportion	33,278	(184,576)
Employer contributions subsequent to the measurement date	333,130	-
Total	\$469,984	(\$265,118)

School Board Non-professional Health Insurance Credit Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions subsequent to the measurement date	\$519,832	-
Total	\$519,832	-

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB - continued

Primary Government General Employee Health Insurance Credit Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$5,334	(\$13,932)
Change in assumptions	4,873	(3,694)
Net difference between projected and actual earnings on OPEB plan investments	1,952	-
Changes in proportion	-	-
Employer contributions subsequent to the measurement date	29,691	-
Total	\$41,850	(\$17,626)

The deferred outflows of resources related to OPEB resulting from the County of Accomack's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

Primary Government General Employee Health Insurance Credit Program

Year Ending June 30,	Increase (Reduction) to OPEB Expense
2022	\$ (1,544)
2023	(1,425)
2024	(484)
2025	(782)
2026	(1,142)
Thereafter	(209)

Teacher Health Insurance Credit Program

Year Ending June 30,	Increase (Reduction) to OPEB Expense
2022	\$ (20,104)
2023	(18,224)
2024	(18,854)
2025	(18,894)
2026	(22,606)
Thereafter	(29,582)

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB - continued

Primary Government Group Life Insurance

Year Ending June 30,	Increase (Reduction) to OPEB Expense
2022	\$ 20,406
2023	29,304
2024	37,425
2025	37,786
2026	10,048
Thereafter	747

Teacher Government Group Life Insurance

Year Ending June 30,	Increase (Reduction) to OPEB Expense
2022	\$ 25,998
2023	45,798
2024	60,159
2025	57,582
2026	5,377
Thereafter	(1,139)

School Board Non-professional Group Life Insurance

Year Ending June 30,	Increase (Reduction) to OPEB Expense
2022	\$ (582)
2023	1,433
2024	3,273
2025	4,045
2026	(678)
Thereafter	(383)

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB - continued

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2019, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020:

Inflation	2.50%
Salary increases, including inflation:	
• Locality – general employees	3.5 – 5.35%
• Locality – hazardous duty employees	3.5 – 4.75%
• Teachers	3.5 – 5.95%
Healthcare cost trend rates:	
• Under age 65	7.00 – 4.75%
• Ages 65 and older	5.375 – 4.75%
Investment rate of return, net of expenses, including inflation*	GLI & HIC: 6.75%

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment rate for GASB purposes of slightly more than the assumed percent above. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be the percent noted above to simplify preparation of OPEB liabilities.

Mortality rates used for the various VRS OPEB plans are the same as those used for the actuarial valuations of the VRS pension plans. The mortality rates are discussed in detail in Note 21.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

Net OPEB Liabilities

The net OPEB liabilities represent each program’s total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2020, net OPEB liability amounts for the various VRS OPEB programs are as follows (amounts expressed in thousands):

	Group Life Insurance Program	Teacher Employee HIC OPEB Plan
Total OPEB liability	\$ 3,523,937	\$ 1,448,676
Plan fiduciary net position	1,855,102	144,160
Employers’ net OPEB liability (asset)	\$ 1,668,835	\$ 1,304,516
Plan fiduciary net position as a percentage of total OPEB liability	52.64%	9.95%

The total liability is calculated by the VRS actuary and each plan’s fiduciary net position is reported in the VRS financial statements. The net OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the VRS notes to the financial statements and required supplementary information.

Long-Term Expected Rate of Return

Group Life Insurance and Health Insurance Credit Programs

The long-term expected rate of return on VRS investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

Long-Term Expected Rate of Return - continued

<u>Asset Class (Strategy)</u>	<u>Target Allocation</u>	<u>Arithmetic Long-Term Expected Rate of Return</u>	<u>Weighted Average Long-Term Expected Rate of Return</u>
Public Equity	34.00 %	4.65 %	1.58 %
Fixed Income	15.00	0.46	0.07
Credit Strategies	14.00	5.38	0.75
Real Assets	14.00	5.01	0.70
Private Equity	14.00	8.34	1.17
MAPS – Multi-Asset Public Strategies	6.00	3.04	0.18
PIP – Private Investment Partnership	3.00	6.49	0.19
Total	100.00 %		<u>4.64 %</u>
Inflation		<u>2.50 %</u>	
*Expected arithmetic nominal return		<u>7.14 %</u>	

* The above allocation provides for a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2020 actuarial valuations provide a median return of 6.81%.

Discount Rate

The discount rate used to measure the GLI and HIC OPEB liabilities was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2020, the rate contributed by the employer for the OPEB liabilities will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2020 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the OPEB plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

20. OTHER POSTEMPLOYMENT BENEFITS LIABILITY – VIRGINIA RETIREMENT SYSTEM PLANS – CONTINUED

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

The following presents the net OPEB liabilities of the County of Accomack, as well as what the County's net OPEB liabilities would be if it were calculated using a discount rate that is one percentage point lower (5.75% HIC; GLI) or one percentage point higher (7.75% HIC; GLI) than the current discount rate:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
Primary Government GLI Net OPEB liability	\$ 1,378,811	\$ 1,048,863	\$ 780,914
Teacher GLI Net OPEB liability	\$ 3,068,267	\$ 2,334,034	\$ 1,737,768
School Board Non-professional GLI Net OPEB liability	\$ 312,399	\$ 237,642	\$ 176,932
Teacher HIC Net OPEB liability	\$ 4,791,001	\$ 4,279,988	\$ 3,845,665
School Board Non-professional HIC Net OPEB liability	\$ 332,893	\$ 303,085	\$ 277,243
General Employee HIC Net OPEB liability	\$ 269,337	\$ 237,992	\$ 211,206

OPEB Plan Fiduciary Net Position

Information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2020 Comprehensive Annual Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

21. DEFINED BENEFIT PENSION PLAN

Plan Description

All full-time, salaried permanent employees of the County of Accomack, (the "Political Subdivision") are automatically covered by the VRS Retirement Plan upon employment. This multi-employer agent plan is administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are available at

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

21. DEFINED BENEFIT PENSION PLAN – CONTINUED

Plan Description - continued

- <https://www.varetire.org/members/benefits/defined-benefit/plan1.asp>,
- <https://www.varetire.org/members/benefits/defined-benefit/plan2.asp>,
- <https://www.varetirement.org/hybrid.html>

Employees Covered by Benefit Terms

As of the June 30, 2019 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Number
Inactive members or their beneficiaries currently receiving benefits	208
Inactive members:	
Vested inactive members	38
Non-vested inactive members	89
LTD	-
Inactive members active elsewhere in VRS	86
Total inactive members	213
Active members	289
Total covered employees	710

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

The political subdivision’s contractually required contribution rate for the year ended June 30, 2021 was 8.41% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the political subdivision were \$1,051,661 and \$938,533 for the years ended June 30, 2021 and June 30, 2020, respectively.

Net Pension Liability

The net pension liability is calculated separately for each employer and represents that particular employer’s total pension liability determined in accordance with GASB Statement No. 68, less that employer’s fiduciary net position. For political subdivisions, the net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2019 rolled forward to the measurement date of June 30, 2020.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

21. DEFINED BENEFIT PENSION PLAN – CONTINUED

Actuarial Assumptions

The total pension liability for General Employees, Public Safety employees with Hazardous Duty Benefits, and the VRS Teacher Retirement Plan in the Political Subdivision’s Retirement Plan was based on an actuarial valuation as of June 30, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

Inflation	2.50%
General Employees – Salary increases, including inflation	3.50 – 5.35%
Public Safety Employees with hazardous duty benefits – Salary increases, including inflation	3.50 – 4.75%
Teacher Cost Sharing Plan – Salary increases, including inflation	3.50 – 5.95%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment rate for GASB purposes of slightly more than the assumed 6.75%. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 6.75% to simplify preparation of pension liabilities.

Mortality rates: General employees – 15 to 20% of deaths are assumed to be service related. Public Safety Employees – 45% to 70% of deaths are assumed to be service related. Mortality is projected using the applicable RP-2014 Mortality Table Projected to 2020 with various setbacks or set forwards for both males and females.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study are as follows:

General Employees – Largest 10 – Non-Hazardous Duty and All Others (Non 10 Largest): Update mortality table; lowered retirement rates at older ages, changed final retirement from 70 to 75; adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service; lowered disability rates, no change to salary scale, increased rate of line of duty disability from 14% to 20% (Largest 10) or 15% (All Others), and decreased discount rate from 7.00% to 6.75%.

Public Safety Employees – Largest 10 – Hazardous Duty and All Others (Non 10 Largest): Update mortality table; lowered retirement rate at older ages; adjusted rates of withdrawal and disability to better fit experience; changes to line of duty rates, no changes to salary scale, and decreased discount rate from 7.00% to 6.75%.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

21. DEFINED BENEFIT PENSION PLAN – CONTINUED

Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00 %	4.65 %	1.58 %
Fixed Income	15.00	0.46	0.07
Credit Strategies	14.00	5.38	0.75
Real Assets	14.00	5.01	0.70
Private Equity	14.00	8.34	1.17
MAPS – Multi-Asset Public Strategies	6.00	3.04	0.18
PIP – Private Investment Partnership	3.00	6.49	0.19
Total	100.00 %		<u>4.64 %</u>
	Inflation		<u>2.50 %</u>
	*Expected arithmetic nominal return		<u>7.14 %</u>

* The above allocation provides for a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2020 actuarial valuations, provide a median return of 6.81%.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

21. DEFINED BENEFIT PENSION PLAN – CONTINUED

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions, political subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2020, the alternate rate was the employer contribution rate used in the FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017 actuarial valuations, whichever is greater. From July 1, 2020 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension 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 long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at June 30, 2019	\$ 63,079,036	\$ 61,166,299	\$ 1,912,737
Changes for the year:			
Service cost	1,441,490	-	1,441,490
Interest	4,138,934	-	4,138,934
Benefit changes	-	-	-
Differences between expected and actual experience	(642,763)	-	(642,763)
Assumption changes	-	-	-
Contributions – employer	-	931,306	(931,306)
Contributions – employee	-	618,160	(618,160)
Net investment income	-	1,163,532	(1,163,532)
Benefit payments, including refunds of employee contributions	(3,522,985)	(3,522,985)	-
Refunds of employee contributions	-	-	-
Administrative expenses	-	(40,439)	40,439
Other changes	-	(1,360)	1,360
Net changes	1,414,676	(861,786)	2,266,462
Balances at June 30, 2020	\$ 64,493,712	\$ 60,304,513	\$ 4,179,199

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

21. DEFINED BENEFIT PENSION PLAN – CONTINUED

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the political subdivision using the discount rate of 6.75%, as well as what the political subdivision's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
Political subdivision's net pension liability	\$ 11,896,358	\$ 4,179,199	\$ (2,274,856)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the political subdivision recognized pension expense of \$1,945,757. At June 30, 2021, the political subdivision reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 101,920	\$ (444,379)
Change in assumptions	645,145	-
Net difference between projected and actual earnings on pension plan investments	1,793,874	-
Employer current year contributions	1,054,256	
Total	\$ 3,595,195	\$ (444,379)

The \$1,051,661 reported as deferred outflows of resources related to pensions resulting from the Political Subdivision's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

21. DEFINED BENEFIT PENSION PLAN – CONTINUED

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – continued

Year Ended June 30,	Reduction to Pension Expense
2022	\$ 461,719
2023	486,000
2024	569,405
2025	579,436
2026	-
Thereafter	-

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plans is also available in the separately issued VRS 2020 Comprehensive Annual Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

22. DEFINED BENEFIT PENSION PLAN – SCHOOL NONPROFESSIONALS

Plan Description

All full-time, salaried permanent non-professional employees (non-teachers) of the County of Accomack, (the “School division”) are automatically covered by the VRS Retirement Plan upon employment. This multi-employer agent plan is administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. The plan provisions and features of the plans, as well as all actuarial assumptions, are substantially the same as those referenced in Note 21.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

22. DEFINED BENEFIT PENSION PLAN – SCHOOL NONPROFESSIONALS - CONTINUED

Employees Covered by Benefit Terms

As of the June 30, 2019 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Number
Inactive members or their beneficiaries currently receiving benefits	94
Inactive members:	
Vested inactive members	27
Non-vested inactive members	43
LTD	-
Inactive members active elsewhere in VRS	35
Total inactive members	105
Active members	181
Total covered employees	380

Contributions

The school division's contractually required contribution rate for the year ended June 30, 2021 was 3.72% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

Contributions to the pension plan from the school division were \$101,966 and \$90,480 for the years ended June 30, 2021 and June 30, 2020, respectively.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

22. DEFINED BENEFIT PENSION PLAN – SCHOOL NONPROFESSIONALS - CONTINUED

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at June 30, 2019	\$ 13,019,854	\$ 13,736,773	\$ (716,919)
Changes for the year:			
Service cost	282,013	-	282,013
Interest	853,430	-	853,430
Benefit changes	-	-	-
Differences between expected and actual experience	5,904	-	5,904
Assumption changes	-	-	-
Contributions – employer	-	90,408	(90,408)
Contributions – employee	-	134,523	(134,523)
Net investment income	-	260,171	(260,171)
Benefit payments, including refunds of employee contributions	(752,902)	(752,902)	-
Refunds of employee contributions	-	-	-
Administrative expenses	-	(9,164)	9,164
Other changes	-	(304)	304
Net changes	388,445	(277,268)	665,713
Balances at June 30, 2020	\$ 13,408,299	\$ 13,459,505	\$ (51,206)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the school division using the discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
School division's net pension liability	\$ 1,330,234	\$ (51,206)	\$ (1,227,012)

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

22. DEFINED BENEFIT PENSION PLAN – SCHOOL NONPROFESSIONALS - CONTINUED

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the school division recognized pension expense of \$333,072. At June 30, 2021, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,530	\$ -
Change in assumptions	85,617	-
Net difference between projected and actual earnings on pension plan investments	403,483	-
Employer contributions subsequent to the measurement date	90,408	-
Total	\$ 590,038	\$ -

The \$90,408 reported as deferred outflows of resources related to pensions resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Reduction to Pension Expense
2022	\$ 102,625
2023	128,897
2024	138,322
2025	129,786
2026	-
Thereafter	-

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plans is also available in the separately issued VRS 2020 Comprehensive Annual Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

23. DEFINED BENEFIT PENSION PLAN – TEACHER COST SHARING PLAN

General Information about the Teacher Cost Sharing Plan

Plan Description

All full-time, salaried permanent (professional) employees of Virginia public school divisions, including County of Accomack, (the “School Division”), are automatically covered by the VRS Teacher Retirement Plan upon employment. This multiple employer, cost sharing plan is administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employers pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees in the VRS Teacher Retirement Plan – Plan 1, Plan 2, and Hybrid. The provisions and features of the plans, as well as all actuarial assumptions, are substantially the same as those referenced in Note 21.

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Each school division’s contractually required contribution rate for the year ended June 30, 2021 was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the school division were \$4,575,716 and \$4,363,784 for the years ended June 30, 2021 and June 30, 2020, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the school division reported a liability of \$47,790,825 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2020 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020. The school division’s proportion of the Net Pension Liability was based on the school division’s actuarially determined employer contributions to the pension plan for the year ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the school division’s proportion was .32840% as compared to .33688% at June 30, 2019.

For the year ended June 30, 2021, the school division recognized pension expense of \$4,863,470. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

23. DEFINED BENEFIT PENSION PLAN – TEACHER COST SHARING PLAN - CONTINUED

General Information about the Teacher Cost Sharing Plan – continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - continued

At June 30, 2021, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,801,278
Change in assumptions	3,262,323	-
Net difference between projected and actual earnings on pension plan investments	3,635,021	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	222,410	1,660,524
Employer current year contributions	4,363,784	-
Total	\$ 11,483,538	\$ 4,461,802

The \$4,363,784 reported as deferred outflows of resources related to pensions resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Reduction to Pension Expense
2022	\$ (318,412)
2023	925,973
2024	1,215,815
2025	937,051
2026	(102,475)
Thereafter	-

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

23. DEFINED BENEFIT PENSION PLAN – TEACHER COST SHARING PLAN - CONTINUED

General Information about the Teacher Cost Sharing Plan – continued

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2020, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	<u>Teacher Employee Retirement Plan</u>
Total Pension Liability	\$ 51,001,855
Plan Fiduciary Net Position	<u>36,449,229</u>
Employers' Net Pension Liability (Asset)	<u>\$ 14,552,626</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.47%

The total pension liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net pension liability is disclosed in accordance with the requirements of GASB Statement No. 67 in the System's notes to the financial statements and required supplementary information.

Sensitivity of the School Division's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the school division's proportionate share of the net pension liability of the school division using the discount rate of 6.75%, as well as what the school division's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
School division's proportionate share of the VRS Teacher Employee Retirement plan net pension liability	\$ 70,119,873	\$ 47,790,825	\$ 29,321,879

Pension Plan Fiduciary Net Position

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2020 Comprehensive Annual Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

24. SUMMARY OF PENSION AND OTHER POSTEMPLOYMENT BENEFITS ELEMENTS

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Primary Government</u>	<u>Component Unit, School Board</u>
Deferred outflows of resources – pensions				
VRS, County	\$ 3,431,271	\$ 163,924	\$ 3,595,195	\$ -
VRS, Teacher	-	-	-	11,483,538
VRS, School Board Non- professional	-	-	-	590,038
Total deferred outflows of resources – pensions	<u>\$ 3,431,271</u>	<u>\$ 163,924</u>	<u>\$ 3,595,195</u>	<u>\$ 12,073,576</u>
Deferred outflows of resources – OPEB				
Local Plan	\$ 103,127	\$ 4,927	\$ 108,054	\$ 452,826
VRS, County GLI	223,941	10,699	234,640	-
VRS, County HIC	39,828	1,903	41,731	-
VRS, Teacher GLI	-	-	-	504,572
VRS, Non-professional GLI	-	-	-	49,143
VRS, Teacher HIC	-	-	-	469,984
VRS, Non-professional HIC	-	-	-	22,202
Total deferred outflows of resources – OPEB	<u>\$ 366,896</u>	<u>\$ 17,529</u>	<u>\$ 384,425</u>	<u>\$ 1,498,727</u>
Net pension asset				
VRS	\$ -	\$ -	\$ -	\$ 51,206
Total net pension asset	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,206</u>
Net pension liability				
VRS	\$ 3,988,648	\$ 190,551	\$ 4,179,199	\$ 47,790,825
Total net pension liability	<u>\$ 3,988,648</u>	<u>\$ 190,551</u>	<u>\$ 4,179,199</u>	<u>\$ 47,790,825</u>
Net OPEB liability				
Local Plan	\$ 1,021,135	\$ 48,788	\$ 1,069,923	2,587,212
VRS, County GLI	1,001,035	47,828	1,048,863	-
VRS, County HIC	227,140	10,852	237,992	-
VRS, Non-professional GLI	-	-	-	237,642
VRS, Teacher GLI	-	-	-	2,334,034
VRS, Teacher HIC	-	-	-	4,279,988
VRS, Non-professional HIC	-	-	-	303,085
Total net OPEB liability	<u>\$ 2,249,310</u>	<u>\$ 107,468</u>	<u>\$ 2,356,778</u>	<u>\$ 9,741,961</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

24. SUMMARY OF PENSION AND OTHER POSTEMPLOYMENT BENEFITS ELEMENTS - CONTINUED

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Primary Government</u>	<u>Component Unit, School Board</u>
Deferred inflows of resources – pensions				
VRS	\$ 424,117	\$ 20,262	\$ 444,379	\$4,461,802
Total deferred inflows of resources – pensions	<u>\$ 424,117</u>	<u>\$ 20,262</u>	<u>\$ 444,379</u>	<u>\$ 4,461,802</u>
Deferred inflows of resources – OPEB				
Local Plan	\$ 698,888	\$ 33,392	\$ 732,280	682,546
VRS, County GLI	29,893	1,428	31,321	-
VRS, County HIC	16,822	804	17,626	-
VRS, Teacher GLI	-	-	-	161,173
VRS, Non-professional GLI	-	-	-	27,159
VRS, Teacher HIC	-	-	-	265,118
VRS, Non-professional HIC	-	-	-	-
Total deferred inflow of resources – OPEB	<u>\$ 745,603</u>	<u>\$ 35,624</u>	<u>\$ 781,227</u>	<u>\$ 1,135,996</u>

25. SUMMARY OF PENSION AND OTHER POSTEMPLOYMENT BENEFIT EXPENSES/EXPENDITURES

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Primary Government</u>	<u>Component Unit, School Board</u>
Pension expense				
VRS, County	\$ 1,908,457	\$ 37,300	\$ 1,945,757	\$ -
VRS, Teacher	-	-	-	4,863,470
VRS, Non-professional	-	-	-	333,072
Total pension expense	<u>\$ 1,908,457</u>	<u>\$ 37,300</u>	<u>\$ 1,945,757</u>	<u>\$ 5,196,542</u>
OPEB expense				
Local Plan	\$ 16,970	\$ 4,747	\$ 21,717	\$ 165,906
VRS, County GLI	42,578	2,028	44,606	-
VRS, County HIC	19,030	909	19,939	-
VRS, Teacher GLI	-	-	-	79,848
VRS, Non-professional GLI	-	-	-	4,900
VRS, Teacher HIC	-	-	-	330,400
VRS, Non-professional HIC	-	-	-	303,085
Total OPEB expense	<u>\$ 78,578</u>	<u>\$ 7,684</u>	<u>\$ 86,262</u>	<u>\$ 884,139</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

26. TERMINATION BENEFIT – SCHOOL BOARD EARLY RETIREMENT OPTION PROGRAM

The School Board established an Early Retirement Program in which eligible employees electing early retirement will be eligible to earn an annual supplement not to exceed 10% of his/her contracted salary earned during their last year of full-time employment with the School Division. An employee must work at least 10 days during the contract year in order to receive the 10% supplement. Employees electing early retirement may continue in the program until the earlier of (1) the death of the retired employee, or (2) participation by the retirement employee for seven years in the Early Retirement Option Program after retirement.

Any full-time employee of the School Board is eligible to retire under the Early Retirement Option Program at any time after age 50, provided (1) he/she is a professional employee and has completed 30 years of service with the last 15 consecutive years being in the Accomack County Public School System or he/she is a classified employee (teaching assistant, cafeteria worker, cafeteria manager, clerical staff, building or bus maintenance worker, or custodian) and has completed a minimum of the last 15 consecutive full-time years with the Accomack County Public School System (2) he/she has reached age 50 prior to September 1st of the year electing this option. Program participation ends the September 1st following a maximum of seven years of participation in the program.

The value of the supplement paid to the retiree exceeds the fair value of the services rendered by the retiree. The liability for the this termination benefit is calculated by taking the difference of the supplement received and the fair value of services rendered and multiplied by years remaining in the program. As of June 30, 2021, there were 19 employees enrolled in the Early Retirement Option Program with balances that are recognized in the financial statements. The liability recognized in the financial statements as of June 30, 2021 was \$65,769 for the program.

27. ACCOUNTING CHANGE AND RESTATEMENT

In fiscal year 2021, the County adopted GASB Statement No. 84, Fiduciary Activities. This statement established criteria for identifying fiduciary activities of all state and local governments. The criteria focused generally on whether a government controlled the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship existed. The statement described the following four fiduciary funds, which should be reported if applicable: pension and other employee benefit trust funds, investment trust funds, private-purpose trust funds, and custodial funds.

Adoption of GASB Statement No. 84 resulted in the School Division reporting a special revenue fund in its governmental funds' statements for the School Activity Fund (Activity Fund) and including the Activity Fund in its governmental activities. The Activity Fund accounts for all funds received from extracurricular school activities, such as entertainment, athletic contests, club dues, etc., and from school-sponsored activities of the School Division that involve school personnel, students, or property. This change required a restatement of the component units' beginning net position.

The following is a summary of the restatement of the component units' beginning net position resulting from the adoption of GASB Statement No. 84:

	Schools <u>Component Unit</u>
Net position, beginning, as reported previously	\$ (5,389,322)
Recognition of Activity Fund in accordance with GASB Statement number 84	<u>805,854</u>
Net position, beginning, as restated	\$ <u>(4,583,468)</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2021

27. ACCOUNTING CHANGE AND RESTATEMENT - CONTINUED

Adoption of GASB Statement No. 84 resulted in the County reporting a special revenue fund in its governmental funds' statements for the Sheriff Commissary and including the Activity Fund in its governmental activities. The Activity Fund is a pre-paid account that allows prisoners to purchase food and pay for phone calls. This change required a restatement of the beginning net position.

The following is a summary of the restatement of the primary governments' beginning net position resulting from the adoption of GASB Statement No. 84:

	<u>Primary Government</u>
Net position, beginning, as reported previously	\$ 46,150,988
Recognition of Inmates Activity Fund in accordance with GASB Statement number 84	<u>28,456</u>
Net position, beginning, as restated	\$ <u>46,179,444</u>

28. COVID-19 UNCERTAINTY

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus (the "COVID-19 outbreak") and the risks to the international community as the virus spread globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The County's operations are heavily dependent on the ability to raise taxes, assess fees, and access the capital markets. Additionally, access to grants and contracts from federal and state governments may decrease or may not be available depending on appropriations. The COVID-19 outbreak will have a continued material adverse impact on economic and market conditions, triggering a period of global economic slowdown. This situation could potentially depress the tax bases and other areas in which the County receives revenue in future years. As such, the County's financial condition and liquidity could be negatively impacted for the fiscal year 2022.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude the pandemic will have on the County's financial condition, liquidity, and future results of operations. Management is actively monitoring the impact of the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the County is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2022.

Required Supplementary Information (Other than Management Discussion & Analysis)

Notes to Required Supplementary Information:

1. Presented budgets were prepared in accordance with accounting principles generally accepted in the United States of America.
2. Pension Related Information Notes:
 - a. Changes of benefit terms – There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.
 - b. Changes of assumptions – The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

All Others (Non 10 Largest) – Non-Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Discount Rate	Decreased rate from 7% to 6.75%

Required Supplementary Information

(Other than Management Discussion & Analysis)

(Continued)

Notes to Required Supplementary Information: (Continued)

2. Pension Related Information Notes: (Continued)

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates and lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better fit experience
Salary Scale	No change
Discount Rate	Decreased rate from 7% to 6.75%

Component Unit School Board - Professional Employees:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Discount Rate	Decreased rate from 7% to 6.75%

Required Supplementary Information (Other than Management Discussion & Analysis) (Continued)

Notes to Required Supplementary Information: (Continued)

3. Health Insurance OPEB Related Information Notes:

County:

Valuation Date: 06/30/2020

Measurement Date: 06/30/2021

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal level % of salary
Amortization Method/Period	Level % of salary, 30 years
Asset Valuation Method	Fair market value of assets
Inflation	2.5%
Salary Increases	0%
Medical Trend Rate	5.5% initially, grading down to 4.25% ultimate
Discount Rate	6.92%
Investment Rate of Return	7.00%
Retirement Age	The average age at retirement is 62
Mortality Rates	The mortality rates for active and healthy retirees was calculated using the RP-2014 tables, fully generational, projected using two-dimensional mortality improvement scale MP-2016.

School Board:

Valuation Date: 06/30/2020

Measurement Date: 06/30/2021

No assets are accumulated in a trust that meets the criteria in GASB 75 to pay related benefits.

Methods and assumptions used to determine OPEB liability:

Actuarial Cost Method	Entry age normal level % of salary
Discount Rate	1.92%
Inflation	2.75%
Healthcare Trend Rate	6.00% initially, grading down to 4.50% ultimate
Salary Increases	2.50%
Medical Trend Rate	6.50% initially, grading down to 4.50% ultimate
Retirement Age	The average age at retirement is 62
Mortality Rates	The mortality rates was calculated using the PUBT2010 Headcount tables for males and females, fully generational, projected using scale SSA2020.

