



Annual Comprehensive Financial Report



County of Accomack, Virginia
Fiscal Year Ended June 30, 2022

COUNTY OF ACCOMACK, VIRGINIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022

Prepared by:

Accomack County Finance Department
Accomack County, Virginia

**County of Accomack, Virginia
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022**

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Introductory Section



COUNTY OF ACCOMACK COUNTY ADMINISTRATOR'S OFFICE

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Michael T Mason, CPA
County Administrator

March 7, 2023

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, 2022. 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, 2022, 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 make strategic investments to assist the local economy with recovery from the COVID-19 pandemic. The funding source for these investments has predominantly been federal financial assistance the County has received through the Coronavirus Aid, Relief and Economic Security (CARES) Act and American Rescue Plan Act (ARPA).

The CARES Act established the \$150 billion Coronavirus Relief Fund which served as the conduit for distributing federal funding to states and eligible units of local government; the District of Columbia and U.S.

Territories and Tribal governments. The CARES Act requires that payments from the Coronavirus Relief Fund only be used to cover expenses that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and were incurred during the period that begins on March 1, 2020, and ends on December 31, 2022. The County received two allocations of federal financial assistance via the CARES Act totaling \$5,638,892. The first allocation was received in June 2020 and the second in August 2020. Most of the County's CARES act funding was expended in fiscal year 2021 and thus is not reflected in this financial report, nevertheless, any discussion about the County's response to the pandemic would be incomplete without mentioning the importance of this funding and its top uses which included providing direct aid to negatively impacted businesses, broadband proliferation to unserved areas and pass through funding to the County's fourteen incorporated towns.

As part of the American Rescue Plan, the U.S government created the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) which received \$350 billion reserved for state, local, and Tribal governments across the country to support their response to and recover from the COVID-19 public health emergency. Accomack County received a total of \$6,277,004 from the CSLFRF distributed in two equal installments. The first installment was received in June 2021 and the second in June 2022. CSLFRF funds received in the first installment were spent in fiscal year 2022 and are thus reported in this annual report. Spending of the first installment was guided by citizen feedback obtained from a town hall meeting held on June 2, 2021. Based on citizen comments received during this meeting, the Accomack County Board of Supervisors established the following priority uses that guided County CSLFRF 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.

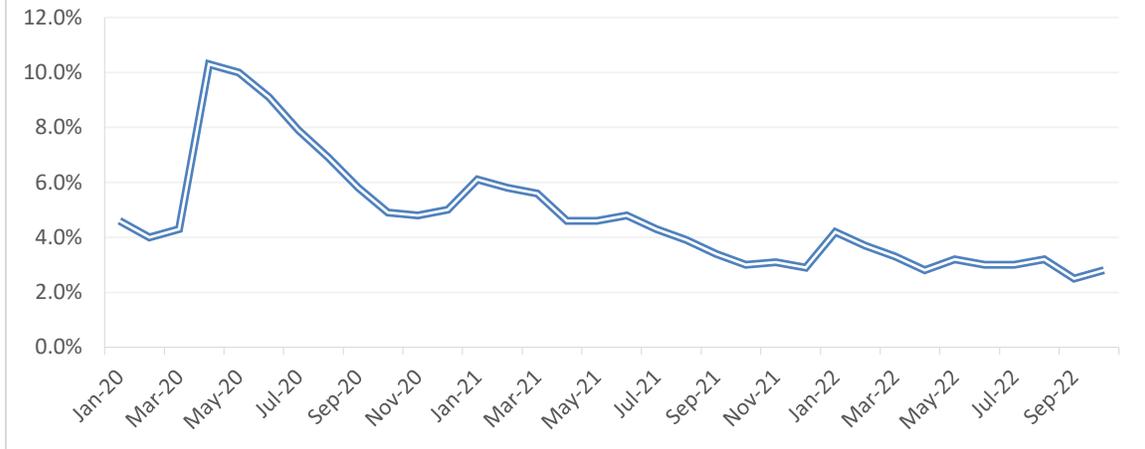
These priority uses led to the following initiatives that were completed in fiscal year 2022 made possible by CSLFRF funding:

- \$1,473,745 to the Eastern Shore of Virginia Broadband Authority (ESVBA) to be used to satisfy local match requirements of the Commonwealth's Virginia Telecommunication Initiative (VATI) Grant Program. The ESVBA is the recipient of over a \$12 million in VATI funds that will be used to expand its network to provide fiber access to 72% of all passings in Accomack County.
- \$600,000 in grants to new or existing local child care providers to expand child care services in Accomack County. This funding will enable 126 new child care slots to be created.
- \$650,000 in grants to local volunteer fire and rescue companies negatively impacted by the pandemic.
- \$215,493 to assist with construction of the new Eastern Shore Public Library in the Town of Parksley.

Unemployment and Taxable Sales

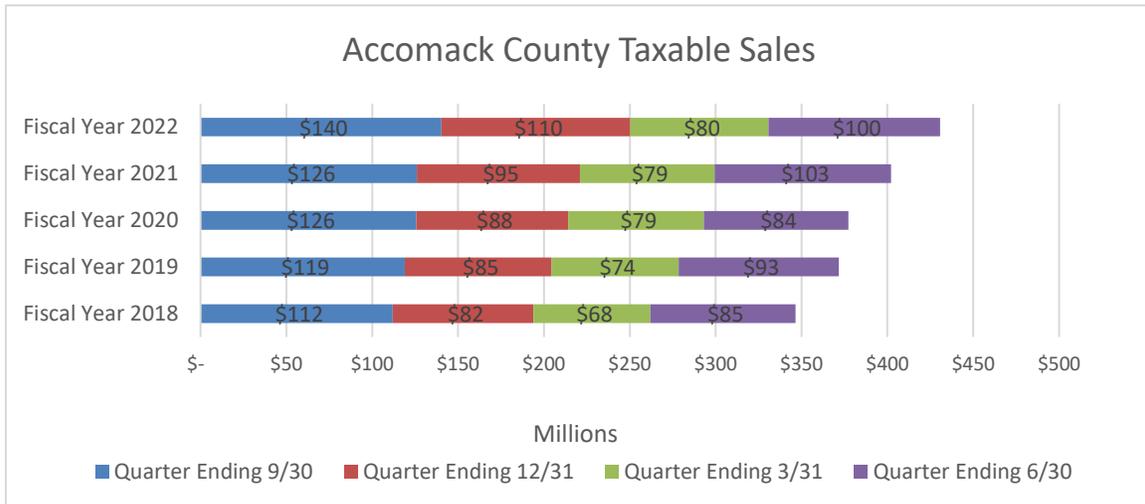
Calendar year 2021 unadjusted unemployment rates for Accomack County, United States and Commonwealth were 4.3%, 5.3% and 3.9% respectively. Executive Order 53, issued March 23, 2020 by the Governor, placed temporary restrictions on restaurants, recreational activities, entertainment, gatherings, non-essential 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 10.3% 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 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 April 2021, the County's unemployment rate had fully recovered to its pre-pandemic levels at 4.6% and has since continued to decline. As of October 2022, the unemployment rate in Accomack County is 2.8% comparing favorably to the overall rate for the entire Country.

UNEMPLOYMENT RATES



Taxable sales have remained strong throughout the pandemic increasing 7.1% over the prior year fueled significantly by increased internet sales transactions. Overall, taxable sales have performed better than expected given the circumstances.