Required Supplementary Information (Other than Management Discussion & Analysis) (Continued)

Notes to Required Supplementary Information: (Continued)

4. County Health Insurance Credit Plan Related Information Notes:

- a. Changes of benefit terms – There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.
- b. Changes of assumptions – The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Non-Largest 10 Locality Employers - General Employees:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14% to 15%
Discount Rate	Decreased rate from 7% to 6.75%

Required Supplementary Information (Other than Management Discussion & Analysis) (Continued)

Notes to Required Supplementary Information: (Continued)

4. County Health Insurance Credit Plan Related Information Notes: (Continued)

Non-Largest Ten Locality Employers - Hazardous Duty Employees:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates and lowered rates at older ages
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60% to 45%
Discount Rate	Decreased rate from 7% to 6.75%

5. Teacher Health Insurance Credit Plan Related Information Notes:

- a. Changes of benefit terms – There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.
- b. Changes of assumptions – The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Discount Rate	Decreased rate from 7% to 6.75%

Required Supplementary Information (Other than Management Discussion & Analysis) (Continued)

Notes to Required Supplementary Information: (Continued)

6. Group Life Insurance Plan Related Information Notes:

- a. Changes of benefit terms – There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.
- b. Changes of assumptions – The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Teachers:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Discount Rate	Decreased rate from 7% to 6.75%

Non-Largest 10 Locality Employers - General Employees:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14% to 15%
Discount Rate	Decreased rate from 7% to 6.75%

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
PRIMARY GOVERNMENT
FOR THE MEASUREMENT DATES OF JUNE 30, 2014 THROUGH JUNE 30, 2020

Exhibit 12

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total pension liability							
Service Cost	\$ 1,133,269	\$ 1,164,856	\$ 1,230,959	\$ 1,298,423	\$ 1,247,409	\$ 1,268,964	\$ 1,441,490
Interest	3,205,991	3,381,633	3,558,288	3,833,911	3,871,332	4,032,880	4,138,934
Changes of benefit terms	-	3,676	1,369,301	-	-	-	-
Differences between expected and actual experience	-	57,300	134,701	(1,318,152)	537,387	161,557	(642,763)
Changes in assumptions	-	-	-	(417,284)	-	1,720,389	-
Benefit payments, including refunds of employee contributions:	(1,741,471)	(1,918,709)	(2,248,923)	(2,462,632)	(3,261,983)	(3,434,638)	(3,522,985)
Net change in total pension liability	<u>2,597,789</u>	<u>2,688,756</u>	<u>4,044,326</u>	<u>934,266</u>	<u>2,394,145</u>	<u>3,749,152</u>	<u>1,414,676</u>
Total pension liability - beginning	<u>46,670,602</u>	<u>49,268,391</u>	<u>51,957,147</u>	<u>56,001,473</u>	<u>56,935,739</u>	<u>59,329,884</u>	<u>63,079,036</u>
Total pension liability - ending (a)	<u>\$ 49,268,391</u>	<u>\$ 51,957,147</u>	<u>\$ 56,001,473</u>	<u>\$ 56,935,739</u>	<u>\$ 59,329,884</u>	<u>\$ 63,079,036</u>	<u>\$ 64,493,712</u>
Plan fiduciary net position							
Contributions - employer	\$ 912,155	\$ 918,486	\$ 1,071,751	\$ 896,974	\$ 915,071	\$ 897,263	\$ 931,306
Contributions - employee	538,436	543,528	560,988	575,555	587,929	696,872	618,160
Net investment income	6,800,749	2,272,415	894,070	6,254,600	4,164,022	3,887,497	1,163,532
Benefit payments, including refunds of employee contributions:	(1,741,471)	(1,918,709)	(2,248,923)	(2,462,632)	(3,261,983)	(3,434,638)	(3,522,985)
Administrative expense	(36,498)	(31,130)	(31,994)	(36,392)	(36,658)	(39,414)	(40,439)
Other	358	(479)	(379)	(5,551)	(3,672)	(2,442)	(1,360)
Net change in plan fiduciary net position	<u>6,473,729</u>	<u>1,784,111</u>	<u>245,513</u>	<u>5,222,554</u>	<u>2,364,709</u>	<u>2,005,138</u>	<u>(851,786)</u>
Plan fiduciary net position - beginning	<u>43,070,545</u>	<u>49,544,274</u>	<u>51,328,385</u>	<u>51,573,898</u>	<u>56,796,452</u>	<u>59,161,161</u>	<u>61,166,299</u>
Plan fiduciary net position - ending (b)	<u>\$ 49,544,274</u>	<u>\$ 51,328,385</u>	<u>\$ 51,573,898</u>	<u>\$ 56,796,452</u>	<u>\$ 59,161,161</u>	<u>\$ 61,166,299</u>	<u>\$ 60,314,513</u>
County's net pension liability (asset) - ending (a) - (b)	\$ (275,883)	\$ 628,762	\$ 4,427,575	\$ 139,287	\$ 168,723	\$ 1,912,737	\$ 4,179,199
Plan fiduciary net position as a percentage of the total pension liability (asset)	100.56%	98.79%	92.09%	99.76%	99.72%	96.97%	93.52%
Covered payroll	\$ 10,773,964	\$ 10,896,299	\$ 11,022,754	\$ 11,301,324	\$ 11,682,982	\$ 12,252,470	\$ 12,908,703
County's net pension liability as a percentage of covered payroll	-2.56%	5.77%	40.17%	1.23%	1.44%	15.61%	32.38%

This schedule is intended to show information for ten years. However, information prior to the 2014 valuation is not available. Additional years will be included as they become available.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
COMPONENT UNIT SCHOOL BOARD (NONPROFESSIONAL)
FOR THE MEASUREMENT DATES OF JUNE 30, 2014 THROUGH JUNE 30, 2020

Exhibit 13

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total pension liability							
Service Cost	\$ 317,109	\$ 295,580	\$ 296,936	\$ 269,197	\$ 289,593	\$ 268,105	\$ 282,013
Interest	730,383	770,263	778,450	798,537	804,276	832,871	853,430
Differences between expected and actual experience	-	(433,562)	(272,255)	(402,077)	(87,901)	25,602	5,904
Changes in assumptions	-	-	-	(55,425)	-	320,187	-
Benefit payments, including refunds of employee contributions	(445,583)	(509,990)	(520,646)	(511,696)	(544,817)	(650,123)	(752,902)
Net change in total pension liability	601,909	122,291	282,485	98,536	461,151	796,642	388,445
Total pension liability - beginning	10,656,840	11,258,749	11,381,040	11,663,525	11,762,061	12,223,212	13,019,854
Total pension liability - ending (a)	<u>\$ 11,258,749</u>	<u>\$ 11,381,040</u>	<u>\$ 11,663,525</u>	<u>\$ 11,762,061</u>	<u>\$ 12,223,212</u>	<u>\$ 13,019,854</u>	<u>\$ 13,408,299</u>
Plan fiduciary net position							
Contributions - employer	\$ 266,876	\$ 217,678	\$ 219,731	\$ 116,380	\$ 110,918	\$ 95,195	\$ 90,408
Contributions - employee	149,754	145,565	145,477	141,852	138,361	137,777	134,523
Net investment income	1,525,205	507,774	199,764	1,395,490	930,335	872,720	260,171
Benefit payments, including refunds of employee contributions	(445,583)	(509,990)	(520,646)	(511,696)	(544,817)	(650,123)	(752,902)
Administrative expense	(8,164)	(7,000)	(7,162)	(8,145)	(8,121)	(8,872)	(9,164)
Other	81	(108)	(85)	(1,238)	(825)	(548)	(304)
Net change in plan fiduciary net position	1,488,169	353,919	37,079	1,132,643	625,851	446,149	(277,268)
Plan fiduciary net position - beginning	9,652,963	11,141,132	11,495,051	11,532,130	12,664,773	13,290,624	13,736,773
Plan fiduciary net position - ending (b)	<u>\$ 11,141,132</u>	<u>\$ 11,495,051</u>	<u>\$ 11,532,130</u>	<u>\$ 12,664,773</u>	<u>\$ 13,290,624</u>	<u>\$ 13,736,773</u>	<u>\$ 13,459,505</u>
School Board Component Unit's net pension liability (asset) - ending (a) - (b)	\$ 117,617	\$ (114,011)	\$ 131,395	\$ (902,712)	\$ (1,067,412)	\$ (716,919)	\$ (51,206)
Plan fiduciary net position as a percentage of the total pension liability (asset)	98.96%	101.00%	98.87%	107.67%	108.73%	105.51%	100.38%
Covered payroll	\$ 2,985,035	\$ 2,953,111	\$ 2,867,655	\$ 2,952,275	\$ 2,962,415	\$ 2,959,628	\$ 2,922,208
School Board Component Unit's net pension liability (asset) as a percentage of covered payroll	3.94%	-3.86%	4.58%	-30.58%	-36.03%	-24.22%	-1.75%

This schedule is intended to show information for ten years. However, information prior to the 2014 valuation is not available. Additional years will be included as they become available.

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSION PLANS
FOR THE YEARS ENDED JUNE 30, 2012 THROUGH JUNE 30, 2021**

Exhibit 14

<u>Date</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
Primary Government:					
2021	\$ 1,054,256	\$ 1,054,256	\$ -	\$ 12,504,886	8.43%
2020	938,533	938,533	-	12,908,703	7.27%
2019	897,129	897,129	-	12,252,470	7.32%
2018	915,072	915,072	-	11,682,982	7.83%
2017	912,017	912,017	-	11,301,324	8.07%
2016	1,111,094	1,111,094	-	11,022,754	10.08%
2015	922,916	922,916	-	10,896,299	8.47%
2014	912,555	912,555	-	10,773,964	8.47%
2013	866,920	866,920	-	10,235,185	8.47%
2012	415,570	415,570	-	9,664,418	4.30%
Component Unit School Board (nonprofessional):					
2021	\$ 90,408	\$ 90,408	\$ -	\$ 2,741,026	3.30%
2020	90,480	90,480	-	2,922,208	3.10%
2019	94,785	94,785	-	2,959,628	3.20%
2018	111,026	111,026	-	2,962,415	3.75%
2017	123,405	123,405	-	2,952,275	4.18%
2016	212,780	212,780	-	2,867,655	7.42%
2015	219,121	219,121	-	2,953,111	7.42%
2014	265,967	265,967	-	2,985,035	8.91%
2013	269,665	269,665	-	3,026,538	8.91%
2012	226,208	226,208	-	2,960,840	7.64%
Component Unit School Board (professional):					
2021	\$ 4,363,784	\$ 4,363,784	\$ -	\$ 27,531,386	15.85%
2020	4,363,784	4,363,784	-	28,763,204	15.17%
2019	4,317,242	4,317,242	-	28,232,714	15.29%
2018	4,503,835	4,503,835	-	28,050,143	16.06%
2017	3,778,447	3,778,447	-	25,773,854	14.66%
2016	3,658,456	3,658,456	-	26,020,312	14.06%
2015	3,734,610	3,734,610	-	25,755,930	14.50%

The School Board Professional Schedule is intended to show information for ten years. However, information prior to 2015 is not available. Additional years will be included as they become available.

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY VRS TEACHER RETIREMENT PLAN
COMPONENT UNIT SCHOOL BOARD
FOR THE MEASUREMENT DATES OF JUNE 30, 2014 THROUGH JUNE 30, 2020**

Exhibit 15

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Employer's Proportion of the Net Pension Liability (Asset)	0.35461%	0.34623%	0.34113%	0.34367%	0.34568%	0.33688%	0.32840%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 42,854,000	\$ 43,578,000	\$ 47,806,000	\$ 42,264,000	\$ 40,652,000	\$ 44,335,323	\$ 47,790,825
Employer's Covered Payroll	\$ 25,913,927	\$ 25,755,930	\$ 26,020,312	\$ 25,773,854	\$ 28,050,143	\$ 28,232,714	\$ 28,763,204
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	60.47%	59.10%	54.43%	60.98%	69.00%	63.68%	60.19%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.88%	70.68%	68.28%	72.92%	74.81%	73.51%	71.47%

This schedule is intended to show information for ten years. However, information prior to 2014 is not available. Additional years will be included as they become available.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
PRIMARY GOVERNMENT
FOR THE MEASUREMENT DATES OF JUNE 30, 2017 THROUGH JUNE 30, 2021

Exhibit 16

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total OPEB liability					
Service Cost	\$ 115,033	\$ 118,484	\$ 20,186	\$ 16,296	\$ 16,785
Interest	72,863	78,474	107,064	119,921	125,843
Differences between expected and actual experience	-	180,090	-	-	(258,054)
Changes in assumptions	-	(361,325)	(225,408)	(28,772)	(48,756)
Benefit payments	(50,793)	(86,085)	(77,051)	(63,071)	(63,640)
Net change in total OPEB liability	<u>137,103</u>	<u>(70,362)</u>	<u>(175,209)</u>	<u>44,374</u>	<u>(227,822)</u>
Total OPEB liability - beginning	1,937,435	2,074,538	2,004,176	1,828,967	1,873,341
Total OPEB liability - ending (a)	<u>\$ 2,074,538</u>	<u>\$ 2,004,176</u>	<u>\$ 1,828,967</u>	<u>\$ 1,873,341</u>	<u>\$ 1,645,519</u>
Plan fiduciary net position					
Contributions - employer	\$ 44,552	\$ 138,543	\$ 131,847	\$ 121,561	\$ 125,814
Net investment income	19,008	21,638	12,294	11,434	120,765
Benefit payments	-	(86,085)	(77,051)	(63,071)	(63,640)
Administrative expense	(500)	(1,008)	(1,002)	(500)	(500)
Net change in plan fiduciary net position	<u>63,060</u>	<u>73,088</u>	<u>66,088</u>	<u>69,424</u>	<u>182,439</u>
Plan fiduciary net position - beginning	121,495	184,555	257,643	323,731	393,155
Plan fiduciary net position - ending (b)	<u>\$ 184,555</u>	<u>\$ 257,643</u>	<u>\$ 323,731</u>	<u>\$ 393,155</u>	<u>\$ 575,594</u>
County's net OPEB liability (asset) - ending (a) - (b)	\$ 1,889,983	\$ 1,746,533	\$ 1,505,236	\$ 1,480,186	\$ 1,069,925
Plan fiduciary net position as a percentage of the total OPEB liability	8.90%	12.86%	17.70%	20.99%	34.98%
Covered payroll	\$ 11,036,000	\$ 12,139,885	\$ 12,515,330	\$ 13,025,827	\$ 13,039,941
County's net pension liability as a percentage of covered payroll	17.13%	14.39%	12.03%	11.36%	8.20%

This schedule is intended to show information for ten years. However, information prior to 2017 is not available. Additional years will be included as they become available.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
SCHOOL BOARD
FOR THE MEASUREMENT DATES OF JUNE 30, 2017 THROUGH JUNE 30, 2021

Exhibit 17

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total OPEB liability					
Service Cost	\$ 157,700	\$ 161,643	\$ 89,708	\$ 105,487	\$ 108,124
Interest	97,588	100,171	92,588	87,371	75,672
Differences between expected and actual experience	(68,188)	(114,333)	-	-	(661,445)
Changes in assumptions	-	90,678	132,169	201,558	136,675
Benefit payments	(124,000)	(128,960)	(97,520)	(95,398)	(104,076)
Net change in total OPEB liability	63,100	109,199	216,945	299,018	(445,050)
Total OPEB liability - beginning	2,344,000	2,407,100	2,516,299	2,733,244	3,032,262
Total OPEB liability - ending (a)	<u>\$ 2,407,100</u>	<u>\$ 2,516,299</u>	<u>\$ 2,733,244</u>	<u>\$ 3,032,262</u>	<u>\$ 2,587,212</u>
Covered payroll	\$ 28,842,000	\$ 30,556,723	\$ 34,238,439	\$ 31,025,337	\$ 31,114,584
School Board's Total liability as a percentage of covered payroll	8.35%	8.23%	7.98%	9.77%	8.32%

This schedule is intended to show information for ten years. However, information prior to 2017 is not available. Additional years will be included as they become available.

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PRIMARY GOVERNMENT - PENSION PLANS
FOR THE YEARS ENDED JUNE 30, 2017 THROUGH JUNE 30, 2021**

Exhibit 18

Date	Actuarially Determined Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
2021	\$ 100,318	\$ 125,814	\$ (25,496)	\$ 13,039,941	0.96%
2020	133,435	121,561	11,874	13,025,827	0.93%
2019	132,829	131,847	982	12,515,330	1.05%
2018	133,000	138,543	(5,543)	12,139,885	1.14%
2017	126,000	97,000	29,000	11,036,000	0.88%

This schedule is intended to show information for ten years. However, information prior to 2017 is not available. Additional years will be included as they become available.

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF INVESTMENT RETURNS
PRIMARY GOVERNMENT - PENSION PLANS
FOR THE YEARS ENDED JUNE 30, 2017 THROUGH JUNE 30, 2021**

Exhibit 19

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Annual money-weighted rate of return, net of investment expense	12.33%	9.42%	4.03%	3.05%	29.15%

This schedule is intended to show information for ten years. However, information prior to 2017 is not available. Additional years will be included as they become available.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF CHANGES IN THE COUNTY'S NET OPEB LIABILITY AND RELATED RATIOS
HEALTH INSURANCE CREDIT PROGRAM (HIC)
FOR THE MEASUREMENT DATES OF JUNE 30, 2017 THROUGH JUNE 30, 2020

Exhibit 20

County:	2017	2018	2019	2020
Total HIC OPEB Liability				
Service cost	\$ 5,809	\$ 5,490	\$ 5,193	\$ 5,528
Interest	18,930	19,041	20,339	19,425
Differences between expected and actual experience	-	10,002	(13,746)	(5,459)
Changes in assumptions	(9,898)	-	7,167	-
Benefit payments	(12,257)	(14,277)	(17,701)	(25,757)
Net change in total HIC OPEB liability	2,584	20,256	1,252	(6,263)
Total HIC OPEB Liability - beginning	276,563	279,147	299,403	300,655
Total HIC OPEB Liability - ending (a)	279,147	299,403	300,655	294,392
Plan fiduciary net position				
Contributions - employer	26,474	27,514	28,789	30,407
Net investment income	1,503	1,889	2,959	1,179
Benefit payments	(12,257)	(14,277)	(17,701)	(25,757)
Administrative expense	(47)	(57)	(66)	(105)
Other	32	(32)	(3)	-
Net change in plan fiduciary net position	15,705	15,037	13,978	5,724
Plan fiduciary net position - beginning	5,956	21,661	36,698	50,676
Plan fiduciary net position - ending (b)	21,661	36,698	50,676	56,400
County's net HIC OPEB liability - ending (a) - (b)	\$ 257,486	\$ 262,705	\$ 249,979	\$ 237,992
Plan fiduciary net position as a percentage of the total HIC OPEB liability	7.76%	12.26%	16.86%	19.16%
Covered payroll	\$ 5,883,020	\$ 6,114,233	\$ 6,395,752	\$ 6,757,058
County's net HIC OPEB liability as a percentage of covered payroll	4.38%	4.30%	3.91%	3.52%
School Board (Non-professional):				
Total HIC OPEB Liability				
Changes of benefit terms				\$ 303,085
Net change in total HIC OPEB liability				303,085
Total HIC OPEB Liability - beginning				-
Total HIC OPEB Liability - ending (a)				303,085
Plan fiduciary net position - beginning				-
Plan fiduciary net position - ending (b)				-
School's net HIC OPEB liability - ending (a) - (b)				\$ 303,085

Schedule is intended to show information for ten years. However, information prior to 2017 for the County and 2020 for the School Board is not available. Additional years will be included as they become available.

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
HEALTH INSURANCE CREDIT PROGRAM (HIC)
FOR THE YEARS ENDED JUNE 30, 2015 THROUGH JUNE 30, 2021**

Exhibit 21

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
County:					
2021	\$ 29,691	\$ 29,691	\$ -	\$ 6,598,021	0.45%
2020	30,407	30,407	-	6,757,058	0.45%
2019	28,781	28,789	(8)	6,395,752	0.45%
2018	27,514	27,514	-	6,114,233	0.45%
2017	26,474	26,474	-	5,883,020	0.45%
2016	12,996	12,996	-	5,415,024	0.24%
2015	12,836	12,836	-	5,348,274	0.24%

Schedule is intended to show information for ten years. However, information prior to 2015 is not available. Additional years will be included as they become available.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF ACCOMACK COUNTY SCHOOL BOARD'S SHARE OF NET OPEB LIABILITY
TEACHER EMPLOYEE HEALTH INSURANCE CREDIT PROGRAM (HIC)
FOR THE MEASUREMENT DATES OF JUNE 30, 2017 THROUGH JUNE 30, 2020

Exhibit 22

Date (1)	Employer's Proportion of the Net HIC OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net HIC OPEB Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net HIC OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total HIC OPEB Liability (6)
2020	0.33%	\$ 4,279,988	\$ 28,763,204	14.88%	9.95%
2019	0.34%	4,406,422	28,232,714	15.61%	8.97%
2018	0.35%	4,394,000	27,986,765	15.70%	8.08%
2017	0.34%	4,366,000	27,163,246	16.07%	7.04%

Schedule is intended to show information for ten years. However, information prior to the 2017 valuation is not available. Additional years will be included as they become available.

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
SCHOOL BOARD'S EMPLOYEE HEALTH INSURANCE CREDIT PROGRAM (HIC)
FOR THE YEARS ENDED JUNE 30, 2012 THROUGH JUNE 30, 2021**

Exhibit 23

<u>Date</u>	<u>Contractually Required Contribution (1)</u>	<u>Contributions in Relation to Contractually Required Contribution (2)</u>	<u>Contribution Deficiency (Excess) (3)</u>	<u>Employer's Covered Payroll (4)</u>	<u>Contributions as a % of Covered Payroll (5)</u>
School Board (Nonprofessional):					
2021	\$ 22,202	\$ 22,202	-	\$ 2,741,026	0.81%
School Board (Professional):					
2021	\$ 333,130	\$ 333,130	-	\$ 27,531,386	1.21%
2020	345,158	345,158	-	28,763,204	1.20%
2019	338,793	338,793	-	28,232,714	1.20%
2018	344,237	344,237	-	27,986,765	1.23%
2017	301,512	301,512	-	27,163,246	1.11%
2016	275,703	275,703	-	26,009,740	1.06%
2015	272,867	272,867	-	25,742,149	1.06%
2014	287,854	287,854	-	25,932,800	1.11%
2013	275,371	275,371	-	24,808,159	1.11%
2012	144,954	144,954	-	24,159,045	0.60%

The School Board Nonprofessional Schedule is intended to show information for ten years. However, information prior to 2021 is not available. Additional years will be included as they become available.

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF COUNTY AND SCHOOL BOARD'S SHARE OF NET OPEB LIABILITY
GROUP LIFE INSURANCE PROGRAM
FOR THE YEAR ENDED JUNE 30, 2020**

Exhibit 24

Date (1)	Employer's Proportion of the Net GLI OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability (6)
County:					
2020	0.0629%	\$ 1,048,863	\$12,935,137	8.11%	52.64%
2019	0.0626%	1,018,343	12,266,740	8.30%	52.00%
2018	0.0614%	933,000	11,682,982	7.99%	51.22%
2017	0.0613%	923,000	11,307,877	8.16%	48.86%
School Board (Nonprofessional):					
2020	0.0142%	\$ 237,642	\$ 2,931,384	8.11%	52.64%
2019	0.0152%	246,693	2,971,717	8.30%	52.00%
2018	0.0156%	237,000	2,962,415	8.00%	51.22%
2017	0.0160%	241,000	2,952,275	8.16%	48.86%
School Board (Professional):					
2020	0.1399%	\$ 2,334,034	\$28,783,201	8.11%	52.64%
2019	0.1443%	2,347,494	28,280,300	8.30%	52.00%
2018	0.1475%	2,240,000	28,050,143	7.99%	51.22%
2017	0.1473%	2,216,000	27,163,246	8.16%	48.86%

Schedule is intended to show information for ten years. However, information prior to the 2017 valuation is not available. Additional years will be included as they become available.

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
GROUP LIFE INSURANCE PROGRAM
FOR THE YEARS ENDED JUNE 30, 2012 THROUGH JUNE 30, 2021**

Exhibit 25

<u>Date</u>	<u>Contractually Required Contribution (1)</u>	<u>Contributions in Relation to Contractually Required Contribution (2)</u>	<u>Contribution Deficiency (Excess) (3)</u>	<u>Employer's Covered Payroll (4)</u>	<u>Contributions as a % of Covered Payroll (5)</u>
County:					
2021	\$ 67,604	\$ 67,604	\$ -	\$ 12,519,301	0.54%
2020	67,263	67,263	-	12,935,137	0.52%
2019	63,787	63,787	-	12,266,740	0.52%
2018	60,752	60,752	-	11,682,982	0.52%
2017	58,801	58,801	-	11,307,877	0.52%
2016	53,032	53,032	-	11,048,241	0.48%
2015	52,316	52,316	-	10,899,210	0.48%
2014	51,715	51,715	-	10,773,964	0.48%
2013	49,146	49,146	-	10,238,758	0.48%
2012	27,110	27,110	-	9,682,063	0.28%
School Board (Nonprofessional)					
2021	\$ 14,876	\$ 14,876	\$ -	\$ 2,754,883	0.54%
2020	15,243	15,243	-	2,931,384	0.52%
2019	15,453	15,453	-	2,971,717	0.52%
2018	15,405	15,405	-	2,962,415	0.52%
2017	15,352	15,352	-	2,952,275	0.52%
2016	13,765	13,765	-	2,867,655	0.48%
2015	14,175	14,175	-	2,953,111	0.48%
2014	14,328	14,328	-	2,985,035	0.48%
2013	14,527	14,527	-	3,026,538	0.48%
2012	8,290	8,290	-	2,960,840	0.28%
School Board (Professional)					
2021	\$ 149,624	\$ 149,624	\$ -	\$ 27,708,217	0.54%
2020	149,673	149,673	-	28,783,201	0.52%
2019	147,058	147,058	-	28,280,300	0.52%
2018	145,861	145,861	-	28,050,143	0.52%
2017	141,249	141,249	-	27,163,246	0.52%
2016	124,847	124,847	-	26,009,740	0.48%
2015	123,562	123,562	-	25,742,149	0.48%
2014	124,477	124,477	-	25,932,800	0.48%
2013	120,683	120,683	-	25,142,188	0.48%
2012	67,644	67,644	-	24,158,427	0.28%

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

Exhibit 26
Page 1 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
General property taxes	\$ 25,063,909	\$ 25,063,909	\$ 27,856,093	2,792,184
Other local taxes	8,440,293	8,127,543	8,945,835	818,292
Permits, fees and licenses	391,800	391,800	385,743	(6,057)
Fines and forfeitures	70,000	70,000	40,094	(29,906)
Revenue from the use of money and property	560,566	520,566	511,876	(8,690)
Charges for services	353,788	353,788	644,681	290,893
Miscellaneous	-	40,694	151,685	110,991
Recovered costs	144,230	356,655	365,304	8,649
Intergovernmental	7,351,605	12,851,923	11,246,163	(1,605,760)
Total revenues	42,376,191	47,776,878	50,147,474	2,370,596
Expenditures:				
General government administration:				
Legislative:				
Board of supervisors	138,865	138,865	109,435	29,430
General and financial administration:				
County administrator	333,366	374,045	303,342	70,703
Human resources	251,203	253,003	240,927	12,076
Legal services	235,041	231,741	176,383	55,358
Commissioner of the revenue	307,629	310,629	297,773	12,856
County assessor	639,736	644,536	608,326	36,210
Treasurer	570,373	573,973	507,829	66,144
Finance	690,532	694,132	575,594	118,538
Information technology	1,075,694	1,067,939	1,048,225	19,714
Risk management	325,397	325,397	299,475	25,922
Total general and financial administration	4,428,971	4,475,395	4,057,874	417,521
Board of elections:				
Electoral board	110,742	110,742	51,759	58,983
Registrar	193,509	195,309	174,578	20,731
Total board of elections	304,251	306,051	226,337	79,714
Total general government administration	4,872,087	4,920,311	4,393,646	526,665
Judicial administration:				
Courts:				
Circuit court	88,980	89,580	83,923	5,657
General district court	11,471	11,471	13,461	(1,990)
Chief magistrate	16,938	16,938	6,350	10,588
Juvenile and domestic relations court	13,650	13,650	7,998	5,652
Clerk of the circuit court	475,187	512,091	500,524	11,567
Sheriff court services	619,599	588,999	351,001	237,998
Commissioner of accounts	214	214	-	214
Victim and witness assistance	95,774	110,125	89,400	20,725
Total courts	1,321,813	1,343,068	1,052,657	290,411
Commonwealth's attorney	443,093	446,093	427,682	18,411
Total judicial administration	1,764,906	1,789,161	1,480,339	308,822
Public safety:				
Law enforcement and traffic control:				
Sheriff law enforcement	2,625,736	2,758,587	2,657,953	100,634

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021 (continued)

Exhibit 26
Page 2 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Public safety: (continued)				
Fire and rescue services:				
Volunteer fire and rescue	\$ 265,110	\$ 305,610	\$ 250,742	\$ 54,868
Emergency medical services	-	74,388	43,611	30,777
Payments to 911 commission	877,543	931,246	713,779	217,467
Total fire and rescue services	1,142,653	1,311,244	1,008,132	303,112
Correction and detention:				
Jail	2,378,010	2,580,208	2,330,585	249,623
Juvenile probation	146,195	181,795	177,903	3,892
Community correction	96,452	202,916	149,590	53,326
Total correction and detention	2,620,657	2,964,919	2,658,078	306,841
Other protection:				
Building and zoning	533,456	539,056	440,777	98,279
Ordinance enforcement	80,515	81,115	60,013	21,102
Animal control	131,890	133,090	104,141	28,949
Regional animal control facility	108,134	108,734	71,562	37,172
S.P.C.A. supplement	5,921	6,472	6,472	-
Emergency management	122,559	190,895	125,552	65,343
CARES Act	-	3,902,465	3,574,606	327,859
COVID 19 Urgent Needs	-	1,215,493	37,579	1,177,914
Medical examiner	5,000	5,000	1,490	3,510
E.S. Coalition Against Domestic Violence supplement	20,000	20,000	20,000	-
Cleanup/disposal of hazardous materials	30,000	81,674	14,801	66,873
Total other protection	1,037,475	6,283,994	4,456,993	1,827,001
Total public safety	7,426,521	13,318,744	10,781,156	2,537,588
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Storm drainage	306,863	662,460	212,211	450,249
	306,863	662,460	212,211	450,249
Sanitation and waste removal:				
General operations	231,564	238,954	260,985	(22,031)
Refuse disposal	1,047,195	1,047,195	1,244,104	(196,909)
Refuse collection	758,714	775,003	750,299	24,704
Maintenance garage	200,274	389,691	373,057	16,634
Litter control	298,561	321,617	281,270	40,347
Total sanitation and waste removal	2,536,308	2,772,460	2,909,715	(137,255)
Maintenance of buildings and grounds:				
Buildings and grounds	1,486,254	1,616,808	1,236,003	380,805
Total public works	4,329,425	5,051,728	4,357,929	693,799
Health and welfare:				
Health:				
Local health department supplement	691,370	691,370	691,370	-
Rural health dental program supplement	30,971	30,971	30,971	-
Total health	722,341	722,341	722,341	-
Mental health and mental retardation:				
Community services board supplement	200,036	200,036	200,036	-

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021 (continued)

Exhibit 26
Page 3 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Health and welfare: (continued)				
Welfare:				
Property tax relief for the elderly	\$ 144,525	\$ 144,525	\$ 163,648	\$ (19,123)
Area agency on aging supplement	23,430	23,430	23,430	-
Total welfare	167,955	167,955	187,078	(19,123)
Total health and welfare	1,090,332	1,090,332	1,109,455	(19,123)
Education:				
Contribution to School Board component unit	19,139,358	22,078,360	10,943,943	11,134,417
Community College supplement	41,028	41,028	30,771	10,257
Total education	19,180,386	22,119,388	10,974,714	11,144,674
Parks, recreation and cultural:				
Parks and recreation:				
Recreation administration and maintenance	256,768	258,568	197,515	61,053
Summer food program	-	400	12,379	(11,979)
Boating facilities	85,542	67,942	94,373	(26,431)
Total parks and recreation	342,310	326,910	304,267	22,643
Cultural enrichment:				
Translator television	120,457	120,457	68,963	51,494
Contribution to Public Library component unit	444,844	444,844	444,844	-
Total cultural enrichment	565,301	565,301	513,807	51,494
Total parks, recreation and cultural	907,611	892,211	818,074	74,137
Community development:				
Planning and community development:				
Contribution to Planning Dist. Commission component unit	91,203	75,703	75,703	-
Housing/Redevelopment Corp. supplement	9,215	9,215	9,215	-
Contribution to Economic Dev Authority component unit	7,500	7,500	7,500	-
Erosion and sediment	83,193	115,624	184,169	(68,545)
Planning	442,079	513,879	418,604	95,275
Enterprise Zone incentives	-	25,000	1,983	23,017
Tourism Commission supplement	129,438	129,438	129,438	-
Chamber of Commerce supplement	91,566	91,566	22,784	68,782
Star Transit public transportation supplement	225,680	225,680	225,680	-
Transportation District Commission supplement	6,704	6,704	6,704	-
Chincoteague Chamber of Commerce supplement	-	20,000	20,000	-
ES of VA Broadband Authority supplement	-	-	100,312	(100,312)
Small Business Development Center supplement	4,607	4,607	4,607	-
Total planning and community development	1,091,185	1,224,916	1,206,699	18,217
Environmental management:				
Johnsongrass/gypsy moth control program	12,858	12,858	-	12,858
Chincoteague water study grant match	50,000	150,000	-	150,000
Soil and Water Conservation District supplement	21,154	21,154	21,154	-
Contribution to Planning Dist. Commission component unit	30,021	30,021	30,021	-
Resource Conservation and Dev. Council supplement	9,999	9,999	9,949	50
Total environmental management	124,032	224,032	61,124	162,908
Cooperative extension program	97,554	116,165	94,075	22,090
Total community development	1,312,771	1,565,113	1,361,898	203,215
Nondepartmental:				
Contingency	460,333	91,186	-	91,186