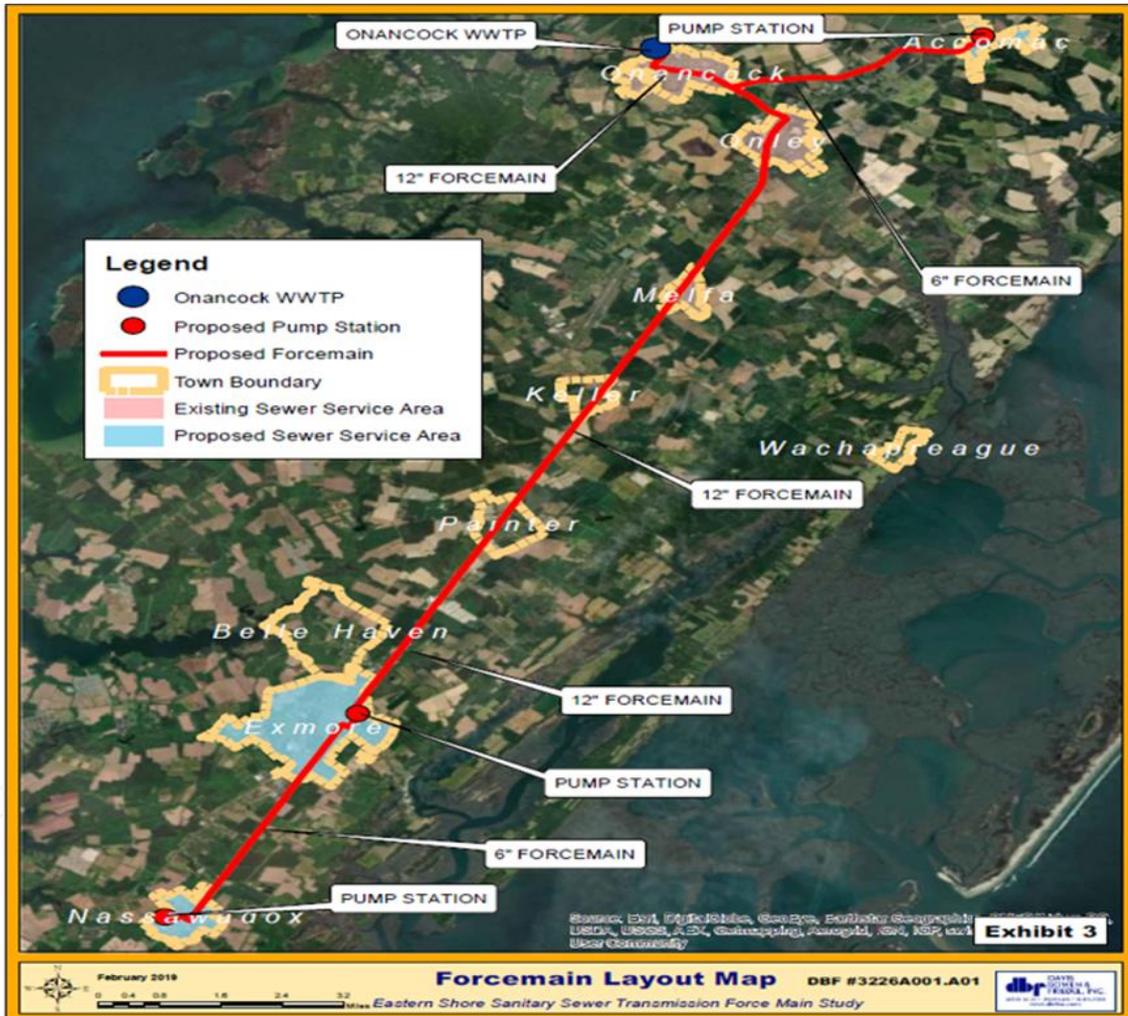
Accomack County Taxable Sales



MAJOR INITIATIVES FOR 2023 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. The Hampton Roads Sanitation District (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. The force main, which is currently under construction, will 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. Interceptor lines are also planned for the Towns of Accomac and Wachpreague providing these areas with new found wastewater treatment options. The project cost is expected to be well over \$24 million with project financing supplied by HRSD or through state grants. As part of this project, the County expects to transfer ownership of its Central Accomack Sewer System to HRSD in calendar year 2023. 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 early in 2023. 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, now under construction, will include a rocket production, assembly, and integration facility and result in the creation of roughly 250 new jobs. The "rocket ranch" as locals have come to call it, is 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 6,200 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 May 2023. 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 Eastern Shore of Virginia Broadband Authority (ESVBA) and the counties of Accomack and Northampton, partnered to apply for a Virginia Telecommunication Initiative (VATI) grant to provide high speed internet to unserved areas of Virginia’s Eastern Shore. Accomack, as previously mentioned, contributed \$1,473,745 of its CSLFRF 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 and will continue for approximately two years. 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 County is committed to bringing ubiquitous broadband access to its residents. To this end, the County expects to seek another VATI grant in fiscal year 2023 in order to build out the remaining portions of the County currently unserved or underserved. The ESVBA is one of three providers of residential broadband services on the Eastern Shore.
- Recruiting and Retaining a Quality Workforce – The County is no different from other employers on the Eastern Shore in that it must maintain and recruit a quality workforce in order to deliver the services its customers expect and demand. The County has not completed a comprehensive compensation and classification study for over twenty years; however, such a study is planned for fiscal year 2023. Completion of this study by a third party will enable the County to establish more competitive employee pay grades and allow for fair and equitable employee compensation across all departments.



FISCAL YEAR 2023 ADOPTED BUDGET

For the 2023 Fiscal Year, the Board of Supervisors adopted a Primary Government total operating and capital budget of \$68,053,241, which is a 4.93% increase from the previous year. Of this amount, \$4.3M was for one-time capital spending.

The development of the Fiscal Year 2023 budget was guided by the following priorities:

- Increase the number of FTE in select departments in order to meet current workload demands and desired service levels.
- Maintain the County's investment in its buildings, equipment, and infrastructure and begin to address the lack of suitable office space prevalent in many County buildings.
- Maintain or improve employee and customer safety.
- Honor contractual commitments, agreements, and mandates.
- Resume material deposits to the "Rainy Day" Fund in an effort to bring its balance to a "best practice" level by the Fiscal Year 2026.
- Prepare for the impact of planned minimum wage increases on the County's pay bands and address the cost of competing for and retaining I.T., first responders, and other critical positions within the organization for which the existing pay structure is inadequate.

The largest planned capital expenditure included in the Fiscal Year 2023 County budget was a \$2,500,000 capital contribution to the Accomack County Public Schools to assist them with acquiring additional office space to house school administration functions. The two largest recurring operational increases approved for fiscal year 2023 were a \$1,831,039 (9%) increase in local matching funds for the public school system and \$581,451 for employee compensation increases averaging 5% across all departments. An \$850,000 addition to the County's Rainy Day Fund was also approved bringing its balance to an amount equal to 14.8% of budgeted general fund and school operating fund revenue.

Decreases in both the County's real estate tax rate and personal property tax rate were approved for fiscal year 2023. The County saw the overall fair market value of all real property increase by over 9% across the County which enabled the Board of Supervisors to decrease the real estate tax rate from \$0.610 per \$100 of assessed value to \$0.595. The County's real estate tax rate continues to be among the lowest of all Virginia counties of similar size. The County also experienced an unprecedented increase in new and used vehicle taxable values which prompted the Board to establish a new personal property classification for automobiles and most trucks and to assign a tax rate to this classification of \$2.99 per \$100 of assessed value. The previous year tax rate for these vehicles was \$3.72 amounting to a 20% reduction in rate. Property tax rates are detailed in the *Management Discussion and Analysis* section.

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 and is reviewing the County's submission for FY 21 at the time of this letter. 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, 2022. 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.

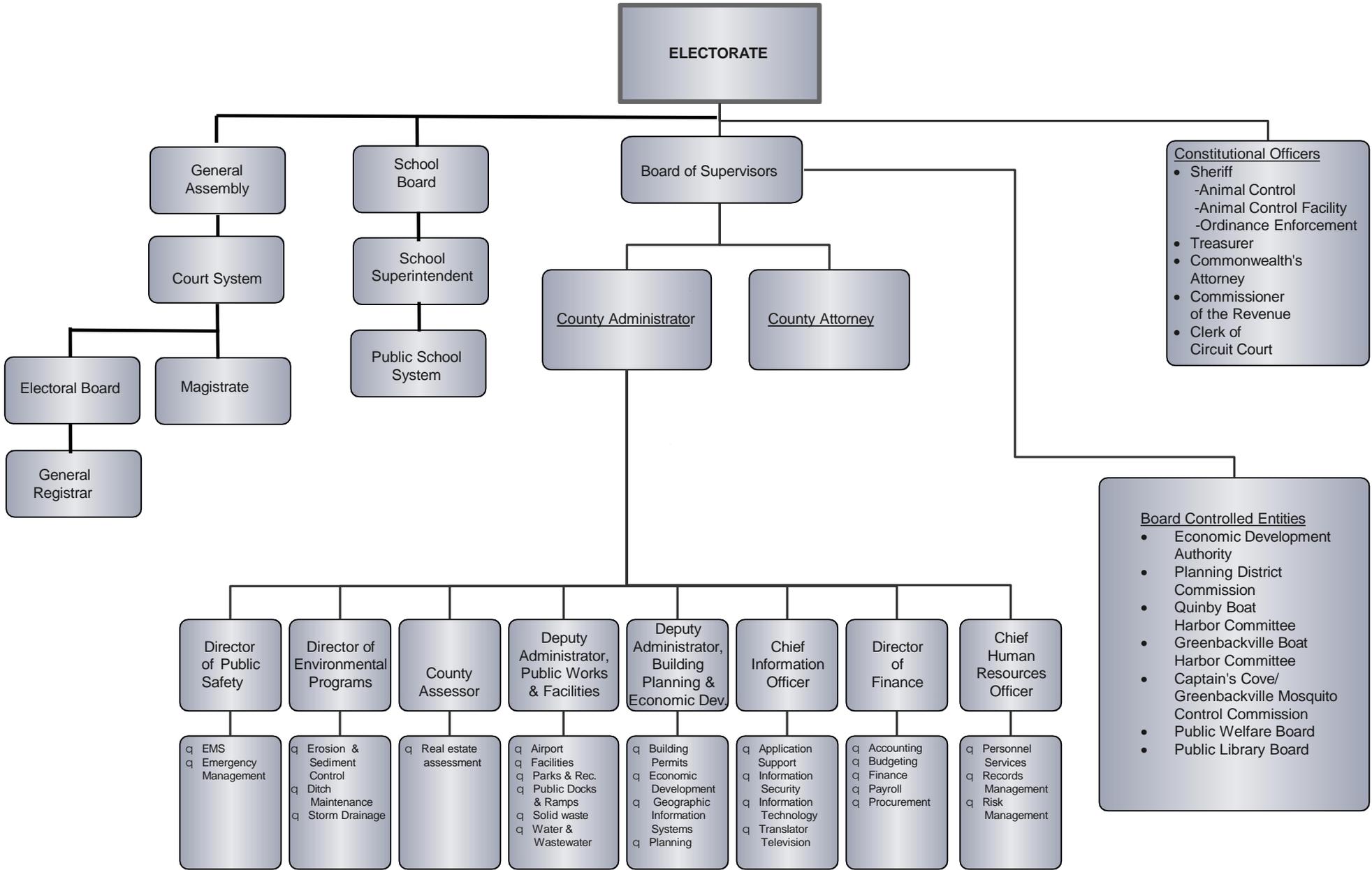
Lastly, I want to acknowledge the hard work of County staff who were able to bring forward innovative changes to allow the County to continue to provide quality services to the community during fiscal year 2022 despite the persistence of COVID-19. When the pandemic set in, the County's I.T. department 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 a 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 customers 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 at the beginning of the pandemic but continue to pay dividends today by making county operations more efficient and resilient. Staff's ability to pivot when needed exemplifies 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 "Michael T. Mason".