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021 (continued)

Exhibit 26
Page 4 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Debt service	\$ 292,184	\$ 292,184	\$ 292,183	\$ 1
Total expenditures	41,636,556	51,130,358	35,569,394	15,560,964
Revenues over (under) expenditures	739,635	(3,353,480)	14,578,080	17,931,560
Other Financing Sources (Uses):				
Transfers in	128,760	139,260	128,760	(10,500)
Transfers out	(2,733,139)	(5,690,915)	(1,782,558)	3,908,357
Total other financing sources (uses)	(2,604,379)	(5,551,655)	(1,653,798)	3,897,857
Net changes in fund balance	(1,864,744)	(8,905,135)	12,924,282	21,829,417
Fund balance, beginning of year	21,277,363	21,277,363	21,816,704	539,341
Fund balance, end of year	<u>\$ 19,412,619</u>	<u>\$ 12,372,228</u>	<u>\$ 34,740,986</u>	<u>\$ 22,368,758</u>

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
VIRGINIA PUBLIC ASSISTANCE FUND
FOR THE YEAR ENDED JUNE 30, 2021

Exhibit 27

	Budgeted Amounts		Actual	Variance from
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Intergovernmental	3,454,645	3,436,125	3,308,136	(127,989)
Total revenues	<u>3,454,645</u>	<u>3,436,125</u>	<u>3,308,136</u>	<u>(127,989)</u>
Expenditures:				
Health and welfare:				
Welfare administration	3,326,598	3,178,690	3,124,260	54,430
Public assistance	675,265	675,775	591,267	84,508
Fuel administration	39,057	39,057	-	39,057
Local only administration	79,731	261,519	213,824	47,695
CSA Coordinator local only	-	67,932	49,943	17,989
Local staff and operations	-	91,037	90,955	82
Service pass-through	150,293	-	-	-
Total expenditures	<u>4,270,944</u>	<u>4,314,010</u>	<u>4,070,249</u>	<u>243,761</u>
Revenues over (under) expenditures	<u>(816,299)</u>	<u>(877,885)</u>	<u>(762,113)</u>	<u>115,772</u>
Other financing sources (uses):				
Transfers in	816,299	816,299	762,113	(54,186)
Total other financing sources (uses)	<u>816,299</u>	<u>816,299</u>	<u>762,113</u>	<u>(54,186)</u>
Net changes in fund balance	-	(61,586)	-	61,586
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ (61,586)</u>	<u>\$ -</u>	<u>\$ 61,586</u>

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CONSOLIDATED EMERGENCY MEDICAL SERVICES FUND
FOR THE YEAR ENDED JUNE 30, 2021

Exhibit 28

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
General property taxes	\$ 4,386,451	\$ 4,386,451	\$ 4,732,748	\$ 346,297
Miscellaneous	-	-	-	-
Recovered Costs	-	3,873	3,873	-
Intergovernmental	64,964	64,964	65,009	45
Total revenues	<u>4,451,415</u>	<u>4,455,288</u>	<u>4,801,630</u>	<u>346,342</u>
Expenditures:				
Public safety:				
Rescue services:				
Emergency medical services	4,384,620	4,342,757	4,016,653	326,104
Total expenditures	<u>4,384,620</u>	<u>4,342,757</u>	<u>4,016,653</u>	<u>326,104</u>
Revenues over (under) expenditures	<u>66,795</u>	<u>112,531</u>	<u>784,977</u>	<u>672,446</u>
Other financing sources (uses):				
Transfers out	(129,760)	(129,760)	(129,760)	-
Total other financing sources (uses)	<u>(129,760)</u>	<u>(129,760)</u>	<u>(129,760)</u>	<u>-</u>
Net changes in fund balance	(62,965)	(17,229)	655,217	672,446
Fund balance, beginning of year	4,658,412	4,658,412	4,658,412	-
Fund balance, end of year	<u>\$ 4,595,447</u>	<u>\$ 4,641,183</u>	<u>\$ 5,313,629</u>	<u>\$ 672,446</u>



This page left blank intentionally

Other Supplementary Information



This page left blank intentionally

Nonmajor Governmental Funds

Special Revenue Funds-Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects.

- Law Library Fund-Accounts for revenues and expenditures associated with the County's law library.
- Stormwater Ordinance Fund-Accounts for revenues levied in connection with the Virginia Stormwater Management Program. Expenditures may only be used to administer that program.
- Courthouse Security Fund-Accounts for revenues derived from court fees levied in accordance with the Code of Virginia§ 53.1-120. Use of these funds is restricted for courthouse security.
- Drug Seizures Fund-Accounts for revenues associated with the sale of assets confiscated from illegal drug activities. Expenditures of this fund are restricted for use on law enforcement activities.
- Fire Programs Fund- Accounts for grant revenues received from the Commonwealth Department of Fire Programs which are restricted for fire education, training and related.
- Rehabilitation Projects Fund-Accounts for revenue and expenditures associated with community development block grants predominantly used for rehabilitation of low income housing.
- Captain's Cove/Greenbackville Mosquito Control Fund-Accounts for revenues derived from a special property tax levied on residents of Captain's Cove and Greenbackville areas. Expenditures are restricted for use on mosquito control services within those areas.
- Comprehensive Youth Services Fund-Accounts for and reports revenues and expenditures associated with the Comprehensive Services Act (CSA). The Comprehensive Services Act is a mandated Commonwealth program; the purpose of which is to provide high quality, child centered, family focused, cost effective, community-based services to high-risk youth and their families. Revenues are primarily derived from intergovernmental funding including significant local funding from the County's General Fund.
- Consolidated Fire and Rescue Service Fund-This fund was created as a result of consolidating Fire and Rescue District Special Revenue Funds 2,3,4 and 5. It accounts for general tax revenues designated to provide operational funding to County volunteer fire and rescue companies.



This page left blank intentionally

**COUNTY OF ACCOMACK, VIRGINIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AT JUNE 30, 2021**

Exhibit 29

	Special Revenue										
	Law Library Fund	Stormwater Ordinance Fund	Drug Seizures Fund	Courthouse Security Fund	Fire Programs Fund	Rehabilitation Projects Fund	Captains Cove Greenbackville Mosquito Control Fund	Comprehen- sive Youth Services Fund	Consolidated Fire and Rescue Fund	Total Nonmajor Governmental Funds	
Assets:											
Cash and investments	\$ 66,674	\$ 983	\$ 22,968	\$ 38,094	\$ 104,386	\$ 173,087	\$ 11,132	\$ 97,721	\$ 1,172,264	\$ 1,687,309	
Receivables (net):											
Taxes, including penalties	-	-	-	-	-	-	14,947	-	652,114	667,061	
Accounts / other	343	-	-	10,097	-	-	-	-	-	10,440	
Due from other governmental entities:											
Commonwealth of Virginia	-	-	-	-	-	-	-	119,258	-	119,258	
Federal government	-	-	-	-	-	34,509	-	-	-	34,509	
Total assets	67,017	983	22,968	48,191	104,386	207,596	26,079	216,979	1,824,378	2,518,577	
Liabilities:											
Accounts payable	689	983	-	92	7,607	40,416	-	96,126	533,041	678,954	
Wages payable	-	-	-	5,841	-	-	-	-	-	5,841	
Due to other government entities:											
Northampton County	-	-	-	-	-	-	-	120,853	-	120,853	
Unearned revenues	-	-	-	-	67,527	-	-	-	-	67,527	
Total liabilities	689	983	-	5,933	75,134	40,416	-	216,979	533,041	873,175	
Deferred Inflows of Resources:											
Deferred property tax revenue	-	-	-	-	-	-	18,121	-	698,657	716,778	
Unavailable revenue - property taxes	-	-	-	-	-	-	2,099	-	90,346	92,445	
Total deferred inflow of resources	-	-	-	-	-	-	20,220	-	789,003	809,223	
Fund Balances:											
Restricted for:											
Fire and Rescue	-	-	-	-	29,252	-	-	-	-	29,252	
Mosquito Control	-	-	-	-	-	-	5,859	-	-	5,859	
Judicial Administration	-	-	11,671	-	-	-	-	-	-	11,671	
Courthouse Security	-	-	-	42,258	-	-	-	-	-	42,258	
Fire and Rescue	-	-	-	-	-	-	-	-	-	-	
Law Library	66,328	-	-	-	-	-	-	-	-	66,328	
Law Enforcement	-	-	11,297	-	-	-	-	-	-	11,297	
Community Development	-	-	-	-	-	167,180	-	-	-	167,180	
Assigned to:											
Fire and Rescue	-	-	-	-	-	-	-	-	502,334	502,334	
Total fund balances	66,328	-	22,968	42,258	29,252	167,180	5,859	-	502,334	836,179	
Total liabilities, deferred inflows of resources and fund balances	\$ 67,017	\$ 983	\$ 22,968	\$ 48,191	\$ 104,386	\$ 207,596	\$ 26,079	\$ 216,979	\$ 1,824,378	\$ 2,518,577	

**COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

Exhibit 30

	Special Revenue						Special Revenue			Total Nonmajor Governmental Funds
	Law Library Fund	Stormwater Ordinance Fund	Drug Seizures Fund	Courthouse Security Fund	Fire Programs Fund	Rehabilitation Projects Fund	Captains Cove Greenbackville Mosquito Control Fund	Comprehensive Youth Services Fund	Consolidated Fire and Rescue Fund	
Revenues:										
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,932	\$ -	\$ 1,726,779	\$ 1,785,711
Other local taxes				80,270						80,270
Permits, fees and licenses	-	14,931	-	-	-	-	-	-	-	14,931
Revenue from the use of money and property	-	-	5	-	7	20	-	-	-	32
Charges for services	7,508	-	-	-	-	-	-	-	-	7,508
Miscellaneous	-	-	2,626	-	13,700	-	-	84,511	-	100,837
Recovered costs	-	-	-	-	-	4,778	-	-	-	4,778
Intergovernmental	-	-	-	-	69,546	347,237	-	508,996	41,187	966,966
Total revenues	7,508	14,931	2,631	80,270	83,253	352,035	58,932	593,507	1,767,966	2,961,033
Expenditures:										
Judicial administration	3,289	-	-	43,588	-	-	-	-	-	46,877
Public safety	-	-	242	-	97,637	-	-	-	2,085,505	2,183,384
Health and welfare	-	-	-	-	-	-	77,523	658,697	-	736,220
Community development	-	163,223	-	-	-	388,107	-	-	-	551,330
Total expenditures	3,289	163,223	242	43,588	97,637	388,107	77,523	658,697	2,085,505	3,517,811
Revenues over (under) expenditures	4,219	(148,292)	2,389	36,682	(14,384)	(36,072)	(18,591)	(65,190)	(317,539)	(556,778)
Other financing sources (uses):										
Transfers in	-	148,292	-	-	16,000	-	-	65,190	-	229,482
Total other financing sources (uses)	-	148,292	-	-	16,000	-	-	65,190	-	229,482
Net change in fund balances	4,219	-	2,389	36,682	1,616	(36,072)	(18,591)	-	(317,539)	(327,296)
Fund balance, beginning of year	62,109	-	20,579	5,576	27,636	203,252	24,450	-	819,873	1,163,475
Fund balance, end of year	\$ 66,328	\$ -	\$ 22,968	\$ 42,258	\$ 29,252	\$ 167,180	\$ 5,859	\$ -	\$ 502,334	\$ 836,179

COUNTY OF ACCOMACK, VIRGINIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

Exhibit 31
Page 1

	Law Library Fund				Stormwater Ordinance Fund				Drug Seizures Fund			
	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
	Original	Final			Original	Final			Original	Final		
Revenues:												
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-	-	-	-	-	-	-	-	-
Permits, privilege fees and licenses	-	-	-	-	30,903	30,903	14,931	(15,972)	-	-	-	-
Revenue from the use of money and property	-	-	-	-	-	-	-	-	-	-	5	5
Charges for services	7,000	7,000	7,508	508	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	2,626	2,626
Recovered costs	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	2,000	2,000	-	(2,000)
Total revenues	7,000	7,000	7,508	508	30,903	30,903	14,931	(15,972)	2,000	2,000	2,631	631
Expenditures:												
Judicial administration	7,000	69,109	3,289	65,820	-	-	-	-	-	11,668	-	11,668
Public safety	-	-	-	-	-	-	-	-	2,000	10,911	242	10,669
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	-
Community development	-	-	-	-	183,537	183,537	163,223	20,314	-	-	-	-
Total expenditures	7,000	69,109	3,289	65,820	183,537	183,537	163,223	20,314	2,000	22,579	242	22,337
Revenues over (under) expenditures	-	(62,109)	4,219	66,328	(152,634)	(152,634)	(148,292)	4,342	-	(20,579)	2,389	22,968
Other financing sources (uses):												
Transfers in	-	-	-	-	152,634	152,634	148,292	(4,342)	-	-	-	-
Total other financing sources (uses)	-	-	-	-	152,634	152,634	148,292	(4,342)	-	-	-	-
Net changes in fund balance	-	(62,109)	4,219	66,328	-	-	-	-	-	(20,579)	2,389	22,968
Fund balance, beginning of year	62,109	62,109	62,109	-	-	-	-	-	20,579	20,579	20,579	-
Fund balance, end of year	\$ 62,109	\$ -	\$ 66,328	\$ 66,328	\$ -	\$ -	\$ -	\$ -	\$ 20,579	\$ -	\$ 22,968	\$ 22,968

COUNTY OF ACCOMACK, VIRGINIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (continued)

Exhibit 31
Page 2

	Courthouse Security Fund				Fire Programs Fund				Rehabilitation Projects Fund			
	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
	Original	Final			Original	Final			Original	Final		
Revenues:												
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	80,000	80,000	80,270	270	-	-	-	-	-	-	-	-
Permits, privilege fees and licenses	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from the use of money and property	-	-	-	-	-	-	7	7	-	-	20	20
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	7,000	7,000	7,000	-	-	-	-	-
Recovered costs	-	-	-	-	6,700	6,700	6,700	-	-	-	4,778	4,778
Intergovernmental	-	-	-	-	59,000	137,073	69,546	(67,527)	-	724,120	347,237	(376,883)
Total revenues	80,000	80,000	80,270	270	72,700	150,773	83,253	(67,520)	-	724,120	352,035	(372,085)
Expenditures:												
Judicial administration	80,000	85,576	43,588	41,988	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	88,700	198,145	97,637	100,508	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-	924,104	388,107	535,997
Total expenditures	80,000	85,576	43,588	41,988	88,700	198,145	97,637	100,508	-	924,104	388,107	535,997
Revenues over (under) expenditures	-	(5,576)	36,682	42,258	(16,000)	(47,372)	(14,384)	32,988	-	(199,984)	(36,072)	163,912
Other financing sources (uses):												
Transfers in	-	-	-	-	16,000	16,000	16,000	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	16,000	16,000	16,000	-	-	-	-	-
Net changes in fund balance	-	(5,576)	36,682	42,258	-	(31,372)	1,616	32,988	-	(199,984)	(36,072)	163,912
Fund balance, beginning of year	5,576	5,576	5,576	-	27,636	27,636	27,636	-	-	203,252	203,252	-
Fund balance, end of year	\$ 5,576	\$ -	\$ 42,258	\$ 42,258	\$ 27,636	\$ (3,736)	\$ 29,252	\$ 32,988	\$ -	\$ 3,268	\$ 167,180	\$ 163,912

COUNTY OF ACCOMACK, VIRGINIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (continued)

Exhibit 31
Page 3

	Captains Cove Greenbackville Mosquito Control Fund				Comprehensive Youth Services Fund				Consolidated Fire & Rescue Fund			
	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
	Original	Final			Original	Final			Original	Final		
Revenues:												
General property taxes	\$ 46,650	\$ 46,650	\$ 58,932	\$ 12,282	\$ -	\$ -	\$ -	\$ -	\$1,606,520	\$1,606,520	\$ 1,726,779	\$ 120,259
Other local taxes	-	-	-	-	-	-	-	-	-	-	-	-
Permits, privilege fees and licenses	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from the use of money and property	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	100,274	100,274	84,511	84,511	-	-	-	-
Recovered costs	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	778,826	778,826	508,996	(269,830)	41,188	41,188	41,187	(1)
Total revenues	46,650	46,650	58,932	12,282	879,100	879,100	593,507	(185,319)	1,647,708	1,647,708	1,767,966	120,258
Expenditures:												
Judicial administration	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	1,647,708	2,467,581	2,085,505	382,076
Health and welfare	46,650	71,100	77,523	(6,423)	1,132,016	1,007,016	658,697	348,319	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	46,650	71,100	77,523	(6,423)	1,132,016	1,007,016	658,697	348,319	1,647,708	2,467,581	2,085,505	382,076
Revenues over (under) expenditures	-	(24,450)	(18,591)	5,859	(252,916)	(127,916)	(65,190)	163,000	-	(819,873)	(317,539)	502,334
Other financing sources (uses):												
Transfers in	-	-	-	-	252,916	127,916	65,190	(62,726)	-	-	-	-
Total other financing sources (uses)	-	-	-	-	252,916	127,916	65,190	(62,726)	-	-	-	-
Net changes in fund balance	-	(24,450)	(18,591)	5,859	-	-	-	100,274	-	(819,873)	(317,539)	502,334
Fund balance, beginning of year	-	24,450	24,450	-	-	-	-	-	819,873	819,873	819,873	-
Fund balance, end of year	\$ -	\$ -	\$ 5,859	\$ 5,859	\$ -	\$ -	\$ -	\$ 100,274	\$ 819,873	\$ -	\$ 502,334	\$ 502,334

COUNTY OF ACCOMACK, VIRGINIA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021 (continued)

Exhibit 31
Page 4

	Total Nonmajor Governmental Funds				Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Final	Actual	
	Original				
Revenues:					
General property taxes	\$ 1,653,170	\$ 1,653,170	\$ 1,785,711	\$ 132,541	
Other local taxes	80,000	80,000	80,270	270	
Permits, privilege fees and licenses	30,903	30,903	14,931	(15,972)	
Revenue from the use of money and property	-	-	32	32	
Charges for services	7,000	7,000	7,508	508	
Miscellaneous	107,274	107,274	94,137	(13,137)	
Recovered costs	6,700	6,700	11,478	4,778	
Intergovernmental	881,014	1,683,207	966,966	(716,241)	
Total revenues	<u>2,766,061</u>	<u>3,568,254</u>	<u>2,961,033</u>	<u>(607,221)</u>	
Expenditures:					
Judicial administration	87,000	166,353	46,877	119,476	
Public safety	1,738,408	2,676,637	2,183,384	493,253	
Health and welfare	1,178,666	1,078,116	736,220	341,896	
Community development	183,537	1,107,641	551,330	556,311	
Total expenditures	<u>3,187,611</u>	<u>5,028,747</u>	<u>3,517,811</u>	<u>1,510,936</u>	
Revenues over (under) expenditures	<u>(421,550)</u>	<u>(1,460,493)</u>	<u>(556,778)</u>	<u>903,715</u>	
Other financing sources (uses):					
Transfers in	421,550	296,550	229,482	(67,068)	
Total other financing sources (uses)	<u>421,550</u>	<u>296,550</u>	<u>229,482</u>	<u>(67,068)</u>	
Net changes in fund balance	-	(1,163,943)	(327,296)	836,647	
Fund balance, beginning of year	935,773	1,163,475	1,163,475	-	
Fund balance, end of year	<u>\$ 935,773</u>	<u>\$ (468)</u>	<u>\$ 836,179</u>	<u>\$ 836,647</u>	

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2021

Exhibit 32

	Budgeted Amounts		Actual	Variance from
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
General property taxes	\$ 3,063,231	\$ 3,063,231	\$ 3,168,917	\$ 105,686
Miscellaneous	-	-	82,984	82,984
Intergovernmental	82,376	82,376	82,375	(1)
Total revenues	<u>3,145,607</u>	<u>3,145,607</u>	<u>3,334,276</u>	<u>188,669</u>
Expenditures:				
Debt Service:				
Principal	2,025,083	2,025,083	2,027,365	(2,282)
Interest and fiscal charges	929,230	929,230	926,982	2,248
Total expenditures	<u>2,954,313</u>	<u>2,954,313</u>	<u>2,954,347</u>	<u>(34)</u>
Revenues over (under) expenditures	<u>191,294</u>	<u>191,294</u>	<u>379,929</u>	<u>188,635</u>
Net changes in fund balance	191,294	191,294	379,929	188,635
Fund balance, beginning of year	307,185	307,185	426,739	119,554
Fund balance, end of year	<u>\$ 498,479</u>	<u>\$ 498,479</u>	<u>\$ 806,668</u>	<u>\$ 308,189</u>

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2021

Exhibit 33

	Budgeted Amounts		Actual	Variance from
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Investment earnings	\$ -	\$ -	\$ 756	\$ 756
Miscellaneous revenue	-	289,812	289,812	-
Recovered costs	-	-	-	-
Intergovernmental	-	1,691,716	132,825	(1,558,891)
Total revenues	-	1,981,528	423,393	(1,558,135)
Expenditures:				
General government administration	150,000	459,241	171,005	288,236
Judicial administration	-	-	13,401	(13,401)
Public safety	-	140,080	174,627	(34,547)
Public works	318,900	301,418	53,099	248,319
Health and welfare	-	-	-	-
Parks and recreation	1,037,585	3,589,637	2,251,943	1,337,694
Community development	-	1,917,315	81,233	1,836,082
Nondepartmental	-	-	-	-
Total expenditures	1,506,485	6,407,691	2,745,308	3,662,383
Revenues over (under) expenditures	(1,506,485)	(4,426,163)	(2,321,915)	2,104,248
Other financing sources (uses):				
Transfers in	1,506,485	4,462,978	631,688	(3,831,290)
Transfers out	-	93,585	-	(93,585)
Total other financing sources (uses)	1,506,485	4,556,563	631,688	(3,924,875)
Net changes in fund balance	-	130,400	(1,690,227)	(1,820,627)
Fund balance, beginning of year	-	(1,525,976)	3,306,072	4,832,048
Fund balance, end of year	\$ -	\$ (1,395,576)	\$ 1,615,845	\$ 3,011,421

Nonmajor Proprietary Funds

Proprietary Funds-Proprietary funds are used to account for activities that are similar to businesses in the private sector.

- Water & Sewer Fund-Accounts for water and sewer operations in the County. Currently, the only water and sewer services delivered by the County are to businesses located inside or in close proximity to the County Industrial Park or Wallops Research Park. Operations are primarily funded through user fees.
- Parks and Recreation Revolving Fund-This fund is used to account for parks and recreation events which are financed in whole or in part by user fees.



This page left blank intentionally

**COUNTY OF ACCOMACK, VIRGINIA
 COMBINING STATEMENT OF NET POSITION
 NONMAJOR PROPRIETARY FUNDS
 AT JUNE 30, 2021**

Exhibit 34

	Business-type Activities - Enterprise Funds		
	Nonmajor Funds		
	Water and Sewer Fund	Parks and Recreation Revolving Fund	Total
Assets:			
Current assets:			
Accounts receivable (net of allowance for uncollectibles)	44,191	-	44,191
Total current assets	44,191	-	44,191
Noncurrent assets:			
Capital Assets (net of accumulated depreciation):			
Improvements other than buildings	840,946	-	840,946
Machinery and equipment	213,225	4,905	218,130
Total capital assets	1,054,171	4,905	1,059,076
Total assets	1,098,362	4,905	1,103,267
Liabilities:			
Current liabilities:			
Accounts payable	21,187	3,199	24,386
Due to Customers	755	-	755
Interfund payables	162,874	1,380	164,254
Total current liabilities	184,816	4,579	189,395
Total liabilities	184,816	4,579	189,395
Net Position:			
Investment in capital assets	1,054,171	4,905	1,059,076
Unrestricted	(140,625)	(4,579)	(145,204)
Total net position	\$ 913,546	\$ 326	\$ 913,872

**COUNTY OF ACCOMACK, VIRGINIA
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 NONMAJOR PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021**

Exhibit 35

	Business-type Activities - Enterprise Funds		
	Nonmajor		
	Funds		
	Water and Sewer Fund	Parks and Recreation Revolving Fund	Total
Operating revenues:			
Charges for services	\$ 399,279	\$ 1,226	\$ 400,505
Other operating revenue	-	2,345	2,345
Total operating revenues	<u>399,279</u>	<u>3,571</u>	<u>402,850</u>
Operating expenses:			
Other operating expenses	377,023	8,040	385,063
Depreciation	28,509	998	29,507
Total operating expenses	<u>405,532</u>	<u>9,038</u>	<u>414,570</u>
Operating income (loss)	<u>(6,253)</u>	<u>(5,467)</u>	<u>(11,720)</u>
Changes in net position	(6,253)	(5,467)	(11,720)
Total net position, beginning of year	919,799	5,793	925,592
Total net position, end of year	<u>\$ 913,546</u>	<u>\$ 326</u>	<u>\$ 913,872</u>

**COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

Exhibit 36

	Business-type Activities-Enterprise Funds		
	Nonmajor		
	Funds		
	Water and Sewer Fund	Parks and Recreation Revolving Fund	Total
Cash flows from operating activities:			
Receipts from customers	\$ 402,659	\$ 1,546	\$ 404,205
Payments to suppliers	(395,894)	(5,651)	(401,545)
Payments to employees and benefits paid on behalf of employees	-	73	73
Other receipts	-	2,025	2,025
Net cash provided by (used for) operating activities	<u>6,765</u>	<u>(2,007)</u>	<u>4,758</u>
Cash flows from capital and related financing activities:			
Purchase of capital assets	(416,265)	-	(416,265)
Transfer from (to) the General Fund	162,874	(2,597)	160,277
Net cash provided by (used for) capital and related financing activities	<u>(253,391)</u>	<u>(2,597)</u>	<u>(255,988)</u>
Net increase (decrease) in cash and cash equivalents	(246,626)	(4,604)	(251,230)
Cash and cash equivalents, beginning of year	246,626	4,604	251,230
Cash and cash equivalents, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (6,253)	\$ (5,467)	\$ (11,720)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation	28,509	998	29,507
Changes in assets and liabilities:			
(Increase) Decrease in accounts receivable	3,379	-	3,379
Increase (Decrease) in accounts payable	(18,870)	2,462	(16,408)
Total adjustments	<u>(15,491)</u>	<u>2,462</u>	<u>(13,029)</u>
Net cash provided by (used for) operating activities	<u>\$ 6,765</u>	<u>\$ (2,007)</u>	<u>\$ 4,758</u>



This page left blank intentionally

Agency Funds

Agency Funds-Agency funds are used to account for the assets held by a government unit as an agent for individuals, organizations, other governmental units, and/or other funds. Agency funds do not involve the measurement of results of operations, as they are custodial in nature. The County has the following agency funds:

- Special Welfare-The Special Welfare fund is established under the authority of Section 63.1-51, Code of Virginia, as amended. This fund accounts for Social Security or Veteran's Administration benefits for specific individuals for which the County is acting as the custodian. It also accounts for donations and the provision for emergency assistance to indigent citizens.
- Sheriff Canteen Fund-The Sheriff Canteen Fund accounts for funds held on behalf of inmates of the County jail.



This page left blank intentionally

**COUNTY OF ACCOMACK, VIRGINIA
 COMBINING STATEMENT OF NET POSITION
 CUSTODIAL FUNDS
 AT JUNE 30, 2021**

Exhibit 37

	Custodial Funds		
	Special Welfare Fund	Sheriff Canteen Fund	Total Custodial Funds
<u>Assets:</u>			
Cash and investments held by Treasurer	\$ 53,513	\$ -	\$ 53,513
Cash and investments in custody of others	-	165,928	165,928
Accounts receivable	2,783	-	2,783
Total assets	56,296	165,928	222,224
<u>Liabilities:</u>			
Amounts held for social service clients	56,296	-	56,296
Amounts held for others	-	165,928	165,928
Total liabilities	\$ 56,296	\$ 165,928	\$ 222,224

**COUNTY OF ACCOMACK, VIRGINIA
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021**

Exhibit 38

	Special Welfare Fund	Sheriff Canteen Fund	Total
<u>Additions:</u>			
Contributions:			
Custodial Funds	\$ 108,807	\$ 331,101	\$ 439,908
Held for Custodial Fund clients	14,958	-	14,958
Total contributions	123,765	331,101	454,866
<u>Deductions</u>			
Custodial Funds	123,765	326,586	450,351
Held for Custodial Fund clients	-	4,515	4,515
Total deductions	123,765	331,101	454,866
Change in net position	-	-	-
Net position - beginning	-	-	-
Net position - ending	\$ -	\$ -	\$ -

Discretely Presented Component Unit School Board

- **School Operating Fund**-Accounts for and reports the primary operating activities of the Accomack County Public Schools.
- **School Cafeteria Fund**-Accounts for and reports the operating activities of school food service facilities.
- **School Capital Projects Fund**-Accounts for and reports the acquisition or construction of major school capital facilities financed, for the most part, by County issued debt.
- **School Activity Fund**-Accounts for and reports the student activity monies maintained on behalf of the students of each school.