Michael T. Mason, CPA
County Administrator

COUNTY OF ACCOMACK, VIRGINIA ORGANIZATION CHART



County of Accomack, Virginia

Principal Officials

Board of Supervisors

William J. Tarr, Chairperson	Election District 1
Robert D. Crockett, Vice-Chairperson	Election District 6
Ronald S. Wolff	Election District 2
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

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

Financial Section

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

Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, 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, 2022, 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.

We did not audit the financial statements of the Accomack-Northampton Planning District Commission or the Eastern Shore Public Library, which represent 7 percent, 31 percent, and 6 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. 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 the Eastern Shore Public Library, is based solely on the report of the other auditors.

Basis for Opinions

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

Change in Accounting Principle

As described in Notes 1, 6, 9, and 10 to the financial statements, in 2022, the County of Accomack, Virginia adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Accomack, Virginia's basic financial statements. The combining and individual fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2023, 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 of Accomack, Virginia’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 of Accomack, Virginia’s internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
March 7, 2023



County of Accomack
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2022

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, 2022. 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 \$79,930,506 (net position). Of this amount, \$33,188,649 (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 \$12,887,527 (19%). Net position of the governmental-type activities increased \$10,499,813 (18%) and net position of the business-type activities increased \$2,387,714 (31%). This increase in governmental type of activities is due in part to use of federal grant monies related to the COVID-19 pandemic, provided through the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) that allowed the locality to use grant funds in lieu of governmental fund revenues to cover governmental fund costs as prescribed in the final rule. A change in the landfill closure and post-closure liability allowed for significantly lower business-type expenditures. We do not expect this to recur especially in that the new landfill cell 7 has opened shortly after fiscal 2022 year end and will necessitate additional accumulation of closure and post-closure funding.
- The County's unrestricted net position increased by \$6,913,490 (26%). Unrestricted net position of the governmental-type activities increased \$4,232,742 (13%) and unrestricted net (deficit) of the business-type activities decreased (\$2,680,748) (39%). The decrease in deficit is a result of the closure/post-closure costs of the north landfill as determined by Department of Environmental Quality. See footnote 11 for more detailed information driving this change.
- Program expenses of the County's Governmental activities were increased \$5,317,189 (10%) in large measure to making just over \$4.3 million more in support of expenses for FY 22 to Accomack County Public Schools than in FY 2021. The Schools benefited from significant federal and state Covid relief funds, in both years, but more so in FY 21. Funds budgeted but not transferred are carried over for subsequent years and shown in the Assigned Fund Balance on Exhibit 3, cumulatively. Community Development also saw a significant increase in expenses as the County was able to fund initiatives with community partners such as funding the Eastern Shore Broadband Authority (\$ 2.3 million) for new connectivity projects in several areas of the County and for grants to four competitively selected childcare facilities to increase available childcare in the County (\$250,000). Business-type activities expense decreased by 64% to \$2,229,430 due to post closure costs related to both landfills. 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 that was not replicated in FY 22.
- The General fund reported an ending fund balance of \$44,183,901, an increase of \$9,442,915 (27%). Of the ending fund balance, \$6,214 was restricted for Wetlands mitigation. \$12,367,051 was committed pursuant to the County's "Rainy Day"/Revenue Stabilization policy, \$21,770,155 was assigned to various projects and schools and \$10,040,481 was unassigned.
 - The amount of General Fund ending fund balance committed pursuant to the County's "Rainy Day"/Revenue Stabilization Policy is equal to 11.5% 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 \$44,177,687 or 96.5% of total general fund expenditures or 100% of Total Fund Balances as shown on Exhibit 3.