This page left blank intentionally

**COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
COMBINING BALANCE SHEET-GOVERNMENTAL FUNDS
AT JUNE 30, 2021**

Exhibit 39

	Major Funds		Nonmajor Fund	Total Governmental Funds
	School Operating Fund	School Capital Projects Fund	School Cafeteria Fund	
Assets:				
Cash and investments	\$ 4,428,944	\$ 29	\$ 740,706	\$ 5,169,679
Accounts receivable, net	33,833	-	-	33,833
Due from the Commonwealth	716,525	-	-	716,525
Due from the Federal Government	3,257,380	-	-	3,257,380
Total assets	8,436,682	29	740,706	9,177,417
Liabilities:				
Accounts payable	1,981,024	-	41,457	2,022,481
Wages and benefits payable	5,348,596	-	-	5,348,596
Unearned revenue	942,938	-	-	942,938
Total liabilities	8,272,558	-	41,457	8,314,015
Fund Balances:				
Reserved for:				
Restricted:				
Education	164,124	-	-	164,124
Capital Projects	-	29	-	29
Assigned:				
Food Services	-	-	699,249	699,249
Total fund balances	164,124	29	699,249	863,402
Total liabilities and fund balances	\$ 8,436,682	\$ 29	\$ 740,706	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. Those assets consist of:

Land	974,862	
Construction in progress	185,006	
Buildings, net of depreciation	44,601,886	
Improvements other than buildings, net of depreciation	2,115,658	
Machinery and equipment, net of depreciation	7,026,456	
School Board capital assets in primary government, net of depreciation	(9,204,744)	
Total capital assets		45,699,124

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds

Net pension asset	51,206	
Deferred inflows related to pensions	(4,461,802)	
Deferred inflows related to OPEB	(1,135,996)	
Total other long-term assets		(5,546,592)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. Long-term liabilities at fiscal year-end consist of:

Compensated absences	(1,552,266)	
Net OPEB liability	(9,741,961)	
Net termination benefit obligation	(65,769)	
Net pension liability	(47,790,825)	
Deferred outflows related to pensions	12,073,576	
Deferred outflows related to OPEB	1,498,727	
Net adjustment		(45,578,518)
Total net position		\$ (4,562,584)

**COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

Exhibit 40

	Major Funds		Nonmajor	Total Governmental Funds
	School Operating Fund (as restated)	School Capital Projects Fund	School Cafeteria Fund	
Revenues:				
Revenue from the use of money and property	\$ -	\$ 20	\$ 641	\$ 661
Charges for services	49,249	-	50,204	99,453
Miscellaneous	445,925	-	-	445,925
Recovered costs	251,473	-	-	251,473
From the local government	10,943,943	-	-	10,943,943
From the Commonwealth	37,364,292	-	119,896	37,484,188
From the Federal Government	7,326,413	-	2,240,922	9,567,335
Total revenues	<u>56,381,295</u>	<u>20</u>	<u>2,411,663</u>	<u>58,792,978</u>
Expenditures:				
Education:				
Instruction	38,710,113	-	-	38,710,113
Administration of schools	1,216,248	-	-	1,216,248
Attendance and health services	1,236,137	-	-	1,236,137
Operation and maintenance services	5,899,529	-	-	5,899,529
Pupil transportation services	4,114,798	-	-	4,114,798
Technology Services	5,262,784	-	-	5,262,784
Food services	280,181	-	2,575,489	2,855,670
Total expenditures	<u>56,719,790</u>	<u>-</u>	<u>2,575,489</u>	<u>59,295,279</u>
Revenues over (under) expenditures	<u>(338,495)</u>	<u>20</u>	<u>(163,826)</u>	<u>(502,301)</u>
Other financing sources (uses):				
Transfers in	-	-	250,000	250,000
Transfers out	(250,000)	-	-	(250,000)
Total other financing sources (uses)	<u>(250,000)</u>	<u>-</u>	<u>250,000</u>	<u>-</u>
Net changes in fund balance	(588,495)	20	86,174	(502,301)
Fund balance, beginning of year as restated	752,619	9	613,075	1,365,703
Fund balance, end of year	<u>\$ 164,124</u>	<u>\$ 29</u>	<u>\$ 699,249</u>	<u>\$ 863,402</u>

Net changes in fund balance per above \$ (502,301)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This net effect is as follows:

Capital asset expenditures	2,309,716
Depreciation on capital assets	<u>(2,668,714)</u>
Net adjustment	(358,998)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net assets. 143,206

School Board capital assets are jointly owned by the County and the School Board. The County share of School Board assets is in proportion to the debt owed on such by the County. The transfers to the School Board are affected by the relationship of the debt to assets on a year to year basis. The net transfer resulting from this relationship increases the transfers to the School 1,478,980

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	164,826
OPEB expense	(259,852)
Net termination benefit obligation	100,825
Pension expense	<u>(745,802)</u>
Net adjustment	<u>(740,003)</u>

Change in net position of governmental activities \$ 20,884

COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SCHOOL OPERATING FUND as restated
FOR THE YEAR ENDED JUNE 30, 2021

Exhibit 41

	Budgeted Amounts		Actual	Variance from Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Charges for services	\$ 106,292	\$ 106,292	\$ 49,249	\$ (57,043)
Miscellaneous	131,484	131,484	445,925	314,441
Recovered costs	175,000	175,000	251,473	76,473
From the local government	19,088,454	22,027,456	10,943,943	(11,083,513)
From the Commonwealth	33,343,242	34,537,546	37,364,292	2,826,746
From the Federal Government	129,941	4,722,892	7,326,413	2,603,521
Total revenues	52,974,413	61,700,670	56,381,295	(5,319,375)
Expenditures:				
Education:				
Instruction	37,237,720	45,406,841	38,710,113	6,696,728
Administration of schools	1,172,616	1,174,560	1,216,248	(41,688)
Attendance and health services	1,767,779	1,767,779	1,236,137	531,642
Operation and maintenance services	5,535,369	6,546,782	5,899,529	647,253
Pupil transportation services	3,699,610	3,960,948	4,114,798	(153,850)
Technology services	3,256,814	3,791,310	5,262,784	(1,471,474)
Food services	7,997	33,631	280,181	(246,550)
Total expenditures	52,677,905	62,681,851	56,719,790	5,962,061
Revenues over (under) expenditures	296,508	(981,181)	(338,495)	642,686
Other financing sources (uses):				
Transfers in	-	196,141	-	(196,141)
Transfers out	(296,508)	(296,508)	(250,000)	46,508
Total other financing sources (uses)	(296,508)	(100,367)	(250,000)	(149,633)
Net changes in fund balance	-	(1,081,548)	(588,495)	493,053
Fund balance, beginning of year as restated	752,619	752,619	752,619	-
Fund balance, end of year	\$ 752,619	\$ (328,929)	\$ 164,124	\$ 493,053



This page left blank intentionally

Nonmajor Discretely Presented Component Units

- **Economic Development Authority of Accomack County**
- **Accomack-Northampton Planning District Commission**
- **Eastern Shore Public Library**
- **Quinby Boat Harbor Committee**
- **Greenbackville Boat Harbor Committee**
- **Greenbackville/Captain's Cove Mosquito Control Commission**



This page left blank intentionally

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
AT JUNE 30, 2021

Exhibit 42

	Component Units						Total Nonmajor Discretely Presented Component Units
	Planning District Commission	Eastern Shore Public Library	Quinby Harbor Committee	Captains Cove Greenbackville Mosquito Control Commission	Greenbackville Harbor Committee	Economic Development Authority	
Assets:							
Cash and investments	\$ 868,849	\$ 474,716	\$ 38,908	\$ 100,418	\$ 67,755	\$ 102,395	\$ 1,653,041
Restricted cash and cash equivalents	422,479	-	-	-	-	-	422,479
Accounts receivables, net	359,960	2,347	-	-	-	-	362,307
Loan receivables	77,521	-	-	-	-	-	77,521
Inventories	-	187,400	-	-	-	-	187,400
Prepaid expenses	17,521	6,943	-	-	-	-	24,464
Unconditional promises to give	-	156,328	-	-	-	-	156,328
Capital Assets (net of accumulated depreciation):							
Land	161,582	5,000	-	-	-	293,591	460,173
Buildings	-	396,275	-	-	-	-	396,275
Improvements other than buildings	129,705	-	-	-	-	-	129,705
Machinery and equipment	36,376	24,083	-	-	-	2,534	62,993
Total assets	2,073,993	1,253,092	38,908	100,418	67,755	398,520	3,932,686
Deferred Outflows of Resources:							
Pension deferrals	390,962	72,862	-	-	-	-	463,824
Total deferred outflows of resources	390,962	72,862	-	-	-	-	463,824
Liabilities:							
Accounts payable	52,461	6,096	563	1,739	-	2,000	62,859
Wages and benefits payable	13,112	2,231	-	-	-	-	15,343
Unearned revenues	188,154	56,950	-	-	-	-	245,104
Noncurrent liabilities:							
Due in more than one year- compensated absences	97,117	16,166	-	-	-	-	113,283
Due in more than one year- term loan	-	218,859	-	-	-	-	218,859
Due in more than one year- net OPEB liability	80,372	-	-	-	-	-	80,372
Due in more than one year- net pension liability	200,024	98,487	-	-	-	-	298,511
Total liabilities	631,240	398,789	563	1,739	-	2,000	1,034,331
Deferred Inflows of Resources:							
Items related to measurement of net pension liability	23	2,997	-	-	-	-	3,020
Net Position:							
Investment in capital assets	327,663	425,358	-	-	-	296,126	1,049,147
Restricted	500,000	310,412	-	-	-	-	810,412
Unrestricted	1,006,029	188,398	38,345	98,679	67,755	100,394	1,499,600
Total net position	\$ 1,833,692	\$ 924,168	\$ 38,345	\$ 98,679	\$ 67,755	\$ 396,520	\$ 3,359,159

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2021

Exhibit 43

	Component Units						Total Nonmajor, Discretely Presented, Component Units
	Planning District Commission	Eastern Shore Public Library	Quinby Harbor Committee	Captains Cove Greenbackville Mosquito Control Commission	Greenbackville Harbor Committee	Economic Development Authority	
Operating revenues:							
Operating grants and contributions	\$ 180,525	\$ 780,736	\$ -	\$ -	\$ -	\$ -	\$ 961,261
Use of property	42,000	25,729	-	-	-	-	67,729
Charges for services	1,637,361	3,029	39,444	58,932	26,520	-	1,765,286
Miscellaneous	-	27,186	-	-	-	-	27,186
Total operating revenues	<u>1,859,886</u>	<u>836,680</u>	<u>39,444</u>	<u>58,932</u>	<u>26,520</u>	<u>-</u>	<u>2,821,462</u>
Operating expenses:							
General and administration	63,827	-	10,885	391	7,244	-	82,347
Contractual services	-	120,614	-	28,114	-	26,000	174,728
Personnel	-	513,667	-	-	-	-	513,667
Materials and supplies	-	210,616	-	32,439	-	-	243,055
Other operating expenses	-	52,162	1,097	-	1,313	-	54,572
Project expenses	1,741,914	-	-	-	-	-	1,741,914
Contribution	-	-	50,000	-	-	-	50,000
Depreciation	17,769	26,211	-	-	-	780	44,760
Total operating expenses	<u>1,823,510</u>	<u>923,270</u>	<u>61,982</u>	<u>60,944</u>	<u>8,557</u>	<u>26,780</u>	<u>2,905,043</u>
Operating income (loss)	<u>36,376</u>	<u>(86,590)</u>	<u>(22,538)</u>	<u>(2,012)</u>	<u>17,963</u>	<u>(26,780)</u>	<u>(83,581)</u>
Nonoperating revenues (expenses):							
Contributions from local government	105,724	621,363	-	-	-	7,500	734,587
Contributions to local government	-	(251,482)	-	-	-	-	(251,482)
Investment earnings	364	-	4	-	89	11	468
Interest and fees on loans	-	(16,003)	-	-	-	-	(16,003)
GASB 68 pension benefit	(148,587)	-	-	-	-	-	(148,587)
GASB 75 OPEB benefit	(5,218)	-	-	-	-	-	(5,218)
Gain (loss) on sale of assets	2,215	-	-	-	-	-	2,215
Total nonoperating revenues (expenses)	<u>(45,502)</u>	<u>353,878</u>	<u>4</u>	<u>-</u>	<u>89</u>	<u>7,511</u>	<u>315,980</u>
Changes in net position	(9,126)	267,288	(22,534)	(2,012)	18,052	(19,269)	232,399
Total net position, beginning of year	1,842,818	656,880	60,879	100,691	49,703	415,789	3,126,760
Total net position, end of year	<u>\$ 1,833,692</u>	<u>\$ 924,168</u>	<u>\$ 38,345</u>	<u>\$ 98,679</u>	<u>\$ 67,755</u>	<u>\$ 396,520</u>	<u>\$ 3,359,159</u>

**COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF CASH FLOWS
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2021**

Exhibit 44

	<u>Economic Development Authority</u>
Cash flows from operating activities:	
Payments to suppliers	<u>\$ (24,000)</u>
Net cash provided by (used for) operating activities	<u>(24,000)</u>
Cash flows from noncapital financing activities:	
Operating subsidy from Primary Government	<u>7,500</u>
Net cash provided by (used for) noncapital financing activities	<u>7,500</u>
Cash flows from capital and related financing activities:	
Cash flows from investing activities:	
Interest income	<u>11</u>
Net increase (decrease) in cash and cash equivalents	(16,489)
Cash and cash equivalents at beginning of the year	<u>118,884</u>
Cash and cash equivalents at end of year	<u>\$ 102,395</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:	
Operating income (loss)	(26,780)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:	
Depreciation	780
Changes in assets and liabilities:	
Increase (decrease) in accounts payable	<u>2,000</u>
Total adjustments	<u>2,000</u>
Net cash provided by (used for) operating activities	<u>\$ (24,000)</u>



This page left blank intentionally

Supporting Schedules



This page left blank intentionally

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

Schedule 1
Page 1 of 8

Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government:				
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 14,003,674	\$ 14,003,674	\$ 15,207,929	\$ 1,204,255
Real and personal public service taxes	1,710,184	1,710,184	1,862,259	152,075
Personal property taxes	6,473,207	6,473,207	7,321,596	848,389
Machinery and tools taxes	2,266,844	2,266,844	2,573,934	307,090
Penalties - all taxes	300,000	300,000	458,332	158,332
Interest - all taxes	310,000	310,000	432,044	122,044
Total general property taxes	25,063,909	25,063,909	27,856,094	2,792,185
Other local taxes:				
Local sales and use taxes	4,577,063	4,304,186	4,724,877	420,691
Consumers' utility and consumption taxes	1,170,000	1,170,000	1,158,761	(11,239)
Public service corporation license taxes	58,500	58,500	55,233	(3,267)
Communications tax	900,000	860,127	756,940	(103,187)
Motor vehicle licenses	592,930	592,930	648,287	55,357
Bank stock taxes	30,000	30,000	21,370	(8,630)
Taxes on recordation and wills	379,000	379,000	598,679	219,679
Hotel and motel room taxes	650,000	650,000	898,193	248,193
Business, professional and occupational license taxes	59,000	59,000	64,705	5,705
Other local taxes	23,800	23,800	18,790	(5,010)
Total other local taxes	8,440,293	8,127,543	8,945,835	818,292
Permits, Privilege Fees and Licenses:				
Animal licenses	11,000	11,000	4,155	(6,845)
Building and zoning permits	281,000	281,000	298,984	17,984
Health department permits	27,000	27,000	16,550	(10,450)
Land use application fees	45,000	45,000	27,750	(17,250)
Erosion & sediment control	12,000	12,000	11,705	(295)
Wetlands fees	5,000	5,000	21,023	16,023
Other licenses and permits	10,800	10,800	5,576	(5,224)
Total permits, privilege fees and licenses	391,800	391,800	385,743	(6,057)
Fines and forfeitures	70,000	70,000	40,094	(29,906)
Revenue from use of money and property:				
From use of money	93,500	53,500	26,438	(27,062)
From use of property	467,066	467,066	485,438	18,372
Total revenue from use of money and property	560,566	520,566	511,876	(8,690)
Charges for services:				
General government administration charges	213,633	213,633	263,777	50,144
Judicial administration charges	3,000	3,000	2,603	(397)
Public safety charges	67,155	67,155	292,823	225,668
Public works charges	70,000	70,000	85,478	15,478
Total charges for services	353,788	353,788	644,681	290,893
Miscellaneous revenue	-	40,694	151,685	110,991

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (continued)

Schedule 1
Page 2 of 8

Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Revenue from local sources:				
Recovered costs:				
General government administration	\$ 86,100	\$ 86,100	\$ 44,393	\$ (41,707)
Judicial administration	19,842	19,842	19,919	77
Public safety	35,288	35,288	11,840	(23,448)
Public works	3,000	186,201	250,073	63,872
Health and welfare	-	-	9,854	9,854
Nondepartmental (Insurance recoveries)	-	29,224	29,225	1
Total recovered costs	144,230	356,655	365,304	8,649
Total revenue from local sources	35,024,586	34,924,955	38,901,312	3,976,357
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Motor vehicle carrier's tax	30,000	30,000	17,532	(12,468)
Rolling stock tax	2,000	2,000	1,792	(208)
Mobile home titling tax	52,000	52,000	40,735	(11,265)
Tax on deeds (grantor)	84,000	-	-	-
Games of skill	-	-	55,872	55,872
Personal Property Tax Relief Act	2,866,680	2,866,680	2,866,638	(42)
Total noncategorical aid	3,034,680	2,950,680	2,982,569	31,889
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	369,317	369,317	350,340	(18,977)
Sheriff	2,728,961	2,764,486	2,767,955	3,469
Commissioner of the revenue	114,605	114,605	113,150	(1,455)
Treasurer	126,193	126,193	126,731	538
Registrar / electoral board	42,317	42,317	46,063	3,746
Clerk of circuit court	295,073	295,073	325,280	30,207
Jail	206,756	206,756	252,808	46,052
Total shared expenses	3,883,222	3,918,747	3,982,327	63,580
Other categorical aid:				
Litter control	-	19,948	19,948	-
"Four for Life" program	-	74,388	37,756	(36,632)
Juvenile crime control act	36,268	36,268	36,269	1
Victim / witness assistance grant	93,233	26,652	26,652	-
Community corrections grant	96,452	202,316	111,763	(90,553)
Hazardous materials response grants	30,000	30,000	-	(30,000)
Other	4,000	39,855	17,213	(22,642)
Total other categorical aid	259,953	429,427	249,601	(179,826)
Total revenue from the Commonwealth	7,177,855	7,298,854	7,214,497	(84,357)
Revenue from the Federal Government:				
Payments in lieu of taxes	28,750	28,750	30,004	1,254

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (continued)**

**Schedule 1
Page 3 of 8**

Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Intergovernmental (continued)				
Revenue from the Federal Government: (continued)				
Noncategorical aid:				
Refuge revenue sharing	\$ 91,000	\$ 91,000	\$ 75,390	\$ (15,610)
Indirect costs	54,000	54,000	104,554	50,554
Total noncategorical aid	<u>145,000</u>	<u>145,000</u>	<u>179,944</u>	<u>34,944</u>
Categorical aid:				
State Homeland security grant	-	57,429	81,300	23,871
USDA grants	-	92,000	17,000	(75,000)
Emergency management grants	-	7,500	57,571	50,071
CARES Act	-	5,117,958	3,572,889	(1,545,069)
Selective enforcement grant	-	24,500	-	(24,500)
Victim / witness assistance grant	-	79,932	79,932	-
Other	-	-	13,025	13,025
Total categorical aid	<u>-</u>	<u>5,379,319</u>	<u>3,821,717</u>	<u>(1,557,602)</u>
Total revenue from the Federal Government	<u>173,750</u>	<u>5,553,069</u>	<u>4,031,665</u>	<u>(1,521,404)</u>
Total General Fund	<u>42,376,191</u>	<u>47,776,878</u>	<u>50,147,474</u>	<u>2,370,596</u>
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Welfare	<u>1,504,352</u>	<u>1,483,456</u>	<u>1,130,220</u>	<u>(353,236)</u>
Revenue from the Federal Government:				
Categorical aid:				
Welfare	<u>1,950,293</u>	<u>1,952,669</u>	<u>2,177,916</u>	<u>225,247</u>
Total Virginia Public Assistance Fund	<u>3,454,645</u>	<u>3,436,125</u>	<u>3,308,136</u>	<u>(127,989)</u>
Comprehensive Youth Services Fund:				
Revenue from local sources:				
Miscellaneous revenue:				
From Northampton County	<u>100,274</u>	<u>100,274</u>	<u>84,511</u>	<u>(15,763)</u>
Total miscellaneous revenue	<u>100,274</u>	<u>100,274</u>	<u>84,511</u>	<u>(15,763)</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Comprehensive Services Act pooled services grants	<u>759,205</u>	<u>759,205</u>	<u>487,422</u>	<u>(271,783)</u>
Comprehensive Services Act Trust Fund grant	<u>19,621</u>	<u>19,621</u>	<u>21,574</u>	<u>1,953</u>
Total categorical aid from the Commonwealth	<u>778,826</u>	<u>778,826</u>	<u>508,996</u>	<u>(269,830)</u>
Total Comprehensive Youth Services Fund	<u>879,100</u>	<u>879,100</u>	<u>593,507</u>	<u>(285,593)</u>

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (continued)**

**Schedule 1
Page 4 of 8**

Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Special Revenue Funds: (continued)				
Law Library Fund:				
Revenue from local sources:				
Charges for services				
Law Library fees	\$ 7,000	\$ 7,000	\$ 7,508	\$ 508
Stormwater Ordinance Fund:				
Revenue from local sources:				
Permits, Privilege Fees and Licenses:				
Stormwater permits	30,903	30,903	14,931	(15,972)
Drug Seizures Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	5	5
Miscellaneous revenue:				
From sale of property	-	-	2,626	2,626
Revenue from the Federal Government:				
Categorical aid:				
Drug forfeitures and seizures	2,000	2,000	-	(2,000)
Total Drug Seizures Fund	2,000	2,000	2,631	631
Courthouse Security Fund:				
Revenue from local sources:				
Other local taxes:				
Court security fees	80,000	80,000	80,270	270
Fire Programs Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	7	7
Miscellaneous revenue:				
Contributions	7,000	7,000	7,000	-
From Northampton County	6,700	6,700	6,700	-
Total miscellaneous revenue	13,700	13,700	13,700	-
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical Aid:				
Fire programs grant	59,000	137,073	69,546	(67,527)
Total Fire Programs Fund	72,700	150,773	83,253	(67,520)
Rehabilitation Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	20	20
Recovered costs:				
Grant project income	-	-	4,778	4,778
Total revenue from local sources	-	-	4,798	4,798
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical Aid:				
Neighborhood planning grants	-	30,000	-	(30,000)
Total categorical aid from the Commonwealth	-	30,000	-	(30,000)
Revenue from the Federal Government:				
Categorical aid:				
Neighborhood planning and rehab grants	-	694,120	347,237	(346,883)
Total revenue from the Federal Government	-	694,120	347,237	(346,883)
Total Rehabilitation Projects Fund	-	724,120	352,035	(372,085)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (continued)

Schedule 1
Page 5 of 8

Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Special Revenue Funds: (continued)				
Greenbackville - Captain's Cove Mosquito Control Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 45,650	\$ 45,650	\$ 58,128	\$ 12,478
Penalties - all taxes	500	500	427	(73)
Interest - all taxes	500	500	377	(123)
Total Greenbackville Mosquito Control Fund	46,650	46,650	58,932	12,282
Consolidated Emergency Medical Services Fund				
Revenue from local sources:				
General property taxes:				
Real property taxes	3,547,324	3,547,324	3,766,596	219,272
Public service taxes	550,028	550,028	585,378	35,350
Personal property taxes	169,053	169,053	191,927	22,874
Machinery and tools taxes	50,046	50,046	58,741	8,695
Penalties - all taxes	31,000	31,000	60,020	29,020
Interest - all taxes	39,000	39,000	70,086	31,086
Total general property taxes	4,386,451	4,386,451	4,732,748	346,297
Recovered costs:				
Insurance recoveries	-	3,873	3,873	-
Total recovered costs	-	3,873	3,873	-
Total revenue from local sources	4,386,451	4,390,324	4,736,621	346,297
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	64,964	64,964	65,009	45
Total revenue from the Commonwealth	64,964	64,964	65,009	45
Total Consolidated Emergency Medical Services Fund	4,451,415	4,455,288	4,801,630	346,342
Consolidated Fire and Rescue Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	1,288,154	1,288,154	1,364,539	76,385
Public service taxes	152,869	152,869	163,037	10,168
Personal property taxes	102,147	102,147	112,915	10,768
Machinery and tools taxes	31,350	31,350	36,997	5,647
Penalties - all taxes	12,000	12,000	22,250	10,250
Interest - all taxes	20,000	20,000	27,041	7,041
Total revenue from local sources	1,606,520	1,606,520	1,726,779	120,259

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (continued)

Schedule 1
Page 6 of 8

Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Special Revenue Funds: (continued)				
Consolidated Fire and Rescue Fund: (continued)				
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	\$ 41,188	\$ 41,188	\$ 41,187	\$ (1)
Total Consolidated Fire and Rescue Fund	1,647,708	1,647,708	1,767,966	120,258
Total Special Revenue Funds	10,672,121	11,459,667	11,070,799	(388,868)
Capital Projects Funds:				
County Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	-	-	756	756
Recovered costs:				
From Hazard mitigation grant homeowners	-	-	15,000	15,000
Miscellaneous revenue:				
From other local governments	-	289,812	289,812	-
Total revenue from local sources	-	289,812	305,568	15,756
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Harbor improvement grants	-	82,500	-	(82,500)
Waterway grants	-	307,000	27,435	(279,565)
Dredging grants	-	302,216	90,390	(211,826)
Hazard mitigation funds	-	302,012	-	(302,012)
Library construction funds	-	1,000,000	-	(1,000,000)
Total revenue from the Commonwealth	-	1,993,728	117,825	(1,875,903)
Revenue from the Federal Government:				
Categorical aid:				
Hazard mitigation funds	-	1,132,547	-	(1,132,547)
Total County Capital Projects Fund	-	3,416,087	423,393	(2,992,694)
Debt Service Funds:				
County Debt Service Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	2,440,868	2,440,868	2,472,646	31,778
Public service taxes	283,991	283,991	291,294	7,303
Personal property taxes	203,240	203,240	223,620	20,380
Machinery and tools taxes	62,500	62,500	73,979	11,479
Penalties - all taxes	33,158	33,158	43,853	10,695
Interest - all taxes	39,474	39,474	63,525	24,051
Total general property taxes	3,063,231	3,063,231	3,168,917	105,686
Miscellaneous Revenue:				
Other	-	-	82,984	82,984
Total revenue from local sources	3,063,231	3,063,231	3,251,901	188,670
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	82,376	82,376	82,375	(1)
Total revenue from the Commonwealth	82,376	82,376	82,375	(1)
Total County Debt Service Fund	3,145,607	3,145,607	3,334,276	188,669
Total revenue-Primary Government	56,193,919	65,798,239	64,975,942	(822,297)

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (continued)**

**Schedule 1
Page 7 of 8**

Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
School Board Component Unit:				
School Operating Fund:				
Revenue from local sources:				
Charges for services:				
Tuition	1,000	1,000	5,704	4,704
Driver education	5,292	5,292	19,025	13,733
Medicaid	100,000	100,000	24,520	(75,480)
Total charges for services	106,292	106,292	49,249	(57,043)
Miscellaneous revenue:				
E-rate	101,484	101,484	221,013	119,529
Miscellaneous	30,000	30,000	224,912	194,912
Total miscellaneous revenue	131,484	131,484	445,925	314,441
Recovered costs:				
Miscellaneous	175,000	175,000	251,473	76,473
Revenue from local government:				
Contribution from Accomack County, Virginia	19,088,454	22,027,456	10,943,943	(11,083,513)
Total revenue from local sources	19,501,230	22,440,232	11,690,590	(10,749,642)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Sales tax contribution	4,127,275	4,127,275	5,901,013	1,773,738
Basic school aid	17,511,337	17,511,337	16,802,677	(708,660)
Education of the gifted	167,969	167,969	161,795	(6,174)
Remedial education	984,197	984,197	948,066	(36,131)
Special education	2,025,320	2,025,320	1,950,871	(74,449)
Textbooks	347,147	347,147	334,386	(12,761)
Vocational education	361,780	361,780	348,481	(13,299)
Social Security	1,049,807	1,049,807	1,011,217	(38,590)
Retirement	2,445,242	2,445,242	2,355,358	(89,884)
Group life insurance	74,294	74,294	71,563	(2,731)
No loss funding	-	-	1,745,326	1,745,326
Governor's School	7,101	7,101	5,858	(1,243)
Special Education - homebound	16,758	16,758	13,460	(3,298)
Special Education - private tuition	241,382	241,382	251,065	9,683
Vocational education-occupational	60,137	60,137	42,728	(17,409)
Industry based certification	5,000	5,000	9,310	4,310
At risk	1,822,314	1,822,314	1,755,582	(66,732)
Trans courses	16,772	16,772	16,772	-
Four year old preschool program	356,287	356,287	373,053	16,766
Mentor teacher program	8,005	8,005	6,754	(1,251)
English as a second language	657,097	657,097	602,339	(54,758)
K-3 initiative	-	-	746,419	746,419
Lottery	916,688	1,663,107	1,297,526	(365,581)
Educational technology grant SOL web base	-	336,000	247,178	(88,822)
Reading intervention	141,333	141,333	129,555	(11,778)
Career prep academy	-	-	116,995	116,995
SOL algebra readiness	-	111,885	109,345	(2,540)
Other	-	-	9,600	9,600
Total revenue from the Commonwealth	33,343,242	34,537,546	37,364,292	2,826,746

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (continued)**

**Schedule 1
Page 8 of 8**

Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
School Board Component Unit: (continued)				
: School Operating Fund: (continued)				
Intergovernmental: (continued)				
Revenue from the Federal Government:				
Categorical aid:				
Vocational Education	\$ 129,941	\$ 129,941	\$ 127,640	\$ (2,301)
Title I	-	1,859,887	1,804,187	(55,700)
Title I C-Migrant education	-	205,605	50,619	(154,986)
Title II	-	240,365	308,946	68,581
Title III	-	81,903	66,201	(15,702)
Title IV	-	156,406	151,429	(4,977)
Title VI	-	102,174	95,723	(6,451)
Title VI-B Special Education	-	1,078,733	1,069,607	(9,126)
CARES Act	-	867,878	3,652,061	2,784,183
Total revenue from the Federal Government	129,941	4,722,892	7,326,413	2,603,521
Total School Operating Fund	52,974,413	61,700,670	56,381,295	(5,319,375)
Special Revenue Funds:				
School Cafeteria Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From the use of money	2,500	2,500	641	(1,859)
Charges for services:				
Meal charges	-	-	50,204	50,204
Miscellaneous:				
Total revenue from local sources	2,500	2,500	50,845	48,345
Intergovernmental				
Revenue from the Commonwealth:				
Categorical aid:				
School food payments	26,000	26,000	119,896	93,896
Revenue from the Federal Government:				
Categorical aid:				
School food payments	3,171,500	3,171,500	2,195,515	(975,985)
CARES Act	-	-	45,407	45,407
Total revenue from the Federal Government	3,171,500	3,171,500	2,240,922	(930,578)
Total School Cafeteria Fund	3,200,000	3,200,000	2,411,663	(788,337)
Total Special Revenue Funds	3,200,000	3,200,000	2,411,663	(788,337)
Capital Projects Fund:				
School Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From the use of money	-	-	20	20
Total revenue-School Board Component Unit	56,174,413	64,900,670	58,792,978	(6,107,692)
Grand total revenue-Primary Government and School Board Component Unit	\$ 112,368,332	\$ 130,698,909	\$ 123,768,920	\$ (6,929,989)

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

**Schedule 2
Page 1 of 7**

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government:				
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 138,865	\$ 138,865	\$ 109,435	\$ 29,430
General and financial administration:				
County administrator	333,366	374,045	303,342	70,703
Human Resources	251,203	253,003	240,927	12,076
Legal services	235,041	231,741	176,383	55,358
Commissioner of the revenue	307,629	310,629	297,773	12,856
County assessor	639,736	644,536	608,326	36,210
Treasurer	570,373	573,973	507,829	66,144
Finance	690,532	694,132	575,594	118,538
Information technology	1,075,694	1,067,939	1,048,225	19,714
Risk management	325,397	325,397	299,475	25,922
Total general and financial administration	4,428,971	4,475,395	4,057,874	417,521
Board of elections:				
Electoral board	110,742	110,742	51,759	58,983
Registrar	193,509	195,309	174,578	20,731
Total board of elections	304,251	306,051	226,337	79,714
Total general government administration	4,872,087	4,920,311	4,393,646	526,665
Judicial administration:				
Courts:				
Circuit court	88,980	89,580	83,923	5,657
General district court	11,471	11,471	13,461	(1,990)
Chief magistrate	16,938	16,938	6,350	10,588
Juvenile and domestic relations court	13,650	13,650	7,998	5,652
Clerk of the circuit court	475,187	512,091	500,524	11,567
Sheriff court services	619,599	588,999	351,001	237,998
Commissioner of accounts	214	214	-	214
Victim and witness assistance	95,774	110,125	89,400	20,725
Total courts	1,321,813	1,343,068	1,052,657	290,411
Commonwealth's attorney	443,093	446,093	427,682	18,411
Total judicial administration	1,764,906	1,789,161	1,480,339	308,822
Public safety:				
Law enforcement and traffic control:				
Sheriff law enforcement	2,625,736	2,758,587	2,657,953	100,634
Fire and rescue services:				
Volunteer fire and rescue	265,110	305,610	250,742	54,868
Emergency medical services	-	74,388	43,611	30,777
Payments to 911 commission	877,543	931,246	713,779	217,467
Total fire and rescue services	1,142,653	1,311,244	1,008,132	303,112
Correction and detention:				
Jail	2,378,010	2,580,208	2,330,585	249,623
Juvenile probation	146,195	181,795	177,903	3,892
Community correction	96,452	202,916	149,590	53,326
Total correction and detention	2,620,657	2,964,919	2,658,078	306,841

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (Continued)**

**Schedule 2
Page 2 of 7**

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Public safety: (continued)				
Other protection:				
Building and zoning	\$ 533,456	\$ 539,056	\$ 440,777	\$ 98,279
Ordinance Enforcement	80,515	81,115	60,013	21,102
Animal control	131,890	133,090	104,141	28,949
Regional animal control facility	108,134	108,734	71,562	37,172
S.P.C.A. supplement	5,921	6,472	6,472	-
Emergency management	122,559	190,895	125,552	65,343
CARES Act	-	3,902,465	3,574,606	327,859
COVID19 Urgent Needs	-	1,215,493	37,579	1,177,914
Medical examiner	5,000	5,000	1,490	3,510
E.S. Coalition Against Domestic Violence supplement	20,000	20,000	20,000	-
Cleanup/disposal of hazardous materials	30,000	81,674	14,801	66,873
Total other protection	<u>1,037,475</u>	<u>6,283,994</u>	<u>4,456,993</u>	<u>1,827,001</u>
Total public safety	<u>7,426,521</u>	<u>13,318,744</u>	<u>10,781,156</u>	<u>2,537,588</u>
Public works:				
Maintenance of streets, bridges and sidewalks:				
Storm drainage	306,863	662,460	212,211	450,249
Sanitation and waste removal:				
General operations	231,564	238,954	260,985	(22,031)
Refuse disposal	1,047,195	1,047,195	1,244,104	(196,909)
Refuse collection	758,714	775,003	750,299	24,704
Maintenance garage	200,274	389,691	373,057	16,634
Litter control	298,561	321,617	281,270	40,347
Total sanitation and waste removal	<u>2,536,308</u>	<u>2,772,460</u>	<u>2,909,715</u>	<u>(137,255)</u>
Maintenance of buildings and grounds:				
Buildings and grounds	1,486,254	1,616,808	1,236,003	380,805
Total public works	<u>4,329,425</u>	<u>5,051,728</u>	<u>4,357,929</u>	<u>693,799</u>
Health and welfare:				
Health:				
Local health department supplement	691,370	691,370	691,370	-
Rural health dental program supplement	30,971	30,971	30,971	-
Total health	<u>722,341</u>	<u>722,341</u>	<u>722,341</u>	<u>-</u>
Mental health and mental retardation:				
Community services board supplement	200,036	200,036	200,036	-
Welfare:				
Property tax relief for seniors, disabled and veterans	144,525	144,525	163,648	(19,123)
Area agency on aging supplement	23,430	23,430	23,430	-
Total welfare	<u>167,955</u>	<u>167,955</u>	<u>187,078</u>	<u>(19,123)</u>
Total health and welfare	<u>1,090,332</u>	<u>1,090,332</u>	<u>1,109,455</u>	<u>(19,123)</u>
Education:				
Contribution to School Board component unit	19,139,358	22,078,360	10,943,943	11,134,417
Community College supplement	41,028	41,028	30,771	10,257
Total education	<u>19,180,386</u>	<u>22,119,388</u>	<u>10,974,714</u>	<u>11,144,674</u>

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (Continued)

Schedule 2
Page 3 of 7

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Parks, recreation and cultural:				
Parks and recreation:				
Recreation administration and maintenance	\$ 256,768	\$ 258,568	\$ 197,515	\$ 61,053
Summer food program	-	400	12,379	(11,979)
Boating facilities	85,542	67,942	94,373	(26,431)
Total parks and recreation	<u>342,310</u>	<u>326,910</u>	<u>304,267</u>	<u>22,643</u>
Cultural enrichment:				
Translator television	120,457	120,457	68,963	51,494
Contribution to Public Library component unit	444,844	444,844	444,844	-
Total cultural enrichment	<u>565,301</u>	<u>565,301</u>	<u>513,807</u>	<u>51,494</u>
Total parks, recreation and cultural	<u>907,611</u>	<u>892,211</u>	<u>818,074</u>	<u>74,137</u>
Community development:				
Planning and community development:				
Contribution to Planning Dist. Commission component unit	91,203	75,703	75,703	-
E.S. of VA Housing Alliance supplement	9,215	9,215	9,215	-
Contribution to Economic Dev. Authority component unit	7,500	7,500	7,500	-
Erosion and sediment	83,193	115,624	184,169	(68,545)
Planning	442,079	513,879	418,604	95,275
Enterprise Zone incentives	-	25,000	1,983	23,017
Tourism Commission supplement	129,438	129,438	129,438	-
Wallops Research Park	91,566	91,566	22,784	68,782
Star Transit public transportation supplement	225,680	225,680	225,680	-
Transportation District Commission supplement	6,704	6,704	6,704	-
Chincoteague Chamber of Commerce supplement	-	20,000	20,000	-
ES of VA Broadband Authority supplement	-	-	100,312	(100,312)
Small Business Development Center supplement	4,607	4,607	4,607	-
Total planning and community development	<u>1,091,185</u>	<u>1,224,916</u>	<u>1,206,699</u>	<u>18,217</u>
Environmental management:				
Johnsongrass/gypsy moth control program	12,858	12,858	-	12,858
Chincoteague water study grant match	50,000	150,000	-	150,000
Soil and Water Conservation District supplement	21,154	21,154	21,154	-
Contribution to Planning Dist. Commission component unit	30,021	30,021	30,021	-
Resource Conservation and Dev. Council supplement	9,999	9,999	9,949	50
Total environmental management	<u>124,032</u>	<u>224,032</u>	<u>61,124</u>	<u>162,908</u>
Cooperative extension program	<u>97,554</u>	<u>116,165</u>	<u>94,075</u>	<u>22,090</u>
Total community development	<u>1,312,771</u>	<u>1,565,113</u>	<u>1,361,898</u>	<u>203,215</u>
Nondepartmental:				
Contingency	224,744	47,380	-	47,380
Reserve for salary increases	219,480	27,697	-	27,697
Employer match for dependent health care	16,109	16,109	-	16,109
Total nondepartmental	<u>460,333</u>	<u>91,186</u>	<u>-</u>	<u>91,186</u>
Debt service:				
Principal	232,100	232,100	232,100	-
Interest and fiscal charges	60,084	60,084	60,083	1
Total debt service	<u>292,184</u>	<u>292,184</u>	<u>292,183</u>	<u>1</u>
Total General Fund	<u>41,636,556</u>	<u>51,130,358</u>	<u>35,569,394</u>	<u>15,560,964</u>

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (Continued)**

**Schedule 2
Page 4 of 7**

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Health and welfare:				
Welfare/social services:				
Welfare administration	\$ 3,326,598	\$ 3,202,041	\$ 3,124,260	\$ 77,781
Public assistance	675,265	680,081	591,266	88,815
Fuel administration	39,057	-	-	-
Local only administration	79,731	279,265	213,825	65,440
CSA coordinator	-	-	49,943	(49,943)
Local staff and operations	-	91,037	90,955	82
Pass-through	150,293	-	-	-
Total welfare/social services	<u>4,270,944</u>	<u>4,252,424</u>	<u>4,070,249</u>	<u>182,175</u>
Comprehensive Youth Services Fund:				
Health and welfare:				
Welfare:				
CSA administration	25,000	25,000	-	25,000
CSA pooled services for youth and families	1,107,016	982,016	658,697	323,319
Total welfare	<u>1,132,016</u>	<u>1,007,016</u>	<u>658,697</u>	<u>348,319</u>
Law Library Fund:				
Judicial administration:				
Courts:				
Law library books	7,000	69,109	3,289	65,820
Stormwater Ordinance Fund:				
Community development:				
Environmental management:				
Stormwater ordinance	183,537	183,537	163,223	20,314
Drug Seizures Fund:				
Judicial administration:				
Commonwealth's attorney	-	11,668	-	11,668
Public safety:				
Law enforcement and traffic control:				
Sheriff	2,000	10,911	242	10,669
Total drug seizures fund	<u>2,000</u>	<u>22,579</u>	<u>242</u>	<u>22,337</u>
Fire Programs Fund:				
Public safety:				
Fire and rescue services:				
Payments to fire companies	30,000	30,000	45,000	(15,000)
Fire training center and other	58,700	168,145	52,637	115,508
Total fire and rescue services	<u>88,700</u>	<u>198,145</u>	<u>97,637</u>	<u>100,508</u>
Rehabilitation Projects Fund:				
Community development:				
Planning and community development:				
CDBG program income costs	-	199,984	-	199,984
CDBG Neighborhood grants	-	724,120	388,107	336,013
Total planning and community development	<u>-</u>	<u>924,104</u>	<u>388,107</u>	<u>535,997</u>
Captains Cove/Greenbackville Mosquito Control				
Health and welfare:				
Health:				
Contribution to mosquito control commission	46,650	71,100	77,523	(6,423)
Consolidated Emergency Medical Services:				
Public safety:				
Fire and Rescue Services:				
Emergency Medical Services	4,384,620	4,212,997	4,016,653	196,344

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (Continued)

Schedule 2
Page 5 of 7

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Special Revenue Funds: (continued)				
Consolidated Fire and Rescue Services:				
Public safety:				
Fire and Rescue Services:				
Payments to volunteer fire and rescue companies	\$ 1,647,708	\$ 2,467,581	\$ 2,085,505	\$ 382,076
Courthouse Security Fund:				
Judicial administration:				
Courts:				
Court security	80,000	85,576	43,588	41,988
Total Special Revenue Funds	11,843,175	13,494,168	11,604,713	1,889,455
Capital Project Funds:				
County Capital Projects Fund:				
General government administration:				
Financial software	-	273,221	-	273,221
Equipment replacement	-	36,020	23,690	12,330
IT infrastructure replacement	150,000	150,000	146,861	3,139
Annex building renovations	-	494	454	40
Total general government administration	150,000	459,735	171,005	288,730
Judicial administration:				
Circuit Courthouse repairs	-	16,110	13,401	2,709
Public safety:				
Building permit software	-	43,853	-	43,853
E911 building improvements	180,000	145,914	131,168	14,746
Emergency operations center and generator	-	96,227	43,459	52,768
Total public safety	180,000	285,994	174,627	111,367
Public works:				
Dump truck	138,900	138,900	53,099	85,801
Total public works	138,900	138,900	53,099	85,801
Parks, recreation and cultural:				
Quinby and Greenbackville Harbor improvements	50,000	541,084	122,293	418,791
Folly Creek Bay Facility improvements	-	32,476	-	32,476
Schooner Bay ramp replacement	204,000	204,000	13,832	190,168
Queen Sound ramp replacement	300,000	300,000	16,025	283,975
Harborton dock replacement	390,000	390,000	-	390,000
Hacks Neck dock improvements	-	129,500	88,576	40,924
Parks & recreation facility(s)	93,585	-	-	-
Regional Library	-	3,589,637	2,011,217	1,578,420
Total parks, recreation and cultural	1,037,585	5,186,697	2,251,943	2,934,754
Community development:				
Derelict building removal program	-	13,255	-	13,255
Wachapreague dredging project	-	206,500	50,372	156,128
Folly Creek dredging project	-	100,500	30,199	70,301
Hazard mitigation grant	-	1,510,062	662	1,509,400
Total community development	-	1,830,317	81,233	1,749,084
Total County capital projects fund	1,506,485	7,917,753	2,745,308	5,172,445
Debt Service Funds:				
County Debt Service Fund:				
Debt Service:				
Principal	2,025,083	2,025,083	2,027,365	(2,282)
Interest and fiscal charges	929,230	929,230	926,982	2,248
Total County Debt Service Fund	2,954,313	2,954,313	2,954,347	(34)
Total expenditures-Primary Government	57,940,529	75,496,592	52,873,762	22,622,830

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (Continued)

Schedule 2
Page 6 of 7

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
School Board Component Unit:				
School Operating Fund:				
Education:				
Instruction Costs:				
Classroom instruction	\$ 30,452,310	\$ 34,677,210	\$ 31,039,600	\$ 3,637,610
Guidance services	1,251,296	1,251,296	1,229,786	21,510
Homebound instruction	53,928	53,928	3,964	49,964
Improvement of instruction	987,485	1,459,821	2,018,990	(559,169)
Media services	862,824	1,730,702	821,501	909,201
CARES Act	-	2,604,007	223,910	2,380,097
Office of the principal	3,536,877	3,536,877	3,275,847	261,030
Other	93,000	93,000	96,515	(3,515)
Total instruction costs	37,237,720	45,406,841	38,710,113	6,696,728
Administration of schools:				
Board services	40,358	40,358	57,710	(17,352)
Executive administration services	399,151	401,095	394,451	6,644
Personnel services	276,218	276,218	244,854	31,364
Fiscal services	456,889	456,889	519,233	(62,344)
Total administration of schools	1,172,616	1,174,560	1,216,248	(41,688)
Attendance and health services:				
Attendance services	103,158	103,158	104,108	(950)
Health services	705,669	705,669	865,367	(159,698)
Psychological services	399,800	399,800	266,662	133,138
Speech/audiology services	559,152	559,152	-	559,152
Total attendance and health services	1,767,779	1,767,779	1,236,137	531,642
Operation and maintenance services:				
Management and direction	226,238	226,238	121,844	104,394
Building services	5,020,321	6,031,734	5,524,619	507,115
Grounds services	228,735	228,735	132,855	95,880
Vehicle services (other than pupil transportation)	60,075	60,075	120,211	(60,136)
Total operation and maintenance services	5,535,369	6,546,782	5,899,529	647,253
Pupil transportation services:				
Management and direction	168,562	168,562	175,630	(7,068)
Vehicle operation services	2,904,397	2,965,735	3,076,908	(111,173)
Transportation monitoring	-	-	155,611	(155,611)
Vehicle maintenance services	626,651	826,651	706,649	120,002
Total pupil transportation services	3,699,610	3,960,948	4,114,798	(153,850)
Food Services:				
Food services	7,997	33,631	280,181	(246,550)
Technology services:				
Classroom instruction	2,058,414	2,525,710	4,048,953	(1,523,243)
Instructional support	987,265	1,054,465	1,092,692	(38,227)
Administration	127,995	127,995	40,206	87,789
Pupil transportation	9,640	9,640	13,530	(3,890)
Attendance and health	3,500	3,500	14,158	(10,658)
Operations and maintenance	70,000	70,000	53,245	16,755
Total technology services	3,256,814	3,791,310	5,262,784	(1,471,474)
Contingency	2,821,885	872,459	-	872,459
Total school operating fund	55,499,790	63,554,310	56,719,790	6,834,520

**COUNTY OF ACCOMACK, VIRGINIA
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021 (Continued)**

**Schedule 2
 Page 7 of 7**

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
School Board Component Unit: (continued)				
Special Revenue Funds: (continued)				
School Cafeteria Fund:				
Education:				
School Food Services:				
Operating costs	\$ 3,200,000	\$ 3,200,000	\$ 2,575,489	\$ 624,511
Total expenditures-School Board Component Unit	58,699,790	66,754,310	59,295,279	7,459,031
Grand total expenditures-Primary Government and School Board Component Unit	\$ 116,640,319	\$ 142,250,902	\$ 112,169,041	\$ 30,081,861



This page left blank intentionally

Statistical Section

Statistical Section

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.	196
Revenue Capacity These schedules contain information to help the reader assess the county's most significant local revenue source, the property tax.	200
Debt Capacity These schedules present information to help the reader assess the affordability of the county's current levels of outstanding debt and the county's ability to issue additional debt in the future. Note that no legal debt margin information is presented as the Code of Virginia only sets legal debt limits for towns and cities. Counties have no legal debt limit imposed by law. Also note that pledged revenue information is not presented as the County has not issued any revenue backed debt.	207
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place.	209
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the county's financial report relates to the services the county provides and the activities it performs.	211

Sources: Unless otherwise noted, the information in these schedules is derived from comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**COUNTY OF ACCOMACK, VIRGINIA
NET POSTION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

Table 1

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities:										
Net investment in capital assets	\$ 2,537,440	\$ 3,943,220	\$ 6,875,692	\$ 12,266,262	\$ 13,323,383	\$ 13,614,036	\$ 14,803,829	17,160,190	18,979,478	19,548,145
Restricted	1,337,183	1,101,726	2,426,616	2,473,955	2,857,003	3,090,508	3,263,176	3,889,773	5,506,458	6,490,355
Unrestricted	16,447,789	15,455,876	14,182,780	12,746,931	14,877,956	15,740,171	17,084,745	19,707,467	21,665,052	33,202,904
Total governmental activities net position	\$ 20,322,412	\$ 20,500,822	\$ 23,485,088	\$ 27,487,148	\$ 31,058,342	\$ 32,444,715	\$ 35,151,750	40,757,430	46,150,988	59,241,404
Business-type activities:										
Net investment in capital assets	\$ 1,542,541	\$ 5,334,897	\$ 6,902,698	\$ 7,817,113	\$ 8,016,703	\$ 10,949,377	\$ 10,996,279	14,262,266	14,043,997	14,729,320
Unrestricted	(1,696,621)	(1,164,425)	(1,713,962)	(2,054,143)	(2,043,261)	(5,228,893)	(5,389,385)	(6,382,791)	(5,316,800)	(6,927,745)
Total business-type activities net position	\$ (154,080)	\$ 4,170,472	\$ 5,188,736	\$ 5,762,970	\$ 5,973,442	\$ 5,720,484	\$ 5,606,894	7,879,475	8,727,197	7,801,575
Primary government:										
Net investment in capital assets	\$ 4,079,981	\$ 9,278,117	\$ 13,778,390	\$ 20,083,375	\$ 21,340,086	\$ 24,563,413	\$ 25,800,108	31,422,456	33,023,475	34,277,465
Restricted	1,337,183	1,101,726	2,426,616	2,473,955	2,857,003	3,090,508	3,263,176	3,889,773	5,506,458	6,490,355
Unrestricted	14,751,168	14,291,451	12,468,818	10,692,788	12,834,695	10,511,278	11,695,360	13,324,676	16,348,252	26,275,159
Total primary government net position	\$ 20,168,332	\$ 24,671,294	\$ 28,673,824	\$ 33,250,118	\$ 37,031,784	\$ 38,165,199	\$ 40,758,644	48,636,905	54,878,185	67,042,979

¹ This table reports financial information based on the accrual basis of accounting.

COUNTY OF ACCOMACK, VIRGINIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Table 2

Page 1 of 2

Primary Government:	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
General government administration	\$ 3,339,183	\$ 3,585,175	\$ 3,498,049	\$ 3,530,381	\$ 4,213,237	\$ 4,176,949	\$ 4,235,991	\$ 3,869,051	\$ 4,297,569	4,601,711
Judicial administration	1,442,643	1,573,104	1,557,904	1,523,767	1,626,300	1,698,149	1,524,872	1,847,818	2,006,203	1,666,734
Public safety	9,141,427	10,579,063	10,083,890	10,051,732	10,799,876	12,137,511	11,411,784	12,521,804	13,191,818	17,350,872
Public works	3,382,833	3,721,236	3,586,061	3,879,310	4,046,470	4,295,837	4,434,819	4,295,730	5,103,434	5,030,230
Health and welfare	5,681,716	5,839,666	5,719,077	5,899,788	5,961,155	6,163,082	5,945,902	5,772,749	5,978,222	6,301,932
Education	18,511,045	18,475,654	18,708,789	19,091,856	19,185,216	19,514,650	19,334,027	17,990,881	19,035,647	12,863,844
Parks, recreation and cultural	1,037,589	1,014,589	961,633	894,436	1,048,256	1,271,895	1,239,140	1,301,533	484,488	1,129,852
Community development	4,106,234	1,430,468	1,599,584	1,577,928	2,002,473	1,877,300	1,884,504	2,034,036	2,042,957	2,329,054
Interest on long-term debt	1,927,969	1,700,378	1,761,930	1,539,381	1,469,186	1,337,937	1,134,137	1,082,502	1,108,961	950,571
Total governmental activities expenses	48,570,639	47,919,333	47,476,917	47,988,579	50,352,169	52,473,310	51,145,176	50,716,104	53,249,299	52,224,800
Business-type activities:										
Landfill	2,783,554	2,126,739	2,579,104	2,951,816	2,548,558	3,401,827	3,569,289	4,080,602	2,341,369	5,151,900
Airport	-	375,864	825,992	731,287	670,222	700,391	691,014	739,944	950,832	618,396
Water and Sewer	126,703	153,116	596,534	243,334	203,169	314,703	504,664	389,764	429,097	405,532
Parks and Recreation	64,896	81,476	56,470	48,959	69,436	54,955	39,181	45,253	22,340	9,038
Total business-type activities expenses	2,975,153	2,737,195	4,058,100	3,975,396	3,491,385	4,471,876	4,804,148	5,255,563	3,743,638	6,184,866
expenses	51,545,792	50,656,528	51,535,017	51,963,975	53,843,554	56,945,186	55,949,324	55,971,667	56,992,937	58,409,666
Program Revenues										
Governmental activities:										
Charges for services:										
General government administration	294,422	303,205	455,246	429,272	464,325	396,076	340,487	575,757	511,896	343,926
Judicial administration	96,434	94,495	100,293	89,168	76,993	108,135	81,468	117,902	89,391	72,637
Public safety	603,751	601,672	417,064	452,767	470,058	508,284	490,759	549,903	637,054	667,714
Public works	129,728	157,961	248,997	207,649	330,896	269,613	242,352	206,417	222,129	337,550
Health and welfare	313,962	296,399	300,016	433,837	406,018	398,651	455,688	450,225	483,752	444,629
Education	-	-	-	-	-	-	-	-	66,981	-
Parks, recreation and cultural	93,772	96,514	227,902	72,419	63,915	72,873	72,873	61,009	66,839	66,425
Community development	77,943	64,579	66,137	129,832	201,284	120,274	33,380	39,463	66,295	52,437
Interest on long term debt	-	-	-	-	-	-	-	-	-	82,984
Operating grants and contributions	7,655,170	8,116,557	9,481,299	8,288,541	8,838,571	8,929,145	8,437,334	8,623,343	10,195,625	12,496,598
Capital grants and contributions	2,965,210	271,414	785,074	4,143,748	91,253	39,520	335,000	1,364,751	1,958,574	289,812
revenues	12,230,392	10,002,796	12,082,028	14,247,233	10,943,313	10,842,571	10,489,341	11,988,770	14,298,536	14,854,712
Business-type activities:										
Charges for services:										
Landfill	2,556,568	2,764,529	2,423,020	2,832,220	2,944,380	3,209,523	2,892,852	3,289,632	3,179,687	3,655,859
Airport	-	143,170	319,374	288,003	242,236	253,556	295,816	251,371	245,010	231,671
Water and Sewer	203,836	218,395	215,641	270,507	200,897	217,078	278,763	305,519	337,309	399,279
Parks and recreation	61,826	55,165	63,196	53,942	49,740	53,444	38,385	35,092	28,814	3,571
Operating grants and contributions - Airport	-	14,652	149,934	20,108	52,142	33,597	28,595	26,435	23,451	13,468
Capital grants and contributions - Airport	-	-	-	1,048,914	-	47,703	451,081	3,260,031	158,077	743,122
revenues	2,822,230	3,195,911	3,171,165	4,513,694	3,489,395	3,814,901	3,985,492	7,168,080	3,972,348	5,046,970
Total primary government program revenues	15,052,622	13,198,707	15,253,193	18,760,927	14,432,708	14,657,472	14,474,833	19,156,850	18,270,884	19,901,682

COUNTY OF ACCOMACK, VIRGINIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Table 2

Page 2 of 2

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Primary Government:										
Net (Expense)/Revenue¹										
Governmental activities	(36,340,247)	(37,916,537)	(35,394,889)	(33,741,346)	(39,408,856)	(41,630,739)	(40,655,835)	(38,727,334)	(38,950,763)	(37,370,088)
Business-type activities	(152,923)	458,716	(886,935)	538,298	(1,990)	(656,975)	(818,656)	1,912,517	228,710	(1,137,896)
Total primary government net expense	(36,493,170)	(37,457,821)	(36,281,824)	(33,203,048)	(39,410,846)	(42,287,714)	(41,474,491)	(36,814,817)	(38,722,053)	(38,507,984)
General Revenues and Other										
Changes in Net Position										
Governmental activities:										
Taxes:										
General property taxes	27,583,562	28,500,128	28,872,306	29,258,518	31,940,238	32,114,931	33,963,969	32,888,029	33,053,958	38,018,190
Local sales and use taxes	3,623,339	3,618,865	3,358,791	3,579,831	3,583,326	3,659,682	3,746,741	4,273,866	4,398,807	4,724,877
Consumer utility taxes	986,409	1,089,368	1,005,667	1,144,722	1,069,085	1,105,834	1,164,856	872,078	1,008,870	756,940
Communication taxes	1,087,470	1,052,114	1,034,212	1,025,176	994,827	970,374	940,038	1,042,562	852,193	1,158,761
Other local taxes	1,591,001	1,592,735	1,775,122	1,779,509	1,836,328	1,866,503	1,839,972	2,106,890	1,943,284	2,385,527
Grants and contributions not restricted to specific programs	3,320,843	3,319,642	3,365,464	3,368,175	3,367,776	3,423,576	3,400,198	3,433,736	3,446,703	3,381,088
Investment earnings	1,967	10,954	22,857	13,120	9,583	8,463	46,368	5,907	62,170	27,226
Other revenue	596,723	189,259	845,326	291,288	378,396	61,481	329,248	70,010	197,348	139,715
Transfers	(25,800)	(1,134,135)	(1,900,590)	(164,935)	(199,509)	(193,732)	(758,393)	(360,064)	(619,012)	(160,275)
Total governmental activities	38,765,514	38,238,930	38,379,155	40,295,404	42,980,050	43,017,112	44,672,997	44,333,014	44,344,321	50,432,049
Business-type activities:										
Investment earnings	8,312	9,985	4,311	3,446	11,347	20,285	11,662	-	-	-
Gain on sale of capital assets	-	-	-	-	1,533	190,000	-	-	-	-
Other revenue	-	2,770,557	298	3,457	73	-	-	-	-	52,000
Transfers	25,800	1,134,135	1,900,590	164,937	199,509	193,732	758,393	360,064	619,012	160,275
Total business-type activities	34,112	3,914,677	1,905,199	171,840	212,462	404,017	770,055	360,064	619,012	212,275
Total primary government	38,799,626	42,153,607	40,284,354	40,467,244	43,192,512	43,421,129	45,443,052	44,693,078	44,963,333	50,644,324
Change in Net Position										
Governmental activities	2,425,267	322,393	2,984,266	6,554,058	3,571,194	1,386,373	4,017,162	5,605,680	5,393,558	13,061,960
Business-type activities	(118,811)	4,373,393	1,018,264	710,138	210,472	(252,958)	(48,601)	2,272,581	847,722	(925,621)
Total primary government	\$ 2,306,456	\$ 4,695,786	\$ 4,002,530	\$ 7,264,196	\$ 3,781,666	\$ 1,133,415	\$ 3,968,561	7,878,261	6,241,280	12,136,339

¹ Net (expense) revenue is the difference between the expenses and program revenues. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. A number in parentheses is net expenses indicating that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses are net revenues, meaning that program revenues were more than sufficient to cover expenses.