- The County's outstanding debt increased (net of repayments and new borrowing) by \$1,381,725 or 6.2% during fiscal year 2022. The Landfill equipment lease was paid-off during fiscal year 2022. New landfill construction debt was obtained from Virginia Resource Authority (\$3,750,000) who also refunded the majority of another Revenue Lease bond (2013B) to obtain better payment cost over the life of the refunded debt. The net savings to the County is estimated to be \$205,000.
- Adoption of New Accounting Statement for fiscal year 2022. The County implemented GASB Statement No. 87, Leases (GASB 87). The objective of this Statement is 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, liabilities and deferred inflows, for leases that previously were classified and treated as operating leases. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The implementation of this pronouncement did not require a restatement of net position by the County, but it resulted in the reevaluation of the County's existing arrangements and the recording of new assets, liabilities, and deferred inflows of resources on the County's statement of net position on the date of implementation, July 1, 2021. Future lease agreements that the County enters into will be evaluated under this pronouncement to determine proper accounting treatment. Additional details on the County's leases can be found in notes 1, 6, 9, and 10.

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 \$79,930,506 at year-end.

The largest portion of the County's net position (43%) 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 (42%) 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			
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 85,568,365	\$ 69,737,384	\$ 5,245,678	\$ 3,291,417	\$ 90,814,043	\$ 73,028,801
Capital assets	41,048,116	41,983,495	18,247,765	14,926,418	59,295,881	56,909,913
Total assets	<u>126,616,481</u>	<u>111,720,879</u>	<u>23,493,443</u>	<u>18,217,835</u>	<u>150,109,924</u>	<u>129,938,714</u>
Deferred Outflows of Resources	3,564,520	4,000,809	159,515	181,453	3,724,035	4,182,262
Current liabilities	10,284,087	10,873,177	1,634,121	502,988	11,918,208	11,376,165
Long -term liabilities	20,760,924	26,546,261	11,442,453	10,038,839	32,203,377	36,585,100
Total liabilities	<u>31,045,011</u>	<u>37,419,438</u>	<u>13,076,574</u>	<u>10,541,827</u>	<u>44,121,585</u>	<u>47,961,265</u>
Deferred Inflows of Resources	29,394,773	19,060,846	387,095	55,886	29,781,868	19,116,732
Net Position:						
Net investment in capital assets	20,203,148	19,548,145	14,206,177	14,729,320	34,409,325	34,277,465
Restricted	12,102,427	6,490,355	230,109	-	12,332,536	6,490,355
Unrestricted	37,435,642	33,202,904	(4,246,997)	(6,927,745)	33,188,649	26,275,159
Total net position	<u>\$ 69,741,217</u>	<u>\$ 59,241,404</u>	<u>\$ 10,189,289</u>	<u>\$ 7,801,575</u>	<u>79,930,506</u>	<u>67,042,979</u>

A portion of the County's net position (15%) represents resources that are subject to restrictions (external and internal) on how they may be used. The two largest of this category, \$ 5,421,333 is restricted for use for public safety in the Consolidated EMT fund and the Consolidated Fire fund and \$ 5,768,176 is restricted for Pension.

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 \$12,887,527 or 19% during the fiscal year. Governmental activities show an increase of 18% while business-type activities have an increase in net position of 31%. Primary explanations for these changes were previously noted.