**COUNTY OF ACCOMACK, VIRGINIA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)**

Table 3

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund:										
Nonspendable	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	104,700	104,700	104,700
Restricted	9,603	24,890	30,326	31,047	32,053	32,053	33,123	36,196	36,210	6,210
Committed	6,100,065	6,860,389	7,632,118	8,415,423	9,210,477	10,017,457	10,836,542	11,355,486	11,802,717	12,302,716
Assigned	5,663,962	5,077,891	3,376,508	3,093,131	3,221,067	4,505,194	6,268,339	6,782,375	7,484,909	17,327,182
Unassigned	2,066,357	1,862,007	1,680,028	1,426,505	1,804,578	2,312,267	1,253,151	2,998,606	2,359,712	5,000,178
Total general fund	<u>13,944,687</u>	<u>13,929,877</u>	<u>12,823,680</u>	<u>13,070,806</u>	<u>14,372,875</u>	<u>16,971,671</u>	<u>18,495,855</u>	<u>21,277,363</u>	<u>21,788,248</u>	<u>34,740,986</u>
All Other Governmental Funds:										
Restricted	2,792,758	2,485,291	5,475,920	3,032,136	2,824,950	3,058,455	3,230,053	3,853,577	5,428,753	6,454,142
Assigned	83,910	17,810	874,755	1,034,644	5,050,567	3,305,886	739,763	1,791,432	4,125,945	2,118,179
Total other governmental funds	<u>2,876,668</u>	<u>2,503,101</u>	<u>6,350,675</u>	<u>4,066,780</u>	<u>7,875,517</u>	<u>6,364,341</u>	<u>3,969,816</u>	<u>5,645,009</u>	<u>9,554,698</u>	<u>8,572,321</u>
Total governmental funds	<u>\$16,821,355</u>	<u>\$16,432,978</u>	<u>\$19,174,355</u>	<u>\$17,137,586</u>	<u>\$22,248,392</u>	<u>\$23,336,012</u>	<u>\$22,465,671</u>	<u>\$26,922,372</u>	<u>31,342,946</u>	<u>43,313,307</u>

COUNTY OF ACCOMACK, VIRGINIA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Table 4

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
General property taxes	\$27,099,918	\$28,514,924	\$29,203,123	\$29,317,410	\$32,205,174	\$32,945,616	\$28,790,706	34,482,574	33,943,439	37,543,470
Other local taxes	6,999,466	7,353,082	7,173,792	7,529,238	7,483,566	7,602,393	7,691,607	8,295,397	8,203,154	9,026,105
Permits, fees and licenses	292,070	345,459	429,010	474,442	463,126	364,692	372,036	414,763	348,652	400,674
Fines and forfeitures	74,866	71,617	76,395	65,622	54,318	84,220	57,413	85,100	57,685	40,094
Revenue from the use of money and property	355,759	361,817	368,898	339,413	327,381	336,728	361,763	479,705	521,072	512,664
Charges for services	411,358	410,393	450,270	406,926	509,555	440,922	500,255	577,701	713,285	652,189
Miscellaneous	254,129	349,418	973,391	381,084	474,631	189,950	4,651,616	1,172,085	217,785	625,318
Recovered costs	471,604	404,211	482,952	354,927	530,191	513,209	304,507	420,779	471,617	388,955
Intergovernmental	13,809,384	11,547,042	13,491,118	15,800,464	12,297,600	12,392,241	12,172,532	12,308,343	15,600,901	15,786,473
Total revenues	49,768,554	49,357,963	52,648,949	54,669,526	54,345,542	54,869,971	54,902,435	58,236,447	60,077,590	64,975,942
Expenditures										
General government administration	3,233,212	3,446,289	3,624,767	3,784,605	4,290,115	3,975,056	4,278,092	4,143,102	4,266,400	4,564,651
Judicial administration	1,335,238	1,450,005	1,511,769	1,487,014	1,600,418	1,541,907	1,567,617	1,801,593	3,188,036	1,540,617
Public safety	8,875,289	10,984,465	11,672,064	10,510,653	11,183,476	11,817,851	8,227,494	13,255,537	13,456,254	17,155,820
Public works	3,395,947	3,834,542	3,893,852	4,212,124	4,557,952	5,151,776	6,332,721	4,575,540	5,189,964	4,411,028
Health and welfare	5,483,394	5,571,278	5,730,164	5,907,665	6,053,390	5,881,513	9,406,439	6,268,765	5,744,049	5,915,924
Education	16,035,534	16,035,534	16,304,689	16,709,372	16,820,374	17,150,107	16,871,374	16,479,494	17,596,918	10,974,714
Parks, recreation and cultural	1,273,121	885,719	1,486,121	1,425,756	1,046,266	1,074,410	2,093,966	1,714,682	2,653,834	3,070,017
Community development	4,046,635	1,526,050	2,872,289	7,558,117	2,628,054	1,678,827	1,511,201	1,677,219	1,602,321	1,994,461
Debt service:										
Principal	2,469,866	3,119,689	3,304,267	3,343,822	3,676,217	3,910,930	3,485,653	2,383,892	2,349,305	2,259,465
Interest	2,012,299	1,758,634	1,709,446	1,602,232	1,528,965	1,406,242	1,239,826	1,119,857	1,076,923	987,065
Total expenditures	48,160,535	48,612,205	52,109,428	56,541,360	53,385,227	53,588,619	55,014,383	53,419,681	57,124,004	52,873,762
Excess of revenues over (under) expenditures	1,608,019	745,758	539,521	(1,871,834)	960,315	1,281,352	(111,948)	4,816,766	2,953,586	12,102,180
Other Financing Sources (Uses)										
Issuance of debt (includes premiums/discounts)	4,263,000	-	10,904,973	-	4,350,000	-	-	-	2,086,000	-
Payments to refunded bond escrow agents	(4,263,000)	-	(6,802,527)	-	-	-	-	-	-	-
Transfers in	1,324,601	1,351,662	2,032,221	2,104,275	1,727,343	2,427,762	1,948,596	2,986,224	4,070,285	1,752,043
Transfers out	(1,643,941)	(2,485,797)	(3,932,811)	(2,269,210)	(1,926,852)	(2,621,494)	(2,706,989)	(3,346,289)	(4,689,297)	(1,912,318)
Total other financing sources (uses)	(319,340)	(1,134,135)	2,201,856	(164,935)	4,150,491	(193,732)	(758,393)	(360,065)	1,466,988	(160,275)
Net change in fund balances	\$ 1,288,679	\$ (388,377)	\$ 2,741,377	\$ (2,036,769)	\$ 5,110,806	\$ 1,087,620	\$ (870,341)	\$ 4,456,701	\$ 4,420,574	11,941,905
Debt service as a % of noncapital expenditures	9.54%	10.43%	10.50%	10.23%	10.15%	10.35%	9.26%	6.91%	6.63%	6.54%

**COUNTY OF ACCOMACK, VIRGINIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE REAL PROPERTY
LAST TEN FISCAL YEARS**

Table 5A

Fiscal Year Ending June 30,	Residential Property	Commercial Property	Agricultural Property	Less Land Use Value Reduction	Total Taxable Assessed Value	Total Direct Real Property Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2012	2,924,021,460	636,396,590	624,792,100	274,869,000	3,910,341,150	0.550	4,185,210,150	93.43%
2013	2,932,083,560	322,320,079	620,948,600	270,528,700	3,604,823,539	0.550	3,875,352,239	93.02%
2014	2,744,011,700	683,547,550	494,192,400	127,309,000	3,794,442,650	0.605	3,921,751,650	96.75%
2015	2,766,112,100	684,978,350	494,890,600	125,088,100	3,820,892,950	0.605	3,945,981,050	96.83%
2016	2,715,931,400	667,447,926	501,728,300	93,490,200	3,791,617,426	0.635	3,885,107,626	97.59%
2017	2,729,710,800	681,463,717	509,588,300	92,379,500	3,828,383,317	0.635	3,920,762,817	97.64%
2018	2,666,968,100	860,280,283	523,945,300	84,232,500	3,966,961,183	0.635	4,051,193,683	97.92%
2019	2,691,327,400	884,736,393	558,514,500	86,775,000	4,047,803,293	0.635	4,134,578,293	97.90%
2020	2,852,300,200	880,208,418	580,720,300	111,095,426	4,202,133,492	0.635	4,313,228,918	97.42%
2021	2,877,996,000	830,098,410	583,137,300	100,717,700	4,190,514,010	0.635	4,291,231,710	97.65%

Source: Accomack County Finance Office

Notes: Real Property is assessed annually at fair market value. Property is assessed at 100 percent of estimated fair market value however, the County has adopted the provisions of Title 58.1-3230 of the Code of Virginia that provides for land use-value assessment when real estate is devoted to agricultural, horticultural or forest uses. Tax rates are per \$100 of assessed value. The County is divided into various different tax rate districts. The above direct tax rates are those for the district with the highest rate.

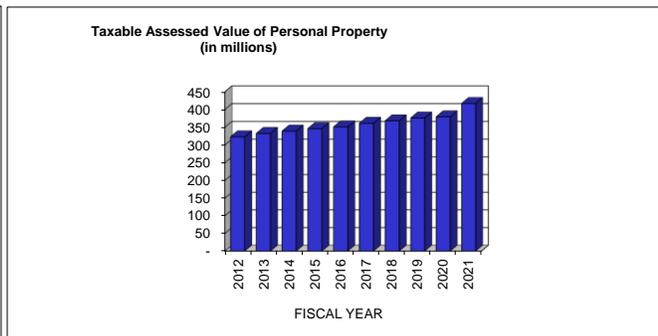
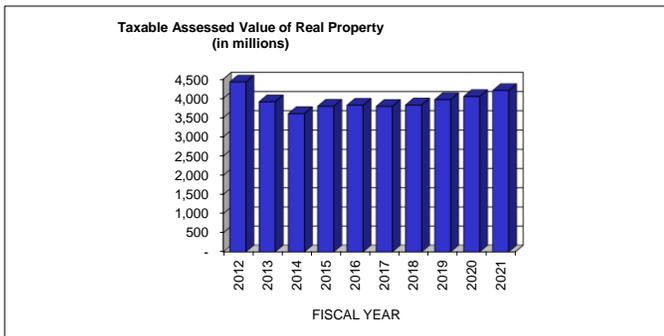
**COUNTY OF ACCOMACK, VIRGINIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PERSONAL PROPERTY
LAST TEN FISCAL YEARS**

Table 5B

Fiscal Year Ending June 30,	Motor Vehicles & Other	Mobile Homes	Machinery & Tools	Total Taxable Assessed Value	Total Direct Personal Property Tax Rate
2012	273,560,910	31,692,295	17,919,794	323,172,999	3.72
2013	280,470,080	30,525,805	21,945,775	332,941,660	3.72
2014	287,138,572	29,964,327	22,255,434	339,358,333	3.72
2015	292,169,603	29,721,982	24,593,224	346,484,809	3.72
2016	301,471,966	29,194,660	20,668,398	351,335,024	3.72
2017	311,113,331	29,253,592	21,042,517	361,409,440	3.72
2018	323,346,910	25,264,307	19,649,014	368,260,231	3.72
2019	326,844,145	25,697,743	23,730,041	376,271,929	3.72
2020	329,717,739	26,233,482	23,825,793	379,777,014	3.72
2021	367,596,225	27,695,229	22,105,929	417,397,383	3.72

Source: Accomack County Finance Office

Notes: Personal Property is assessed annually at fair market value. Property is assessed at 100 percent of estimated fair market value. Tax rates are per \$100 of assessed value. The County is divided into various different tax districts. The above direct tax rates are those for the district with the highest rate.



COUNTY OF ACCOMACK, VIRGINIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES (per \$100 of assessed value)¹

LAST TEN FISCAL YEARS

Table 6

Type of tax	2012					2013					2014					2015				
	District Number					District Number					District Number					District Number				
	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6
Real Property																				
County Direct Rates:																				
General	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.395	0.395	0.395	0.395	0.395	0.395	0.395	0.395	0.395	0.395
Debt Service	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.095	0.095	0.095	0.095	0.095	0.095	0.095	0.095	0.095	0.095
Emergency Medical Service	0.06	0.06	0.06	0.06	-	0.06	0.06	0.06	0.06	-	0.090	0.090	0.090	0.090	-	0.090	0.090	0.090	0.090	-
Fire and Rescue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mosquito Control ²	0.02	-	-	-	-	0.02	-	-	-	-	0.025	-	-	-	-	0.025	-	-	-	-
Total real property direct rates	0.55	0.53	0.53	0.53	0.47	0.55	0.53	0.53	0.53	0.47	0.605	0.580	0.580	0.580	0.490	0.605	0.580	0.580	0.580	0.490
Overlapping Governments:																				
Town of Chincoteague	-	-	-	-	0.06	-	-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.07
Town of Saxis	-	0.17	-	-	-	-	0.17	-	-	-	-	0.17	-	-	-	-	0.17	-	-	-
Town of Hallwood	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-
Town of Bloxom	-	0.10	-	-	-	-	0.16	-	-	-	-	0.16	-	-	-	-	0.16	-	-	-
Town of Parksley	-	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.29	-	-	-
Town of Tangier	-	-	0.35	-	-	-	-	0.35	-	-	-	-	0.35	-	-	-	-	0.35	-	-
Town of Accomac	-	-	0.05	-	-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.09	-	-
Town of Onley	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-
Town of Onancock	-	-	0.20	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-
Town of Melfa	-	-	-	0.05	-	-	-	-	0.05	-	-	-	-	0.05	-	-	-	-	0.06	-
Town of Wachapreague	-	-	-	0.15	-	-	-	-	0.16	-	-	-	-	0.13	-	-	-	-	0.13	-
Town of Keller	-	-	-	0.06	-	-	-	-	0.12	-	-	-	-	0.12	-	-	-	-	0.12	-
Town of Painter	-	-	-	0.06	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-
Town of Belle Haven	-	-	-	0.085	-	-	-	-	0.085	-	-	-	-	0.085	-	-	-	-	0.085	-
Personal Property																				
Overlapping Governments:																				
General	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53
Debt Service	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Emergency Medical Service	0.09	0.09	0.09	0.09	-	0.09	0.09	0.09	0.09	-	0.09	0.09	0.09	0.09	-	0.09	0.09	0.09	0.09	-
Fire and Rescue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total personal prop. direct rates	3.72	3.72	3.72	3.72	3.63	3.72	3.72	3.72	3.72	3.63	3.72	3.72	3.72	3.72	3.63	3.72	3.72	3.72	3.72	3.63
Overlapping Governments:																				
Town of Chincoteague	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85
Town of Saxis	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-
Town of Hallwood	0.48	-	-	-	-	0.48	-	-	-	-	0.48	-	-	-	-	0.48	-	-	-	-
Town of Bloxom	-	0.30	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-
Town of Parksley	-	0.80	-	-	-	-	1.30	-	-	-	-	1.30	-	-	-	-	1.30	-	-	-
Town of Tangier	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town of Accomac	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.15	-	-
Town of Onley	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-
Town of Onancock	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-
Town of Melfa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town of Wachapreague	-	-	-	-	-	-	-	-	0.16	-	-	-	-	0.13	-	-	-	-	0.13	-
Town of Keller	-	-	-	0.10	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-
Town of Painter	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-
Town of Belle Haven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

District numbers and corresponding district names are as follows: District 2=Atlantic District, District 3=Metompin District, District 4=Lee District, District 5=Pungoteague District, and District 6=Chincoteague District.

¹The rates listed above are those in effect at June 30 of the fiscal year end.

²The mosquito control tax applies to the Greenbackville/Captains Cove area of District 2 only.

**COUNTY OF ACCOMACK, VIRGINIA
 PRINCIPAL PROPERTY TAXPAYERS¹
 CURRENT YEAR AND NINE YEARS AGO**

Table 7

Taxpayer	2021			2012		
	Total Assessed Valuation	Rank	Percentage of Total Assessed Value ¹	Total Assessed Valuation	Rank	Percentage of Total Assessed Value ¹
Eastern Shore Solar LLC	\$ 164,050,577	1	3.56%	\$ -	-	-
A&N Electric Cooperative	92,004,764	2	2.00%	179,214,489	2	1.59%
Commonwealth Chesapeake Corp	73,358,767	3	1.59%	70,295,545	1	3.83%
Delmarva Power & Light Company	28,672,208	4	0.62%	9,425,647	9	0.22%
Perdue	24,088,721	5	0.52%	10,475,718	4	0.52%
Old Dominion Electric Cooperative	22,374,885	6	0.49%	26,930,137	8	0.23%
Tyson	20,981,503	7	0.46%	24,121,401	5	0.44%
Verizon Virginia LLC	14,627,125	8	0.32%	44,907,333	3	0.86%
Walmart	10,893,616	9	0.24%	11,152,300	6	0.29%
Chincoteague Hotel LLC	9,890,700	10	0.21%	-	-	-
Captains Cove Group LLC	-	-	-	22,837,400	7	0.27%
Madonia, Batista or Evelyn Madonia	-	-	-	10,394,185	10	0.22%

Source: Accomack County Finance Office

¹ Total assessed value obtained from Table 5A & 5B.

**COUNTY OF ACCOMACK, VIRGINIA
PROPERTY TAX LEVY AND COLLECTIONS⁽¹⁾⁽²⁾
LAST TEN FISCAL YEARS**

**Table 8
Page 1 of 2**

Fiscal Year Levied	Property Tax Type	Month / Year Due	Collected within the Fiscal Year of Levy					Total Collections		
			Original Levy ³	Adjustments	Adjusted Levy	Amount	Percent of Adjusted Levy	Collected in Subsequent Periods	Amount	Percent of Adjusted Levy
2021	Personal Property-Public Svc. Corp.	12/2020	\$ 64,818	\$ -	\$ 64,818	\$ 64,818	100.0%	-	\$ 64,818	100.0%
2021	Personal Property-Regular	12/2020	5,342,304	-	5,342,304	4,653,591	87.1%	-	4,653,591	87.1%
2021	Real Estate-Public Svc. Corp.	12/2020	1,431,350	-	1,431,350	1,431,350	100.0%	-	1,431,350	100.0%
2021	Real Estate-Regular	12/2020	10,752,942	-	10,752,942	10,393,321	96.7%	-	10,393,321	96.7%
2021	Real Estate-Special Assess.	12/2020	15,310	133	15,443	13,289	86.1%	-	13,289	86.1%
2021	Personal Property-Regular Supp	4/2021	250,340	-	250,340	183,650	73.4%	-	183,650	73.4%
2021	Personal Property-Regular	6/2021	6,090,022	-	6,090,022	4,351,240	71.4%	-	4,351,240	71.4%
2021	Real Estate-Public Svc. Corp. *	6/2021	1,394,226	-	1,394,226	1,394,226	100.0%	-	1,394,226	100.0%
2021	Personal Property-Public Svc. Corp. *	6/2021	50,791	-	50,791	50,791	100.0%	-	50,791	100.0%
2021	Real Estate-Regular	6/2021	10,856,163	-	10,856,163	9,768,151	90.0%	-	9,768,151	90.0%
	Total		\$ 36,248,267	\$ 133	\$ 36,248,400	\$ 32,304,429	89.1%	\$ -	\$ 32,304,429	89.1%
2020	Personal Property-Public Svc. Corp.	12/2019	40,535	2,332	38,203	38,203	100.0%	-	38,203	100.0%
2020	Personal Property-Regular	12/2019	5,308,844	25,667	5,283,178	4,495,390	85.1%	335,683	4,831,073	91.4%
2020	Real Estate-Public Svc. Corp.	12/2019	1,461,303	55,956	1,405,347	1,405,347	100.0%	-	1,405,347	100.0%
2020	Real Estate-Regular	12/2019	10,262,504	7,343	10,255,162	9,729,810	94.9%	318,907	10,048,717	98.0%
2020	Real Estate-Special Assess.	12/2019	15,443	-	15,443	7,174	46.5%	6,962	14,136	91.5%
2020	Personal Property-Regular Supp	04/2020	179,517	27,964	151,553	83,351	55.0%	-	83,351	55.0%
2020	Personal Property-Regular	08/2020	5,753,556	773,325	4,980,231	1,421,647	28.5%	3,038,545	4,460,192	89.6%
2020	Real Estate-Public Svc. Corp. *	08/2020	1,394,183	37,081	1,357,102	122,658	9.0%	1,234,444	1,357,102	100.0%
2020	Personal Property-Public Svc. Corp. *	08/2020	37,811	1,047	36,764	1,759	4.8%	35,005	36,764	100.0%
2020	Real Estate-Regular	08/2020	10,756,365	5,777	10,750,588	4,184,953	38.9%	6,278,909	10,463,862	97.3%
	Total		\$ 35,210,063	\$ 936,492	\$ 34,273,571	\$ 21,490,293	62.7%	11,248,455	80,804,525	235.8%
2019	Personal Property-Public Svc. Corp.	12/2018	43,036	519	42,517	42,517	100.0%	-	42,517	100.0%
2019	Personal Property-Regular	12/2018	5,437,406	469,204	4,968,201	4,421,421	89.0%	290,373	4,711,794	94.8%
2019	Real Estate-Public Svc. Corp.	12/2018	1,525,330	29,031	1,496,299	1,496,299	100.0%	-	1,496,299	100.0%
2019	Real Estate-Regular	12/2018	10,060,772	13,829	10,046,944	9,558,100	95.1%	365,861	9,923,960	98.8%
2019	Real Estate-Special Assess.	12/2018	15,443	-	15,443	11,176	72.4%	3,386	14,562	94.3%
2019	Personal Property-Regular	03/2019	138,142	14,013	124,129	84,200	67.8%	29,331	113,531	91.5%
2019	Personal Property-Regular	06/2019	5,649,938	126,771	4,830,064	4,084,096	84.6%	421,274	4,505,370	93.3%
2019	Real Estate-Public Svc. Corp. *	06/2019	1,438,973	55,955	1,383,018	887,161	64.1%	495,857	1,383,018	100.0%
2019	Personal Property-Public Svc. Corp. *	06/2019	39,752	2,332	37,419	37,419	100.0%	-	37,419	100.0%
2019	Real Estate-Regular	06/2019	10,262,597	10,291	10,252,306	9,092,713	88.7%	996,948	10,089,662	98.4%
	Total		\$ 34,611,389	\$ 721,946	\$ 33,196,340	\$ 29,715,101	89.5%	\$ 2,603,030	\$ 32,318,131	97.4%
2018	Personal Property-Public Svc. Corp.	12/2017	42,988	6,028	36,960	36,960	100.0%	-	36,960	100.0%
2018	Personal Property-Regular	12/2017	5,362,590	548,073	4,814,517	4,178,908	86.8%	406,945	4,585,853	95.3%
2018	Real Estate-Public Svc. Corp.	12/2017	1,787,627	(187,700)	1,975,327	1,975,327	100.0%	-	1,975,327	100.0%
2018	Real Estate-Regular	12/2017	10,184,855	12,974	10,171,881	9,652,025	94.9%	427,762	10,079,787	99.1%
2018	Real Estate-Special Assess.	12/2017	4,172	-	4,172	2,167	51.9%	1,200	3,367	80.7%
2018	Personal Property-Regular	03/2018	169,693	14,578	155,115	128,749	83.0%	22,308	151,057	97.4%
2018	Personal Property-Regular	06/2018	5,504,655	910,728	4,593,927	3,917,067	85.3%	442,347	4,359,414	94.9%
2018	Real Estate-Public Svc. Corp. *	06/2018	1,410,673	29,031	1,381,641	1,074,116	77.7%	307,525	1,381,641	100.0%
2018	Personal Property-Public Svc. Corp. *	06/2018	37,506	519	36,986	36,986	100.0%	-	36,986	100.0%
2018	Real Estate-Regular	06/2018	10,058,743	17,173	10,041,571	8,989,582	89.5%	946,435	9,936,017	98.9%
	Total		\$ 34,563,502	\$ 1,351,405	\$ 33,212,097	\$ 29,991,887	90.3%	\$ 2,554,522	\$ 32,546,408	98.0%
2017	Personal Property-Public Svc. Corp.	12/2016	43,800	-	43,800	43,800	100.0%	-	43,800.00	100.0%
2017	Real Estate-Roll Back Taxes	12/2016	49,037	-	49,037	49,037	100.0%	-	49,036.56	100.0%
2017	Personal Property-Regular	12/2016	5,164,557	472,827	4,691,730	4,127,858	88.0%	353,101.93	4,480,959.59	95.5%
2017	Real Estate-Public Svc. Corp.	12/2016	923,300	(29,816)	953,116	953,116	100.0%	-	953,116.00	100.0%
2017	Real Estate-Regular	12/2016	10,174,102	86,889	10,087,213	9,611,265	95.3%	420,400.44	10,031,665.13	99.4%
2017	Real Estate-Special Assess.	12/2016	4,172	-	4,172	2,268	54.4%	1,098.90	3,366.90	80.7%
2017	Personal Property-Regular	03/2017	222,105	39,431	182,674	141,387	77.4%	30,029.27	171,416.27	93.8%
2017	Personal Property-Regular	06/2017	5,298,320	944,767	4,353,553	3,797,030	87.2%	359,330.06	4,156,359.95	95.5%
2017	Real Estate-Public Svc. Corp. *	06/2017	893,813	46,543	847,270	847,270	100.0%	-	847,269.60	100.0%
2017	Personal Property-Public Svc. Corp. *	06/2017	42,988	6,028	36,960	36,960	100.0%	-	36,959.58	100.0%
2017	Real Estate-Regular	06/2017	10,185,171	11,262	10,173,908	9,096,150	89.4%	1,000,518.28	10,096,668.28	99.2%
	Total		\$ 33,001,364	\$ 1,577,932	\$ 31,423,432	\$ 28,706,139	91.4%	\$ 2,164,479	\$ 30,870,618	98.2%
2016	Personal Property-Public Svc. Corp.	12/2015	93,927	-	93,927	93,927	100.0%	-	93,927	100.0%
2016	Personal Property-Regular	12/2015	4,877,654	464,926	4,412,728	3,905,489	88.5%	506,766	4,412,255	100.0%
2016	Real Estate-Public Svc. Corp.	12/2015	1,693,297	-	1,693,297	1,693,297	100.0%	-	1,693,297	100.0%
2016	Real Estate-Regular	12/2015	9,828,979	84,827	9,744,152	9,185,938	94.3%	519,201	9,705,139	99.6%
2016	Real Estate-Special Assess.	12/2015	4,116	-	4,116	2,742	66.6%	569	3,311	80.4%
2016	Personal Property-Regular	03/2016	164,948	16,372	148,576	129,016	86.8%	19,560	148,576	100.0%
2016	Personal Property-Regular	06/2016	5,114,678	903,933	4,210,745	3,686,183	87.5%	365,299	4,051,482	96.2%
2016	Real Estate-Public Svc. Corp. *	06/2016	863,998	29,487	834,511	834,511	100.0%	-	834,511	100.0%
2016	Personal Property-Public Svc. Corp. *	06/2016	46,964	4,789	42,174	42,174	100.0%	-	42,174	100.0%
2016	Real Estate-Regular	06/2016	10,174,102	87,903	10,086,199	9,006,032	89.3%	1,033,902	10,039,934	99.5%
	Total		\$ 32,862,663	\$ 1,592,238	\$ 31,270,425	\$ 28,579,309	91.4%	\$ 2,445,296	\$ 31,024,605	99.2%

**COUNTY OF ACCOMACK, VIRGINIA
PROPERTY TAX LEVY AND COLLECTIONS⁽¹⁾⁽²⁾
LAST TEN FISCAL YEARS**

**Table 8
Page 2 of 2**

Year	Property Tax Type	Year Due	Original Levy ³	Adjustments	Adjusted Levy	Collected within the Fiscal Year of Levy		Subsequent	Total Collections	
						Amount	Levy		Amount	Adjusted
2015	Real Estate-Roll Back Taxes	10/2014	628	-	628	628	100.0%	-	628	100.0%
2015	Personal Property-Public Svc. Corp.	12/2014	88,216	-	88,216	86,019	97.5%	2,197	88,216	100.0%
2015	Personal Property-Regular	12/2014	4,586,058	433,128	4,152,930	3,613,511	87.0%	539,196	4,152,707	100.0%
2015	Real Estate-Public Svc. Corp.	12/2014	1,698,659	-	1,698,659	1,683,121	99.1%	15,539	1,698,659	100.0%
2015	Real Estate-Regular	12/2014	9,753,812	88,018	9,665,794	9,086,273	94.0%	549,127	9,635,400	99.7%
2015	Real Estate-Special Assess.	12/2014	4,172	89	4,083	2,293	56.2%	1,166	3,459	84.7%
2015	Personal Property-Regular	03/2015	164,969	35,135	129,834	92,254	71.1%	31,402	123,656	95.2%
2015	Personal Property-Regular	06/2015	5,015,816	878,740	4,137,077	3,426,729	82.8%	709,926	4,136,655	100.0%
2015	Real Estate-Regular	06/2015	9,828,979	86,009	9,742,967	8,279,637	85.0%	1,428,612	9,708,249	99.6%
2015	Total		\$ 31,141,309	\$ 1,521,118	\$ 29,620,188	\$ 26,270,465	88.7%	\$ 3,277,165	\$ 29,547,629	99.8%
2014	Real Estate-Roll Back Taxes	08/2013	1,957	-	1,957	1,957	100.0%	-	1,957	100.0%
2014	Personal Property-Public Svc. Corp.	12/2013	79,229	-	79,229	78,033	98.5%	1,196	79,229	100.0%
2014	Personal Property-Regular	12/2013	4,582,007	396,519	4,185,488	3,631,896	86.8%	371,447	4,003,343	95.6%
2014	Real Estate-Public Svc. Corp.	12/2013	1,577,174	-	1,577,174	1,562,467	99.1%	14,707	1,577,174	100.0%
2014	Real Estate-Regular	12/2013	9,301,052	89,255	9,211,797	8,671,064	94.1%	506,659	9,188,370	99.7%
2014	Real Estate-Special Assess.	12/2013	4,172	89	4,083	2,378	58.2%	1,081	3,459	84.7%
2014	Personal Property-Regular	03/2014	162,951	8,361	154,590	110,950	71.8%	29,898	140,848	91.1%
2014	Personal Property-Regular	06/2014	4,751,142	272,780	4,478,363	3,398,176	75.9%	878,485	4,276,661	95.5%
2014	Real Estate-Regular	06/2014	9,753,812	89,286	9,664,526	8,566,104	88.6%	1,071,922	9,638,027	99.7%
2014	Total		\$ 30,213,495	\$ 856,289	\$ 29,357,206	\$ 26,023,025	88.6%	\$ 2,875,397	\$ 28,909,067	98.5%
2013	Real Estate-Roll Back Taxes	09/2012	2,721	-	2,721	2,721	100.0%	-	2,721	100.0%
2013	Personal Property-Public Svc. Corp.	12/2012	86,264	-	86,264	85,075	98.6%	1,189	86,264	100.0%
2013	Personal Property-Regular	12/2012	4,361,353	418,786	3,942,567	3,435,520	87.1%	507,047	3,942,567	100.0%
2013	Real Estate-Public Svc. Corp.	12/2012	1,666,940	-	1,666,940	1,650,347	99.0%	16,593	1,666,940	100.0%
2013	Real Estate-Regular	12/2012	9,280,927	113,826	9,167,101	8,557,067	93.3%	590,745	9,147,812	99.8%
2013	Real Estate-Special Assess.	12/2012	4,172	89	4,083	1,966	48.2%	1,827	3,793	92.9%
2013	Personal Property-Regular	04/2013	230,699	15,185	215,513	157,646	73.1%	45,827	203,473	94.4%
2013	Personal Property-Regular	06/2013	4,723,284	280,142	4,443,141	3,198,351	72.0%	1,042,198	4,240,548	95.4%
2013	Real Estate-Regular	06/2013	9,301,052	87,661	9,213,391	8,052,980	87.4%	1,138,991	9,191,971	99.8%
2013	Total		\$ 29,657,411	\$ 915,689	\$ 28,741,722	\$ 25,141,673	87.5%	\$ 3,344,417	\$ 28,486,090	99.1%
2012	Real Estate-Roll Back Taxes	09/2011	5,487	-	5,487	5,487	100.0%	-	5,487	100.0%
2012	Personal Property-Public Svc. Corp.	12/2011	80,442	-	80,442	79,925	99.4%	516	80,442	100.0%
2012	Personal Property-Regular	12/2011	4,351,341	465,549	3,885,792	3,370,153	86.7%	515,638	3,885,791	100.0%
2012	Real Estate-Public Svc. Corp.	12/2011	1,424,539	-	1,424,539	1,409,649	99.0%	14,890	1,424,539	100.0%
2012	Real Estate-Regular	12/2011	8,970,567	93,928	8,876,639	8,281,800	93.3%	574,185	8,855,985	99.8%
2012	Real Estate-Special Assess.	12/2011	4,172	89	4,083	1,776	43.5%	2,017	3,793	92.9%
2012	Personal Property-Regular	02/2012	155,361	16,411	138,950	106,708	76.8%	32,242	138,950	100.0%
2012	Personal Property-Regular	06/2012	4,497,340	306,339	4,191,000	3,179,983	75.9%	1,011,017	4,191,000	100.0%
2012	Real Estate-Regular	06/2012	9,280,927	115,380	9,165,547	8,084,420	88.2%	1,058,999	9,143,419	99.8%
2012	Total		\$ 28,770,176	\$ 997,697	\$ 27,772,479	\$ 24,519,902	88.3%	\$ 3,209,504	\$ 27,729,406	99.8%

⁽¹⁾ This schedule is prepared using the cash basis of accounting.

⁽²⁾ Does not include penalty or interest.

⁽³⁾ Levy is net of senior/disabled tax relief, veterans tax relief and relief provided by the Personal Property Tax Relief Act (PPTRA). The PPTRA provides personal property tax relief to owners of personal use vehicles via a tax credit that appears on the citizen's tax bill. Localities receive a fixed amount of restricted State for this program which is intended to reimburse the County for tax relief granted. Additional information on the PPTRA is found in the notes to the financial statements.

⁽⁴⁾ The County changed the billing frequency for Public Service Corp real estate and personal property taxes from annually to semi-annually in Fiscal Year 2016.

General Note: With each year of personal property regular that the County loses collectibility to passage of time, the write off of uncollected tax shows as a "collection" in the County's software. This portion is not included in the above table as a collection.

**COUNTY OF ACCOMACK, VIRGINIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Table 9

Fiscal Year	Governmental Activities				Business-type Activities			Total Primary Government	Per Capita ¹	Percentage of Personal Income ¹
	General Obligation Bonds				Lease Revenue Bonds	General Obligation Bonds ²	Capital Leases			
	Literary Fund Loans	Va. Public School Authority Bonds	Qualified Zone Academy Bonds	Bond Premiums and Discounts						
2012	3,373,947	29,785,242	551,816	897,596	5,748,000	2,203,000	-	42,559,601	1,278	2.75%
2013	2,913,438	28,568,687	470,274	827,489	5,214,399	1,905,000	-	39,899,287	1,209	2.45%
2014	-	26,443,695	381,142	1,019,302	11,138,973	1,602,000	-	40,585,112	1,230	2.49%
2015	-	24,235,524	289,027	934,846	10,010,978	1,293,000	-	36,763,375	1,115	2.19%
2016	-	21,942,094	193,841	850,385	12,988,922	979,000	-	36,954,242	1,122	2.12%
2017	-	19,557,283	96,076	776,336	11,486,519	659,000	1,240,313	33,815,527	1,039	2.59%
2018	-	16,573,425	78,882	705,994	10,225,582	333,000	972,596	28,889,479	887	2.18%
2019	-	15,243,971	60,761	635,652	9,189,266	-	700,423	25,830,073	796	1.86%
2020	-	13,861,216	41,660	565,310	10,327,817	-	423,719	25,219,722	777	1.82%
2021	-	12,414,465	-	494,968	9,559,047	-	142,407	22,610,887	677	1.30%

Notes: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

¹ See Table 11 for population and personal income data.

² General Obligation Bonds issued to improve/construct County landfills is reported as business-type activity because this debt is being repaid from landfill user fees.

**COUNTY OF ACCOMACK, VIRGINIA
RATIOS OF NET GENERAL BONDED DEBT
OUTSTANDING**

Table 10

Fiscal Year Ending June 30,	General Obligation Bonds ¹	Total	Less: Amounts Available in Debt Service Fund	Net General Bonded Debt	Percentage of Estimated Actual Taxable Value of Property ^{2,3}	Per Capita ³
2012	35,914,005	35,914,005	1,337,183	34,576,822	0.82%	1,038
2013	30,943,961	30,943,961	1,101,726	29,842,235	0.76%	904
2014	28,426,837	28,426,837	1,616,021	26,810,816	0.65%	812
2015	25,817,551	25,817,551	1,402,488	24,415,063	0.59%	740
2016	23,114,935	23,114,935	1,180,940	21,933,995	0.53%	666
2017	20,312,359	20,312,359	863,859	19,448,500	0.46%	598
2018	16,985,307	16,985,307	264,736	16,720,571	0.39%	513
2019	15,304,732	15,304,732	374,229	14,930,503	0.34%	460
2020	13,902,876	13,902,876	426,739	13,476,137	0.29%	415
2021	12,414,465	12,414,465	806,668	11,607,797	0.26%	347

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

¹ Excludes lease revenue bonds and capital leases.

² Includes real and personal property estimated actual taxable value.

³ See Table 11 for population data and Tables 5A & 5B for property value data.

⁴ Fiscal Years 2013-2018 have been adjusted to reflect the related unamortized premiums. Detailed premium information was not available for prior years.

**COUNTY OF ACCOMACK, VIRGINIA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

Table 11

Year	Population ¹	Personal Income (expressed in thousands) ²	Per Capita Personal Income ²	Unemployment Rate ⁴	School Enrollment ³
2012	33,314	\$1,626,900	\$35,733	6.90%	5,092
2013	33,005	\$1,627,200	\$37,628	6.50%	5,132
2014	32,998	\$1,681,000	\$36,960	5.70%	5,310
2015	32,973	\$1,745,300	\$38,683	5.20%	5,326
2016	32,947	\$1,304,585	\$39,412	4.60%	5,349
2017	32,545	\$1,324,623	\$40,701	4.30%	5,229
2018	32,412	\$1,386,063	\$42,764	3.80%	5,016
2019	32,439	\$1,387,093	\$42,923	3.20%	4,934
2020	32,742	\$1,733,172	\$53,762	8.10%	5,215
2021	33,413	N/A	N/A	4.50%	4,867

N/A - Not available

¹ Source: U.S. Census Bureau Mid Year Estimates/December 2020

² Source: U.S. Bureau of Economic Analysis

³ Source: Accomack County School Board

⁴ Source: Virginia Employment Commission/2021 unemployment rate as of June 2021

**COUNTY OF ACCOMACK, VIRGINIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Table 12

Employer	2021			2012			
	Employees	Rank	Percentage of Total County Employment ¹	Employees	Est #	Rank	Percentage of Total County Employment ¹
Perdue Products	1000+	1	6.43%	1000+	1,000	1	5.65%
Tyson Farms	1000+	2	6.43%	1000+	1,000	2	5.65%
Accomack County School Board	500-999	3	6.43%	500-999	500	3	2.83%
Riverside Regional Medical Center	250-499	4	1.61%	100-249	100	10	0.57%
County of Accomack	250-499	5	1.61%	250-499	250	4	1.41%
National Aeronautics & Space Administration	250-499	6	1.61%	250-499	250	5	1.41%
Walmart	100-249	7	0.64%	250-499	200	6	1.13%
Eastern Shore Rural Health System	100-249	8	0.64%	-	-	-	0.00%
LJt Associates Inc	100-249	9	0.64%	-	-	-	0.00%
Eastern Shore Community Services	100-249	10	0.64%	100-249	100	8	0.57%
The Cube Corporation	-	-	0.00%	100-249	100	7	0.57%
Eastern Shore Community College	-	-	0.00%	100-249	100	9	0.57%
			26.67%		3,600		20.36%

Source: Virginia Employment Commission

¹Percentage of total County employment based on total employment as of June 30.

<https://viriniaworks.com/community-profiles>

**COUNTY OF ACCOMACK, VIRGINIA
 AUTHORIZED FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY
 FUNCTION
 LAST TEN FISCAL YEARS**

Table 13

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government administration										
Commonwealth of Virginia)	10.0	10.0	10.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Elections	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Other	32.0	30.0	32.0	32.0	30.0	29.0	30.0	30.0	30.0	31.0
Judicial administration										
Commonwealth of Virginia)	17.8	17.8	15.8	15.8	15.8	15.8	15.8	15.8	16.0	16.5
Other	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	3.0	3.0
Public Safety										
Commonwealth of Virginia)	62.7	63.7	63.7	63.7	63.7	63.7	64.7	64.7	64.7	64.7
Firefighters and emergency medical personnel	31.5	35.0	38.0	41.5	43.5	52.5	52.5	58.5	60.0	60.0
Other	13.0	13.0	13.0	13.0	12.5	11.5	11.5	11.5	9.0	9.0
Public Works										
Refuse collection and litter control	23.2	20.9	24.4	24.4	25.2	25.2	25.2	25.2	25.2	27.0
Refuse disposal	14.5	13.5	13.5	13.5	14.5	14.5	14.5	14.5	14.5	14.5
Building and grounds	14.8	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	15.3
Wastewater treatment	1.0	1.0	0.0	0.0	0.0	0.0	0.0	-	-	0.0
Storm drainage	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0	3.0
Health and welfare										
Social services and welfare	64.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	56.0
Other	3.0	0.0	0.0	0.0	0.0	0.0	0.0	-	1.0	0.0
Parks, recreation and cultural										
	5.0	4.5	4.8	4.8	5.3	5.3	5.3	5.3	5.3	3.8
Community development²										
	6.5	11.0	12.0	12.0	13.5	13.5	13.5	13.5	13.5	13.5
Total primary government										
	304.5	295.2	302.0	304.5	307.7	314.7	316.7	323.8	324.5	328.2

Source: Accomack County Finance Office

¹Temporary and seasonal employees and School Board employees are excluded from this table.

²The Airport Commission was abolished by the Board of Supervisors effective 1/1/2013. All FTE previously controlled by the Commission are now under the control of the Primary Government and are reported as such.

**COUNTY OF ACCOMACK, VIRGINIA
OPERATING INDICATORS BY FUNCTION/PROGRAM
FOR LAST TEN FISCAL YEARS**

Table 14

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Assessor										
Taxable real estate number of parcels	39,786	39,800	39,844	39,847	39,895	39,851	39,854	39,911	39,959	39,962
Tax-exempt real estate number of parcels	940	941	943	955	962	968	972	970	982	988
Number of parcels enrolled in land use program	2,005	1,977	1,873	1,837	1,462	1,427	1,301	1,308	1,411	1,407
Commissioner of Revenue										
Mobile homes	3,253	3,169	3,152	3,139	3,092	3,949	3,912	4,034	3,927	3,790
vehicles	29,327	23,808	24,846	25,330	24,572	38,174	37,749	26,664	37,240	38,974
PPTRA tax credit percentages (vehicle value <\$1,000;\$1,000-\$20,000)	100%;49%	100%;49%	100%;49%	100%;46%	100%;46%	100%;44%	100%;44%	100%;42%	100%, 40%	100%, 40%
Finance										
Vendor checks issued	10,117	9,555	9,844	8,234	8,681	8,987	9,716	8,778	7,634	7,982
Annual County payroll checks/direct deposits	9,019	9,072	9,133	8,725	8,675	8,746	8,097	9,052	8,656	10,571
Annual School Board payroll checks/direct deposits	27,270	28,271	26,728	26,060	28,856	27,605	27,346	27,017	26,487	24,200
Treasurer										
Real estate bills created	79,026	79,092	79,152	79,042	79,184	79,180	79,138	79,250	79,146	79,183
Personal property bills created	66,814	66,378	68,132	68,579	68,710	68,621	66,022	65,966	66,394	67,164
Judicial Administration										
Clerk of Court										
Deed book recordings	4,781	5,374	5,203	4,497	6,159	4,997	4,946	4,803	5,124	5,631
Judgments	2,869	2,706	2,420	2,705	2,032	1,450	1,818	1,771	2,830	2,237
Public Safety										
Fire and Emergency Services										
Emergency responses ¹	4,490	4,751	5,542	5,887	4,635	5,860	6,498	7,443	7,901	7,950
Patients transported ¹	2,582	2,724	2,882	3,350	2,428	2,521	3,003	3,060	2,866	2,979
Fire responses ¹	361	406	247	281	216	327	355	457	512	1,185
Fire investigations	N/A	N/A	N/A	N/A						
Fire inspections				N/A						
EMS turn-out time when fully staffed ¹	3.8 minutes	3.2 minutes	2.4 minutes	2.7 minutes	2.3 minutes	2.54 minutes	2.55 minutes	4.5 minutes	2.9	3.09
EMS drive time when fully staffed ¹	15.6 minutes	11.6 minutes	12.1 minutes	13.27 minutes	12.53 minutes	13.30 minutes	13.0 minutes	12.53 minutes	12.8	7.18
EMS response time when fully staffed ¹	19.2 minutes	16.6 minutes	15.3 minutes	16.39 minutes	16.17 minutes	16.14 minutes	16.03 minutes	16.38 minutes	16.25	10.27
Jail										
Average daily inmate population	81	104	104	104	106	100	105	105	100	107
Sheriff's Office										
Physical arrests	1,038	1,673	1,262	1,450	1,563	1,830	1,917	2,587	1,360	1,123
Traffic violations	934	577	637	500	356	910	639	1,240	1,552	1,193
Health and Welfare										
Comprehensive Services Act										
Youth receiving services	20	21	23	45	32	29	32	30	21	12
Social Services										
Medicaid Recipients	5,235	5,244	5,279	5,412	5,483	5,110	5,331	6,168	6,806	n/a
Food Stamp Recipients	4,257	4,419	4,404	4,081	3,754	3,482	3,191	3,160	3,121	n/a
Households receiving Heating Assistance	2,749	1,949	1,818	1,821	1,680	1,505	1,440	1,399	1,340	n/a
Households receiving Cooling Assistance	718	593	548	586	528	513	533	533	505	n/a
Community Development										
Building permits issued	692	729	663	631	692	753	727	754	752	901
Other Funds										
Landfills										
Billable tons of refuse disposed	37,028	39,614	35,484	43,474	42,289	44,905	40,721	41,748	37,218	41,406
Tons of recycled materials ⁴	9,062	12,346	5,828	16,617	23,274	40,620	47,592	N/A	2,733	3,704

**COUNTY OF ACCOMACK, VIRGINIA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Table 15

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function										
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol units ¹	48	53	48	52	51	51	52	53	56	60
Fire training centers	1	1	1	1	1	1	1	1	1	1
Animal control facilities	1	1	1	1	1	1	1	1	1	1
Public Works										
County owned buildings	36	37	39	39	40	45	44	47	47	47
Square foot in buildings	153,049	153,149	161,549	162,797	164,297	167,094	169,316	195,800	197,455	197,455
Refuse collection sites (staffed) ²	6	6	6	6	7	7	7	7	2	2
Active landfills	2	1	1	1	1	1	1	1	1	1
Solid waste transfer stations	-	1	1	1	1	1	1	1	1	1
Refuse collection vehicles ²	4	4	4	4	4	4	4		5	5
Parks, Recreation and Cultural										
Athletic fields	18	18	18	18	18	18	20	20	20	20
Tennis courts	1	1	1	1	1	1	1	1	1	1
Fishing/boating facilities:										
Dock and/or ramp facilities	15	15	15	15	15	15	15	15	17	17
Low impact water access site	9	9	9	9	9	9	9	9	5	5
Pier or bulkhead only	3	3	3	3	3	3	3	3	5	5
Community Development										
Number of T-hangar buildings	2	2	2	2	2	2	2	2	2	2
Number of T-hangar units	18	18	18	18	18	18	18	18	18	18
Length of runway	5000'	5000'	5000'	5000'	5000'	5000'	5000'	5000'	5000'	5000'
Education										
Elementary schools	5	5	5	5	5	5	5	5	5	5
Elementary school capacity	2,775	2,975	2,975	2,975	2,975	2,975	2,975	2,975	2,975	2,975
Secondary schools	4	4	4	4	4	4	4	4	4	4
Secondary school capacity	2,750	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900
Combined schools	2	2	2	2	2	2	2	2	2	2
Combined school capacity	525	575	575	575	575	575	575	575	575	575
School buses	110	110	110	111	111	119	110	112	92	83
Component Units										
Industrial Development Park										
Acreage available for sale	261.28	261.28	259.28	259.28	259.28	247.21	247.21	247.21	240.12	240.12

Sources: Various County departments.

¹Includes process server vehicles.

²This information does not include the County's active landfill.

Compliance Section



This page left blank intentionally

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

To the Honorable Members of the Board of Supervisors of
County of Accomack, Virginia
Accomac, Virginia

We have audited, 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 *Specifications for Audits of Counties, Cities and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Accomack, Virginia (the “County”), as of and for the year ended June 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 11, 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County’s internal control. Accordingly, we do not express an opinion on the effectiveness of the County’s internal control.

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 have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified 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. **We consider the deficiencies described in the accompanying schedule of findings and questioned costs, as items IC-2021-002, IC-2021-003, IC-2021-004, IC-2021-006, and IC-2021-008, to be material weaknesses.**

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 and questioned costs, as items IC-2021-001, IC-2021-005, and IC-2021-007, to be significant deficiencies.**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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 financial statements. 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 that are required to be reported under *Government Auditing Standards*, which are described as VA-2021-001, VA-2021-002, VA-2021-003, VA-2021-004, and VA-2021-005, as described in the accompanying schedule of findings and questioned costs.**

County's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brown, Edwards & Company, S. L. P.

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
June 11, 2022

COUNTY OF ACCOMACK, VIRGINIA
SUMMARY OF COMPLIANCE MATTERS
June 30, 2021

As more fully described in the 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*, we performed tests of the County's compliance with certain provisions of the laws, regulations, contracts, and grants shown below.

STATE COMPLIANCE MATTERS

Code of Virginia

Budget and Appropriation Laws

Cash and Investment Laws

Conflicts of Interest Act

Local Retirement Systems

Debt Provisions

Procurement Laws

Comprehensive Services Act

Uniform Disposition of Unclaimed Property Act

Sheriff Internal Controls

State Agency Requirements

Education

Social Services

Fire Programs Aid to Localities

FEDERAL COMPLIANCE MATTERS

Compliance Supplement for Single Audits of State and Local Governments

Provisions and conditions of agreements related to federal program selected for testing.

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

To the Honorable Members of the Board of Supervisors of
County of Accomack, Virginia
Accomack, Virginia

Report on Compliance for Each Major Federal Program

We have audited the County of Accomack, Virginia’s (the “County”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County’s major federal programs for the year ended June 30, 2021. The County’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with federal statutes, regulations, the terms, and conditions of its federal awards applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the County’s major federal 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* (Uniform Guidance). Those standards and the 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 County’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 County’s compliance.

Report on Compliance for Each Major Federal Program (Continued)

Opinion on Each Major Federal Program

In our opinion, County of Accomack, Virginia, 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 June 30, 2021.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item FA-2021-002. Our opinion on each major federal program is not modified with respect to this matter.

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

Report on Internal Control over Compliance

Management of the County of Accomack, Virginia 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 considered the County'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 the 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 the County'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. **We identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Items FA-2021-001 (Significant Deficiency), FA-2021-002 (Material Weakness), and FA-2021-003 (Material Weakness), that we consider to be a significant deficiency and material weaknesses.**

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

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

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
June 11, 2022

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor Pass Through Grantor Program or Cluster Title	Pass-through Entity Identifying Number	Federal Assistance Listings Number	Pas-through to Subrecipients	Federal Expenditures
PRIMARY GOVERNMENT:				
Department of Justice:				
Inmate Social Security Bounty	N/A	16.000	\$ - \$	6,400
<u>Pass Through Payments:</u>				
Department of Justice Crime Victim Assistance	21-X9568VG19	16.575	-	79,932
Total Department of Justice			-	86,332
Department of Transportation:				
<u>Direct Payments:</u>				
Airport Improvement Program	N/A	20.106	-	729,015
COVID-19-Airport Improvement Program	N/A	21.018	-	13,000
			-	742,015
Department of Transportation:				
<u>Pass Through Payments:</u>				
State and Community Highway Safety (Highway Safety Cluster)	FOP 2021-51279-21279	20.600	-	6,626
Total Department of Transportation			-	748,641
Department of Homeland Security:				
<u>Pass Through Payments:</u>				
Virginia Department of Emergency Services: Homeland Security Grant Program	N/A	97.067	-	81,300
Local Emergency Management Performance Grant (LEMPG)	N/A	97.042	-	15,000
Total Virginia Department of Emergency Services			-	96,300
Total Department of Homeland Security			-	96,300
Department of Agriculture:				
<u>Direct Payments:</u>				
Rural Development Grant		10.890	-	17,000
<u>Pass Through Payments:</u>				
Department of Social Services: SNAP Cluster: State Administrative Matching Grants for Supplemental Nutrition Assistance Programs	0010111/0010112/0040111/0040112	10.561	-	546,593
Total Department of Agriculture			-	563,593
Department of Health and Human Services:				
<u>Pass Through Payments:</u>				
Department of Social Services:				
MaryLee Allen Promoting Safe and Stable Families	950112	93.556	-	9,933
Temporary Assistance for Needy Families (TANF Cluster)	0400111/0400112	93.558	-	365,827
Refugee and Entrant Assistance - State/Replacement Designee Administered Programs	0500110/0500111	93.566	-	882
Low-Income Home Energy Assistance	0600411/0600412	93.568	-	60,816
Child Care Mandatory and Matching Funds of the Child Care and Development Fund (Child Care and Development Fund Cluster)	0760111/0760112	93.596	-	77,009
Stephanie Tubbs Jones Child Welfare Services Program	0900111/0900112	93.645	-	182
Foster Care-Title IV-E	1100111/1100112	93.658	-	191,473
Adoption Assistance	1120111/1120112	93.659	-	196,842
Social Services Block Grant	1000110/1000111	93.667	-	312,229
John H. Chafee Foster Care Program for Successful Transition to Adulthood	9150111/9150112	93.674	-	4,364
Children's Health Insurance Program	0540111/0540112	93.767	-	5,098
Medical Assistance Program (Medicaid Cluster)	1200111/1200112	93.778	-	405,977
Total Department of Social Services			-	1,630,632
Total Department of Health and Human Services			-	1,630,632

Note: This schedule does not include Federal award expenditures of the Accomack-Northampton Planning District Commission.

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT
FOR THE YEAR ENDED JUNE 30, 2021**

PRIMARY GOVERNMENT - CONTINUED:

Department of Health and Human Services - continued :

Federal Grantor Pass Through Grantor Program or Cluster Title	Pass-through Entity Identifying Number	Federal Assistance Listings Number	Pas-through to Subrecipients	Federal Expenditures
Department of the Interior:				
<u>Direct Payments:</u>				
Chincoteague Wildlife Refuge	N/A	15.000	-	75,390
Total Department of the Interior			-	75,390

Department of Treasury:

<u>Pass Through Payments:</u>				
Virginia Department of Accounts:				
COVID-19-Coronavirus Relief Fund	N/A	21.019	1,150,552	3,513,861
Virginia Department of Criminal Justice Services:				
CESF General District & Circuit Courts	N/A	16.034	-	17,485
Virginia Board of Elections:				
COVID-19-Coronavirus Relief Fund	N/A	90.404	-	41,544
Total Department of the Treasury			1,150,552	3,572,890

Department of Housing and Urban Development:

<u>Pass Through Payments:</u>				
Virginia Department of Housing and Community Development:				
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	N/A	14.228	-	343,539
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	N/A	14.228	-	3,698
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	N/A	14.228	-	37,579
Subtotal Community Development Block Grants in Hawaii			-	384,816
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	N/A	14.269	-	42,571
Total Department of Housing and Urban Development			-	427,387

TOTAL EXPENDITURE OF FEDERAL AWARDS - PRIMARY GOVERNMENT

\$ 1,150,552 7,201,165

COMPONENT UNIT-SCHOOL BOARD:

Department of Agriculture:

<u>Pass Through Payments:</u>				
Virginia Department of Agriculture and Consumer Services:				
Food Distribution (Child Nutrition Cluster) Total 10.555	10.555/2020/2021	10.555		\$ 206,654 206,654
COVID-19-Summer Food Service Program for Children (Child Nutrition Cluster)	10.559/2019/2020	10.559		2,195,516
Total Department of Agriculture and Child Nutrition Cluster				2,402,170

Department of Treasury:

<u>Pass Through Payments:</u>				
Department of Accounts:				
COVID-19-Coronavirus Relief Fund	N/A	21.019		796,978

Department of Education:

<u>Pass Through Payments:</u>				
Department of Education:				
Title I Grants to Local Educational Agencies	S010A120046/S011A130046	84.010		1,804,187
Migrant Education - State Grant Program	S011A120047/S011A130047	84.011		50,619
Special Education - Grants to States (Special Education Cluster)	H027A120107/H027A130107	84.027		1,024,803
Special Education - In-Kind VBPD Transition Grants (Special Education Cluster)		84.027		9,956
Special Education - Preschool Grants (Special Education Cluster)	H173A120112/H173A130112	84.173		34,848
Total special education cluster				1,069,607
Career and Technical Education - Basic Grants to States	V048A120046/V048A130046	84.048		127,640
Rural Education	S358B120046	84.358		95,723
English Language Acquisition Grants	T365A120046	84.365		66,201
Supporting Effective Instruction State Grants (Formerly Improving Teacher Quality State Grants)	S367A110044/S367A120044	84.367		308,946
Student Support and Academic Enrichment Program	N/A	84.424		151,429
COVID-19-Education Stabilization Fund (CARES Act ESSERF LEA Activities)	N/A	84.425D		1,280,371
COVID-19-Education Stabilization Fund (CRRSA ESSER II)	N/A	84.425		705,593
COVID-19-Education Stabilization Fund (ESSER III Division Allocations)	N/A	84.425		193,737
COVID-19-Education Stabilization Fund (ESSER - SPED Student Support)	N/A	84.425D		5,002
COVID-19-Education Stabilization Fund (ESSER - Instructional Delivery Supports)	N/A	84.425D		22,500
COVID-19-Education Stabilization Fund (ESSER - School-based Mental Health)	N/A	84.425D		21,030
COVID-19-Education Stabilization Fund (Special Education Services & Supports)	N/A	84.425D		19,656
COVID-19-Education Stabilization Fund (GEER - SNP Support)	N/A	84.425C		45,407
COVID-19-Education Stabilization Fund (ESSER - Facilities Upgrade)	N/A	84.425D		37,500
COVID-19-Education Stabilization Fund (GEER - Wifi and Mifi Access / VISION)	N/A	84.425C		569,693
Total COVID-19 cluster				2,900,489
Total Department of Education				6,574,841

TOTAL EXPENDITURES OF FEDERAL AWARDS COMPONENT UNIT-SCHOOL BOARD

\$ 9,773,989

TOTAL EXPENDITURES OF FEDERAL AWARDS - REPORTING ENTITY

\$ 16,975,154

See accompanying notes to schedule of expenditures of federal awards.

Note: This schedule does not include Federal award expenditures of the Accomack-Northampton Planning District Commission.

COUNTY OF ACCOMACK, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Note 1 - Basis of Accounting

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the County of Accomack, Virginia under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the Schedule presents only a selected portion of the operations of the County of Accomack, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County of Accomack, Virginia.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in *the Uniform Guidance*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

Note 3 - Food Donation

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

Note 4 - De Minimis Cost Rate

The County did not elect to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

Note 5 - Subrecipients

Corona Virus Relief funds were passed through to sub-recipients by the County.

Note 6 - Loan Balances

The County has no loans or loan guarantees which are subject to reporting requirements for the current year.