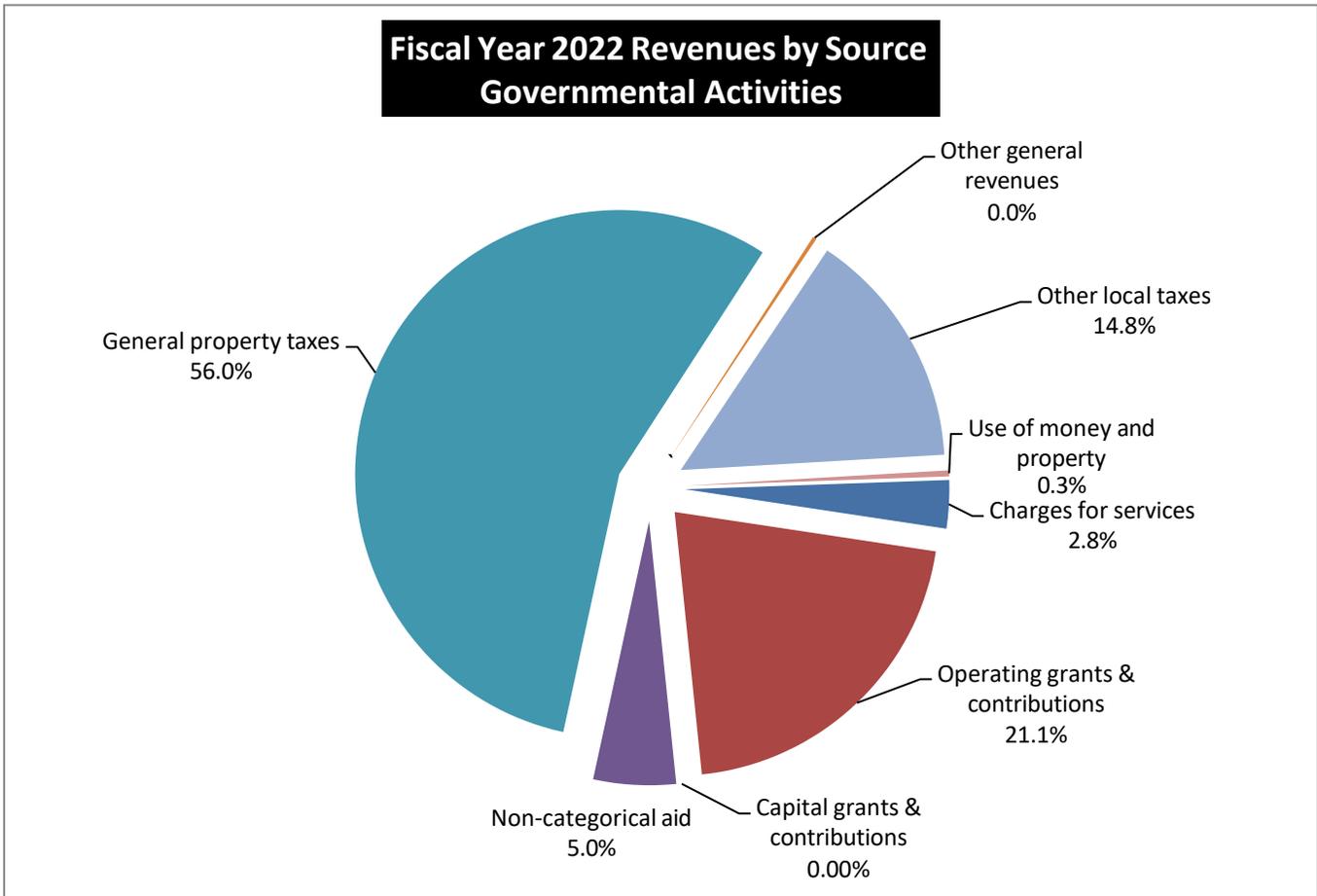
Governmental Activities – As shown below Governmental activities increased the County's net position by \$10,499,813 or 18% during the fiscal year. Key elements of this increase are shown in the data chart as follows:

Accomack County, Virginia						
Change in Net Position						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	\$ 1,910,854	\$ 2,068,302	\$ 4,425,459	\$ 4,290,380	\$ 6,336,313	\$ 6,358,682
Operating grants & contributions	14,323,517	12,496,598	-	13,468	14,323,517	12,510,066
Capital grants & contributions	-	289,812	194,371	743,122	194,371	1,032,934
General Revenues:						
General property taxes	38,066,876	38,018,190	-	-	38,066,876	38,018,190
Other local taxes	10,047,563	9,026,105	-	-	10,047,563	9,026,105
Investment earnings	230,270	27,226	4,326	-	234,596	27,226
Non-categorical aid	3,443,008	3,381,088	-	-	3,443,008	3,381,088
Other general revenues	-	139,715	12,703	52,000	12,703	191,715
Total revenues	68,022,087	65,447,035	4,636,859	5,098,970	72,658,947	70,546,006
Expenses:						
General government administration	4,664,443	4,601,711	-	-	4,664,443	4,601,711
Judicial administration	1,763,173	1,666,734	-	-	1,763,173	1,666,734
Public safety	16,311,952	17,350,872	-	-	16,311,952	17,350,872
Public works	4,989,366	5,030,230	-	-	4,989,366	5,030,230
Health and welfare	6,192,116	6,301,932	-	-	6,192,116	6,301,932
Education	16,588,415	12,863,844	-	-	16,588,415	12,863,844
Parks, recreation and cultural	1,080,262	1,129,852	-	-	1,080,262	1,129,852
Community development	5,121,034	2,329,054	-	-	5,121,034	2,329,054
Interest on long-term debt	831,228	950,571	-	-	831,228	950,571
Business-type	-	-	2,229,430	6,184,866	2,229,430	6,184,866
Total expenses	57,541,989	52,224,800	2,229,430	6,184,866	59,771,420	58,409,667
Increase (decrease) in net position before transfers	10,480,098	13,222,235	2,407,429	(1,085,896)	12,887,527	12,136,339
Transfers	19,715	(160,275)	(19,715)	160,275	-	-
Increase (decrease) in net position	10,499,813	13,061,960	2,387,714	(925,621)	12,887,527	12,136,339
Net position-Beginning as restated	59,241,404	46,179,444	7,801,575	8,727,196	67,042,979	54,906,640
Net position, June 30	\$ 69,741,217	\$ 59,241,404	\$ 10,189,289	\$ 7,801,575	\$ 79,930,506	\$ 67,042,979