Note 7 - Relationship to Financial Statements

Federal expenditures, revenues and capital contributions are reported in the County's basic financial statements as follows:

Intergovernmental federal revenues per the basic financial statements:	
Primary government:	
General Fund	\$ 4,031,665
Virginia Public Assistance Fund	2,177,225
Rehabilitation Projects Fund	347,237
Airport	742,015
Total primary government	<u>7,298,142</u>
Component Unit School Board:	
School Operating Fund	7,326,413
School Cafeteria Fund	<u>2,240,922</u>
Total component unit school board	<u>9,567,335</u>
Total federal expenditures per basic financial statements	<u>16,865,477</u>
Payments in lieu of taxes	(30,002)
Federal Indirect Costs charged to Department of Social Services	(104,554)
Urgent Needs - Makemie Park Project	37,579
Non-cash expenditures - value of donated commodities	<u>206,654</u>
Total federal expenditures per the Schedule of Expenditures of Federal Awards	<u>\$ 16,975,154</u>

COUNTY OF ACCOMACK, VIRGINIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2021

A. SUMMARY OF AUDITOR’S RESULTS

1. The auditor’s report expresses an **unmodified opinion** on the financial statements.
2. **Five material weaknesses and three significant deficiencies** relating to the audit of the financial statements were reported in the 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*.
3. **No instances of noncompliance** material to the financial statements were disclosed.
4. **Two material weaknesses and one significant deficiency** relating to the audit of the major federal award programs were reported in the Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditor’s report on compliance for the major federal award programs expresses an **unmodified opinion**.
6. The audit disclosed **one audit compliance finding relating to the major programs**.
7. The programs tested as major were:

Name of Program	Assistance Listing Number
Child Nutrition Cluster	10.553, 10.555, 10.559
Coronavirus Relief Funds	21.019
Education Stabilization Fund Cluster	84.425, 84.425C, 84.425D

8. The threshold for distinguishing Type A and B programs was **\$750,000**.
9. The County was determined to be a **low-risk auditee**.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

IC-2021-001: Cash Receipts and Tax Billing (Significant Deficiency)

Condition:

Since FY19, the County finance department has been making an entry to the general ledger to increase or decrease taxes based on differences noted during the reconciliation process that their tax billing and cash receipts system (PCI) has created. The County’s finance department reached out to PCI in March 2021 regarding the issue and PCI has been able to determine the cause of miscellaneous reconciling items needed. These reconciling items were cleared subsequent to year end before the issuance of the audit.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2021

B. FINDINGS - FINANCIAL STATEMENT AUDIT (Continued)

IC-2021-001: Cash Receipts and Tax Billing (Significant Deficiency) (Continued)

Criteria:

To effectively reconcile account balances, differences between accounting records and PCI system must be researched and resolved timely.

Cause:

Differences between accounting records and the PCI system were not researched and resolved timely.

Effect:

Reconciling differences which have been accumulating since FY19 were corrected and backdated to FY21 within the general ledger.

Recommendation:

It is imperative that the County identify and correct any errors in the cash receipts process in a timely manner to ensure the general ledger is accurate.

Views of Responsible Officials and Planned Corrective Action:

See Corrective Action Plan.

IC-2021-002: Bank Reconciliations (Material Weakness)

Condition:

Bank reconciliations are prepared by the Deputy Treasurer and there is no review process. The Deputy Treasurer also has check signing authority.

Criteria:

There should be a segregation of duties over bank account reconciliations such that the roles of preparation and review are separate and the person reconciling should not also have check signing authority.

Cause:

Processes and procedures are not designed such that adequate segregation of duties is maintained.

Effect:

The potential exists for material banking errors and, although we noted no fraudulent checking activity, there is a potential for such activity to occur and not be prevented or detected on a timely basis.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2021

B. FINDINGS - FINANCIAL STATEMENT AUDIT (Continued)

IC-2021-002: Bank Reconciliations (Material Weakness) (Continued)

Recommendation:

Bank reconciliations should be reviewed by a qualified individual, separate from the person preparing the reconciliations. We also recommend that the preparer and reviewer initial and date the reconciliation. Further, we recommend that the preparer of the bank reconciliation does not have check signing authority, unless two signatures are required on all checks.

Views of Responsible Officials and Planned Corrective Action:

See Corrective Action Plan.

IC-2021-003: Segregation of Duties, Treasurer's Office (Material Weakness)

Condition:

During our testing of cash receipts, we noted several instances of overlapping duties within the Treasurer's office. The Deputy Treasurer is able to collect cash, post cash payments to the general ledger, prepare daily deposits, prepare the bank reconciliations, has check signing authority, and has the authority to authorize other personnel to perform write offs and has system access to perform account write-offs. The Treasurer is able to perform all of these responsibilities as well except for preparing the bank reconciliation.

Criteria:

There should be a segregation of duties over the processes of receipting cash, making adjustments, reconciling cash to the general ledger, and review.

Cause:

Processes and procedures are not designed such that adequate segregation of duties is maintained.

Effect:

The potential exists for material banking and/or cash receipt errors and, although we noted no fraudulent receipting or checking activity, there is a potential for such activity to occur and not be prevented or detected on a timely basis.

Recommendation:

We recommend segregating these duties as much as possible. We recommend that someone who does not have access to the general ledger handle cash receipts and the bank reconciliations. Further, we recommend that the preparer of the bank reconciliation does not have check signing authority, unless two signatures are required on all checks.

Views of Responsible Officials and Planned Corrective Action:

See Corrective Action Plan.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2021

B. FINDINGS - FINANCIAL STATEMENT AUDIT (Continued)

IC-2021-004: Capital Assets (Material Weakness)

Condition:

The processes and procedures to reconcile School capital expenditures in the funds to capital acquisitions in the capital asset financial reporting module were not effective. Also, there are no review procedures to ensure capital acquisitions in the capital asset activities in the financial reporting module has been entered accurately. During our testing of School capital asset additions, it was noted that a School asset costing \$5,249.65 was added to the financial reporting module with a cost of \$524,965.00.

Criteria:

Financial processing procedures should be designed such that capital expenditures are reconciled to capital additions to ensure completeness and accuracy of the listing. Additionally, a review of capital additions should be performed to ensure additions are appropriately reported.

Cause:

Processes and procedures are not designed appropriately to prevent or detect and correct such misstatements on a timely basis.

Effect:

Capital additions in the capital asset financial reporting module were overstated by \$519,715.

Recommendation:

We recommend that management perform a reconciliation, at least annually, between capital expenditures and capital asset additions. Additionally, all capital asset additions should be reviewed for appropriate support.

Views of Responsible Officials and Planned Corrective Action:

See Corrective Action Plan.

IC-2021-005: Journal Entries, Segregation of Duties (Significant Deficiency)

Condition:

We noted there is not proper segregation of duties around journal entries for the School Board. Entries prepared by the Finance Director are not approved by a qualified individual other than the preparer. Further, the Accountant prepares and posts his own journal entries without approval before posting.

Criteria:

All journal entries should be reviewed by a qualified individual, other than the preparer, prior to posting to the general ledger.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2021

B. FINDINGS - FINANCIAL STATEMENT AUDIT (Continued)

IC-2021-005: Journal Entries, Segregation of Duties (Significant Deficiency) (Continued)

Cause:

Processes and procedures are not designed to require a separate approval prior to posting an entry to the general ledger.

Effect:

Unauthorized or inappropriate journal entries could be posted directly to the general ledger leading to misstated financial statements and reports.

Recommendation:

We recommend that all journal entries be reviewed by a qualified individual, other than the preparer, prior to posting and that such review be documented.

Views of Responsible Officials and Planned Corrective Action:

See Corrective Action Plan.

IC-2021-006: Payroll, Segregation of Duties (Material Weakness)

Condition:

During our walkthrough of the County's payroll cycle, we noted there is minimal segregation of duties within the payroll transaction cycle. Payroll is prepared by one individual and not reviewed before issuing payroll checks.

Criteria:

All payroll should be reviewed by a qualified individual, other than the preparer/processor, prior to completing the payroll process and releasing checks.

Cause:

Due to the limited size of the finance staff, processes and procedures have not been designed and implemented to require a separate approval prior to processing payroll.

Effect:

Unauthorized or inappropriate payroll could be processed leading to incorrect payroll checks being issued.

Recommendation:

We recommend that payroll processing be reviewed by a qualified individual, other than the preparer, prior to posting and that such review be documented.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2021

B. FINDINGS - FINANCIAL STATEMENT AUDIT (Continued)

IC-2021-006: Payroll, Segregation of Duties (Material Weakness) (Continued)

Views of Responsible Officials and Planned Corrective Action:

See Corrective Action Plan.

IC-2021-007: Bank Reconciliations (Significant Deficiency)

Condition:

At year end, there were unreconciled differences between the bank balances and the general ledger. These unreconciled differences consisted of, among other things, voided checks that had been reissued prior to year-end.

Criteria:

Reconciling items should be evaluated for appropriateness as part of the reconciliation process and corrected if deemed to be inappropriate.

Cause:

These unreconciled differences were a result of ineffective communication and procedures between the Treasurer's Office and the School Board.

Effect:

Cash and payroll liability balances were both understated in internal financial reports.

Recommendation:

We recommend that processes be developed between and among the Treasurer's Office and Schools in order to address inappropriate reconciling items on a timely basis.

Views of Responsible Officials and Planned Corrective Action:

See Corrective Action Plan.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2021

B. FINDINGS - FINANCIAL STATEMENT AUDIT (Continued)

IC-2021-008: Financial Reporting (Material Weakness)

Condition:

Material misstatements within the financial statements were identified throughout the audit.

Criteria:

Management should have processes and procedures in place so as to be able to generate financial statements and reports that are complete and accurate on a timely basis and in accordance with generally accepted accounting principles (GAAP).

Cause:

The current size of the finance staffing of the County may not be sufficient to detect and prevent material errors.

Effect:

Financial statements and reports prepared in accordance with GAAP were not able to be generated accurately on a timely basis.

Recommendation:

We recommend that management re-evaluate the current staff structure and assignment of responsibilities in order to re-align roles and responsibilities with appropriate personnel or otherwise bolster their resource base so as to be able to meet the criteria.

Views of Responsible Officials and Planned Corrective Action:

See Corrective Action Plan.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2021

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT

**FA-2021-001: Lack of Review, Reporting, Coronavirus Relief Funds (CRF) #21.019
(Significant Deficiency)**

Condition:

Review of quarterly reports sent to the Commonwealth of Virginia Department of Accounts (DOA) by the County was not performed.

Criteria:

Reports are reviewed timely prior to submission.

Cause:

County Administrator discusses with the Finance Director the expenses to be reported on the quarterly report, but doesn't actually review the report after Finance Director completes it and before it gets submitted to the DOA.

Effect:

Lack of control due to lack of review.

Questioned Cost Amount:

n/a

Perspective Information:

n/a

Context:

n/a

Recommendation:

The County Administrator should review the CRF reports before they get submitted to the DOA and such review should be documented.

Views of Responsible Officials and Planned Corrective Action:

See Corrective Action Plan.

COUNTY OF ACCOMACK, VIRGINIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2021

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT
(Continued)

FA-2021-002: Lack of Timely Reporting, Reporting, Education Stabilization Funds (ESF) Cluster #84.425, 84.425C, and 84.425D (Material Weakness and Nonmaterial Noncompliance)

Condition:

Federal Funding Accountability and Transparency Act (FFATA) report required to be submitted by the Schools to the Virginia Department of Education (VDOE) annually, by August 28, 2020, for the year under audit, was not completed until the VDOE contacted the School Board regarding their missing September 2021 FFATA report.

Criteria:

Reports are filed timely.

Cause:

There was a misinterpretation or misunderstanding of guidance provided by the DOE regarding the nature of required reports.

Effect:

Schools are not in compliance with grant requirements.

Questioned Cost Amount:

n/a

Perspective Information:

n/a

Context:

n/a

Recommendation:

Those in positions of oversight and monitoring of federal awards should ensure they have a clear and comprehensive understanding of grant requirements.

Views of Responsible Officials and Planned Corrective Action:

See Corrective Action Plan.

COUNTY OF ACCOMACK, VIRGINIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2021

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT
(Continued)

FA-2021-003: Procurement (Material Weakness)

Condition:

The County's written procurement policies do not include policies that cover Code of Federal Regulations (CFR) §200.318f, §200.318g, §200.319b, §200.319c, §200.322, and §200.324b. The School Board's written procurement policies do not include policies that cover CFR §200.318e, §200.318f, §200.318i, §200.319b, §200.319c, §200.319d, §200.319e, §200.320a1, §200.322, §200.324b, §200.326 and §200.327.

Criteria:

Non-federal entities must follow the procurement standards set out at 2 CFR (Uniform Guidance) §200.318 through §200.327. They must use their own documented procurement procedures, which reflect applicable state and local laws and regulations, provided that the procurements conform to applicable federal statutes and the procurement requirements identified in 2 CFR Part 200.

Cause:

The procurement policies for the County and the School Board do not include the policies stated above, required by Uniform Guidance.

Effect:

The County and the School Board's policies do not comply with procurement requirements for federal awards (Uniform Guidance).

Questioned Cost Amount:

n/a

Perspective Information:

n/a

Context:

n/a

Recommendation:

Procurement policies should be reviewed and updated to be in compliance with the requirements identified in 2 CFR Part 200.

Views of Responsible Officials and Planned Corrective Action:

See Corrective Action Plan.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2021

D. FINDINGS - COMMONWEALTH OF VIRGINIA

VA-2021-001: Unclaimed Property

Condition:

A total of approximately \$41,000 in outstanding checks of amounts greater than \$100 per check as of June 30, 2021, were over a year old as of 06/30/19. These checks are from the County Accounts Payable, and School Board Payroll cash accounts.

Criteria:

All outstanding checks greater than \$100 and outstanding for more than a year should be submitted to the Commonwealth of Virginia as unclaimed property annually in November.

Recommendation:

We recommend that any checks over \$100 that are aged over one year old as of the fiscal year end be reported as unclaimed property by the following November deadline.

Views of Responsible Officials and Planned Corrective Action:

The Treasurer's Office and County and School Board Finance Departments agree with this finding and will work together to come up with processes and/or procedures to correct these issues going forward.

VA-2021-002: Special Welfare

Condition:

Several inactive special welfare accounts with funds at year end had not been returned to the respective individual, funding source, or submitted to the Commonwealth as unclaimed property.

Criteria:

All inactive accounts should be returned to the respective individual, funding source, or submitted to the Commonwealth as unclaimed property.

Recommendation:

We recommend that all unused special welfare funds be returned to the individual, the respective funding source, or submitted to the Commonwealth as unclaimed property. If the individuals or respective funding sources cannot be identified, the Accomack Social Services Board should work with the state Social Services Board to develop a plan for disposal of funds in accordance with the *Code of Virginia*.

Views of Responsible Officials and Planned Corrective Action:

The Office of Social Services agrees with this finding and will work to come up with processes and/or procedures to correct going forward.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2021

D. FINDINGS - COMMONWEALTH OF VIRGINIA (Continued)

VA-2021-003: Conflicts of Interest

Condition:

Two out of fifty-one conflict of interest forms were not filed by the February 1, 2021, deadline.

Criteria:

All conflict of interest forms should be completed and filed by the February 1, 2021, deadline.

Recommendation:

We recommend that applicable board members be contacted prior to the deadline to ensure forms are filed in a timely manner.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with this finding and will work to ensure all forms are received by the deadline in the future.

VA-2021-004: Security for Public Deposits Act (SPDA)

Condition:

Two out of twenty accounts with Truist Bank were not reported as public funds and thus are not insured in accordance with the Virginia SPDA.

Criteria:

All accounts held by a local government should be reported as public funds with participating financial institutions so as to be insured in accordance with the Virginia SPDA.

Recommendation:

We recommend that these two accounts be reported to Truist Bank as public funds.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with this finding and will ensure these accounts are reported appropriately with Truist Bank.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2021

D. FINDINGS - COMMONWEALTH OF VIRGINIA (Continued)

VA-2021-005: Special Welfare

Condition:

The County Treasurer is being reimbursed quarterly for program expenditures.

Criteria:

The County Treasurer should be reimbursed on a monthly basis for program expenditures.

Recommendation:

We recommend that the County Treasurer be reimbursed on a monthly basis for program expenditures.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with this finding and will ensure these reimbursements are done monthly going forward.



COUNTY OF ACCOMACK

OFFICE OF THE COUNTY ADMINISTRATOR

23296 Courthouse Ave – Room 203 | P.O. Box 388 | Accomack, Virginia 23301
(757) 787-5700 | administration@co.accomack.va.us
www.co.accomack.va.us

Michael T. Mason, CPA
County Administrator

Corrective Action Plan for Finding IC - 2021- 001: Cash Receipts and Tax Billing

Regarding the condition as described, this issue was first noted by Accomack County finance staff as part of the FY 20 audit, in the fall of 2020. Upon further research, finance staff could determine that the core issue was in our tax software, when a taxpayer paid more than their account balance (a very common occurrence) the system was posting and clearing the tax account in the sub-ledger, but posting only that same amount of cash to the G/L. However, with the taxpayer overpaying, the bank deposit showed the difference. This was traced (again, late fall of calendar 2020) to a tax software update done in late April, 2019. We documented what is referred to as a decoupling within the software working with their staff.

Subsequently, the software company has confirmed the modification of the program on their end, and the County's staff accountant has continued to monitor for any future occurrences and found none.

All finance staff are aware of the need to monitor what our various software pushes into the G/L, although we have not as yet implemented a methodology for reconciling taxes receivable sub-ledgers as the volume of taxpayer accounts and staff available preclude that at this time.

Finance does, as part of the audit and year-end work each year reconcile by fund the amount of taxes (RE, PP, PSC and Spec Assessment) as compared to the overall balance in the PCI report "Aged Receivables" and Brown Edwards has a copy of this work.

Responsible Official: Michael T. Mason, CPA, County Administrator; Completion date was November 16, 2021. Monitoring is ongoing.

Corrective Action Plan for Finding IC – 2021 – 002: Bank Reconciliations

Accomack County and the Accomack County Treasurer concur with the auditors recommendation. Beginning with the May, 2022 bank reconciliations for each bank account reconciliation the Treasurer's chief deputy performs they will be reviewed by the Treasurer for accuracy and then provided timely (with in the month following the month being reconciled) to the Director of Finance for review. Each review will be documented by signing off on each reconciliation by each party. Over the course of the next six months, but no later than December 31, 2022, the Treasurer will train and shift

to a staff member all the reconciliations such that the Deputy Treasurer who needs to retain check signing authority will no longer have reconciliation responsibilities. We believe that while this does not cure immediately the segregation of duties matter in the finding, the secondary review by Department of Finance and requirement for timely reconciliations will mitigate to a degree this issue until transition can be made.

Responsible Official: James Lilliston, County Treasurer; Estimated completion date is no later than December 31, 2022.

Corrective Action Plan for Finding IC – 2021 – 003: Segregation of Duties Treasurer’s Office

Accomack County Treasurer concurs with the finding and the presentation of existing duties for the Deputy Treasurer and the Treasurer as presented. Given the small complement of staff, some lack of segregation of duties is unlikely to be cured as the Deputy Treasurer is tasked with acting in the absence of the Treasurer when needed. The Treasurer will add a second signatory to the manual checks issued (rarely) as there are already two signatures on checks produced from the accounting system. As noted in the corrective action plan to the first finding, bank reconciliations will transition away from the Deputy Treasurer which will relieve one item noted in this finding. Also, with additional review over reconciliations also as noted in the first finding response, this should mitigate somewhat the control issue presented here. A second mitigating factor is that while the Treasurer’s office prepares information for G/L posting of revenue, the Department of Finance actually posts (and reviews each deposit item, either through the in person transactions or mail, bundled tax items through the payment portals or EDI wires in) prior to submitting to the G/L system for actual posting. Accomack County believes this serves as good control over accuracy of the General Ledger for revenue. Both the primary two finance staff members who work daily in revenue, the Accountant II and the Accountant are deeply versed in the varieties of revenue for the County and have depth in governmental accounting of many years.

Responsible Official: James Lilliston, County Treasurer; Estimated completion date is no later than December 31, 2022.

Corrective Action Plan for Finding IC – 2021 – 004: Capital Assets

Accomack County Public Schools comment that while it is an accurate statement that there was a keying error in the Capital Assets system that resulted in an overstatement of \$519,715, it is not true that the Schools have no processes or procedures to reconcile capital expenditures in the GL to the Capital Assets Module. The Director of School Finance evaluates all capital expenditures yearly as to their proper capitalization. As a result of that evaluation, adjustments are made to either add or remove expenditures from Object Code 8000. The School Finance Director maintains work papers on this process and prepares an Excel schedule detailing capital assets by fund and reconciles



COUNTY OF ACCOMACK

OFFICE OF THE COUNTY ADMINISTRATOR

23296 Courthouse Ave – Room 203 | P.O. Box 388 | Accomack, Virginia 23301
(757) 787-5700 | administration@co.accomack.va.us
www.co.accomack.va.us

Michael T. Mason, CPA
County Administrator

to the GL OC 8000. This Excel schedule is given to the School Finance Clerk as a basis for entry into the Capital Asset Module. The clerk is instructed to enter and then cross check the totals with the Excel spreadsheet (which had already reconciled with the GL).

County of Accomack will require as part of each yearend audit work a copy of schools additions/retirements timely and where school personnel have reconciled same with the G/L. The County will also require appropriate documentation showing cost and description accurately supported given the integral part and general large dollars that the school's fixed assets are to the overall financial reporting of the County.

Responsible officials: Chris Holland, Accomack County Public Schools Superintendent and Michael T. Mason, CPA, County Administrator; Estimated completion date is no later than August 31, 2022 for Schools and no later than September 30, 2022 for County to coincide with year end work for FY 22.

Corrective Action Plan for Finding IC2021-005: Journal Entries, Segregation of Duties

Accomack County Public Schools comment that as a result of your finding, all journal entries prepared by the Accountant are reviewed by the Finance Director and approved before entry. Likewise, all journal entries prepared by the Finance Director are reviewed by the Accountant and approved before entry.

Responsible officials: Chris Holland, Accomack County Public Schools Superintendent; Estimated completion date is prior to the date of this document, as once the finding was noted to staff, this procedure was implemented during fiscal year, 2022.

Corrective Action Plan for Finding IC2021-006: County Payroll

Accomack County concurs with the need for review of payroll for any of the three payrolls processed, (County, Accomack County Schools and Department of Social Services) prior to disbursement. Specific to the County payroll processing, beginning with the June, 2022 pay periods either the Finance Director or the Deputy Finance Director will review and initial/date any changes (compensation, bank choice, etc.), additions (new employees, new positions, etc) or final pay documents (upon retirement or termination) evidencing review of pay changes for County staff. Further, either staff member will review the reports looking for anomalies when compared to prior periods

and same time prior year. Lastly, within our payroll processing software, paymate, a sample of staff, (differing each pay period) will be traced to the report prepared. As to timing in the payroll cycle, this review will occur prior to the payroll supervisor sending direct deposit or other pays out to the banks, taxing authorities etc.

Responsible Official: Michael T. Mason, CPA, County Administrator; Completion date is June 15, 2022 as first review has been completed with that pay date.

Department of Social Services (DSS) comments payroll review has been an ongoing process such that Social Service reviews positions filled, vacant or terminated on a monthly basis and sends certification to the State. Specific to the Social Service Payroll the Administrative Office Manager works closely with the Fiscal Assistant each payroll period reviewing the changes and compiling financial reports with all the changes to ensure accuracy. Starting June, 2022 the Office Manager will initial/date the reports in paymate.

Responsible Official: Vicki Weakley, Director, Accomack County Department of Social Services; Completion date is with the June, 2022 pay dates as noted by DSS office staff.

Accomack County Public Schools comment all of our changes regarding changes in compensation, location or position are initiated and approved by Human Resources (HR) who have no processing responsibilities. Terminations & retirements are also initiated and approved by HR. All compensation supplements are approved by the Director who supervises the program (for example, the Elementary & Secondary Directors for summer school or after school), or HR (coaching supplements). Leave With-Out Pay calculations and Overtime for non-exempt employees are prepared by School Finance staff other than payroll. Prior to payroll processing, School Finance Staff other than payroll will review payroll prior to its processing, including for those pay outs upon retirement or resignation of staff.

Responsible officials: Chris Holland, Accomack County Public Schools Superintendent; Estimated completion date commences with the June, 2022 pay dates.

Corrective Action Plan for Finding IC2021-007: Bank Reconciliations

Accomack County Public Schools comment the Schools have been working with both the Treasurer's Office and County Finance Office on proper procedures for voiding checks and reconciling differences.

Accomack County concurs with the Auditors finding on Accomack County School Payroll bank account reconciliations. Since this matter was brought to County Finance attention, County finance staff have assisted in providing additional training and written procedures to School finance staff on how to void checks and in which period this should be done. Further, County finance staff have worked with both school staff and Treasurer staff to assist each group to clearly understand the void procedure, its relation



COUNTY OF ACCOMACK

OFFICE OF THE COUNTY ADMINISTRATOR

23296 Courthouse Ave – Room 203 | P.O. Box 388 | Accomack, Virginia 23301
(757) 787-5700 | administration@co.accomack.va.us
www.co.accomack.va.us

Michael T. Mason, CPA
County Administrator

to G/L processing, and the bank reconciliation process. Given the plan noted with finding number IC – 2021 – 002, Accomack County believes with additional review by both the Treasurer and County Finance Department, reconciliation items will be timely and accurately resolved going forward.

Responsible Official: Chris Holland, Accomack County Public Schools Superintendent; Estimated completion date is with the June, 2022 bank reconciliation upon is reconciliation no later than July 31, 2022.

Corrective Action Plan for Finding IC2021-008: Financial Reporting

Accomack County understands and concurs with the finding although we believe through the addition of one FTE with FY 23 year, staff training in particular content areas such as financial reporting, pensions and OPEB reporting, and some realignment of duties with existing staff, we are able to continue internally prepared financial reports through the year and the Annual Comprehensive Financial Report properly and timely.. Accomack County Finance considers financial reporting a core competency and is very ready to implement any further suggestions in processes or protocols that will advance our capacity and capability in this area.

Responsible Official: Michael T. Mason, CPA, County Administrator; Estimated completion date of the onboarding of new FTE is expected to be no later than July 31, 2022, and with appropriate training as is available primarily with GFOA, no later than December 31, 2022.

Corrective Action Plan for Finding FA-2021-001: Lack of CARES funds report review

Accomack County concurs with the need for review by someone other than the preparer of any federal or state grant fund reporting. Upon comment by auditors of this deficiency in fall, 2021, with each following quarter for CARES and then the annual report for ARPA, the County Administrator reviewed and documentation has been retained for reporting done by finance staff.

Responsible Official: Michael T. Mason, CPA, County Administrator; Completion date was the third quarter reporting in October, 2021 upon presentation of the finding to staff.

Corrective Action Plan for Finding FA-2021-002: Lack of Timely Reporting, Reporting, Education Stabilization Funds (ESF) Cluster # 84.425, 84.425C, and 84.425D

Accomack County Public Schools comment while it is accurate that the Federal Funding Accountability and Transparency Act (FFATA) report was not timely filed, it is not due to a lack of processes and / or procedures to ensure all required reports are completed and submitted timely. The Supts Memo came out from DOE and was reviewed by the School Finance Director. The Director did not consider the Schools a sub-recipient since it is not considered as such for any other federal funds, therefore the School Finance Director did not file it. In past years that the Schools received Title X Homeless Funds via the McKinney Vento Act through the College of William & Mary, the Schools were considered a sub-recipient since funds were reimbursed through the college. We filed the FFATA for all of those years. The late filing was not due to a lack of process / procedure, but rather through a misinterpretation of the requirements.

Responsible Official: Chris Holland, Accomack County Public Schools Superintendent; Completion date has occurred with the delayed filing.

Corrective Action Plan for Finding FA-2021-003: Procurement

Accomack County concurs with the need to maintain its County Procurement Policy in concurrence with 2 CFR Part 200 and to that end, have updated same with Board adoption at the Board of Supervisors meeting dated January 17, 2022 with a copy of the Board agenda item available on the County website. This update was for items listed as 200.318g, 200.319b and 200.324b. (Board minutes noting adoption are also available on the County's website.) We will propose to the Board with our July, 2022 Board of Supervisors meeting for the remaining three items which are 200.318f, 200.319c and 200.322. Finance will continue to monitor for any new additions needed to remain in compliance with 2 CFR and any other authoritative documents. A twice yearly review will be performed by the Procurement Specialist with a memo submitted to the Finance Director and County Administrator.

Responsible Official: Michael T. Mason, CPA, County Administrator; Estimated completion date is with the August, 2022 Board of Supervisors meeting so as to allow for proper notifications, review by County Attorney for proper form in the policy change and Board understanding and action.

Accomack County Public Schools concurs with the need to maintain its Procurement Policy in concurrence with 2 CFR Part 200 and will make the necessary updates.

Responsible Official: Chris Holland, Accomack County Public Schools Superintendent; Estimated completion date is not later than September, 2022 School Board meeting.



COUNTY OF ACCOMACK

OFFICE OF THE COUNTY ADMINISTRATOR

23296 Courthouse Ave – Room 203 | P.O. Box 388 | Accomack, Virginia 23301
(757) 787-5700 | administration@co.accomack.va.us
www.co.accomack.va.us

Michael T. Mason, CPA
County Administrator

Corrective Action Plan for Finding VA-2021-001: Unclaimed Property

Accomack County concurs with this finding and has worked with staff on a refresh of what finance staff need to do in order to facilitate proper and timely reporting for unclaimed property. Through out fiscal year 2022, due diligence is handled for checks that are issued (either payroll or to vendors) that appear to not be clearing timely, as well as, working with Treasurer staff to also research any older items so that the FY 22 report will be both accurate and report as the Commonwealth of Virginia designates.

Responsible Official: James Lilliston, County Treasurer; Estimated completion date is not later than the timely filing for FY 22 of the unclaimed property report.

Corrective Action Plan for Finding VA-2021-002:

The Office of Social Services agrees with this finding (and Accomack County concurs) and will work to come up with processes and or procedures so that any unused special welfare funds are properly handled.

Responsible Official: Vicki Weakley, Director, Accomack County Department of Social Services; Estimated completion date is not later than October 31, 2022 so as to allow for development of necessary processes.

Corrective Action Plan for Finding VA-2021-003:

Accomack County management agrees that two out of the fifty-one conflict of interest forms were not filed by the February 1, 2021, deadline despite numerous communications from management reminding the appointed persons of this statutory due date. These two forms were eventually filed by the officer with the County Administrator but not in a timely manner. Code of Virginia § 2.2-3124 requires the clerk of the governing body report to the Commonwealth's Attorney any local officer's or employee's failure to file the required form so that civil penalties can be assessed and collected. Management agrees to continue to aggressively communicate filing deadlines to those officers and employees required to file disclosure forms and agrees to more heavily promote the provisions of Code of Virginia § 2.2-3124 as a deterrent.

Responsible Official: Michael T. Mason, CPA, County Administrator; Estimated completion date is not later than the next required filing, February 1, 2023.

Corrective Action Plan for Finding VA-2021-004: Security for Public Deposits Act (SPDA)

Accomack County concurs with this finding and will ensure all accounts are reported appropriately with Truist Bank.

Responsible Official: James Lilliston, County Treasurer; Estimated completion date is no later than July 1, 2022.

Corrective Action Plan for Finding VA-2021-005: Special Welfare

County of Accomack Office of Social Services agrees (and County of Accomack concurs) with this finding and will ensure these reimbursements are done monthly going forward.

Responsible Official: Vicki Weakley, Director, Accomack County Department of Social Services; Estimated completion date is no later than July 1, 2022 so as to be in compliance for the month end June 30, 2022.