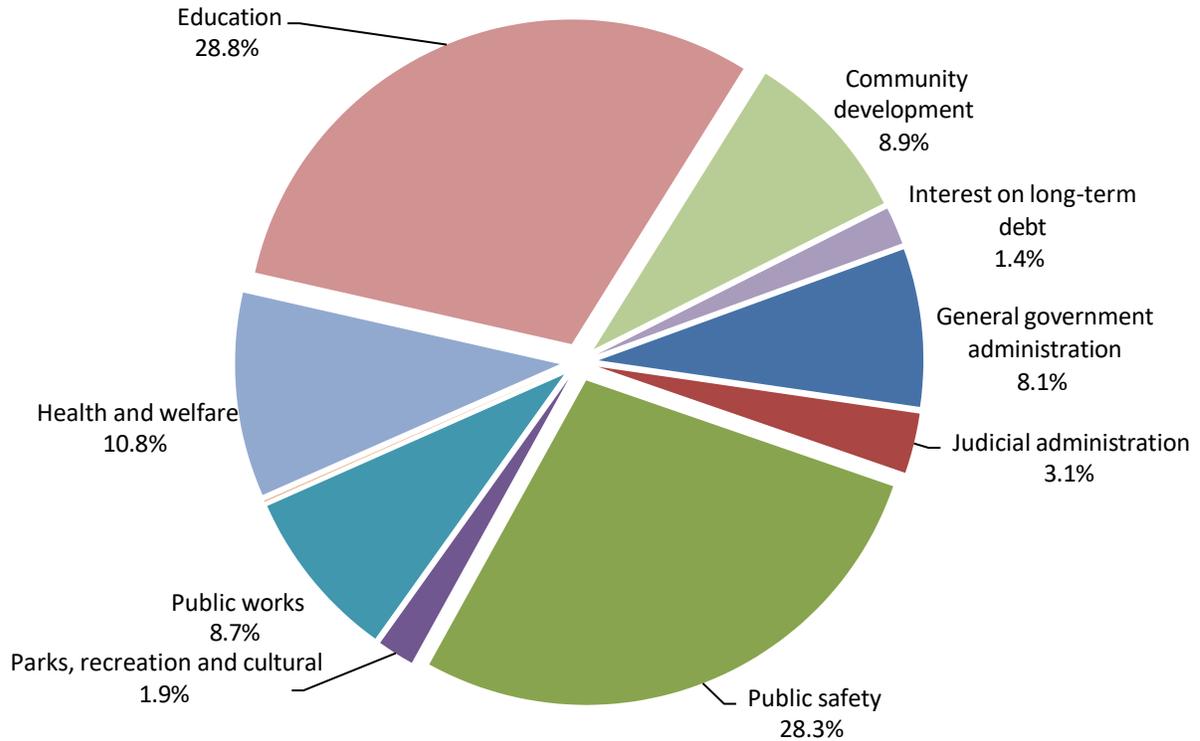
- Property taxes are the largest single revenue source comprising 56% of total governmental revenues. Property taxes increased by \$48,686 or less than 1%. Little fluctuation was expected despite a reassessment in real property as the real estate tax rate was lowered and a new class of personal property was created with a lesser tax rate to offset the significant increases in (particularly) used and new car values.
- Operating grants and contributions for governmental activities is the second largest revenue source comprising 21% of governmental revenues. This revenue source increased by \$1,826,919 or 15% during

the fiscal year. The primary driver of this increase was use of the first tranche of CSLFRF funds offset by no further CARES funding.

- Other local taxes increased by \$1,021,458 or 11% primarily due to a continued increase in state sales tax as inflation began to impact the country and prices of goods. An increase was seen also with the implementation of local meals tax as of 1.1.2022 in the amount of \$357,770. Communications tax also an “other local tax” continues its decline (\$ 22,247 decrease versus FY 2021 or 3%).
- Contribution to Accomack Public Schools and the Education expense is the largest single category comprising 29% of total governmental expenses. Expenses for this category increased by \$3,724,571 or 29% from the previous year. Much of this increase is due to FY 21 receiving pandemic relief funding to schools that was not replicated in FY 22. With no similar funds, the transfer from County to schools resumed a more normal level. The amount the schools did not require has traditionally been carried forward for their use upon approval by the Board of Supervisors. Public Safety expenses run a close second to education, comprising 28% of total governmental expenses. This is slightly down (\$1,038,920 or 6%) from FY 21 as pandemic specific spending lessened.
- Health & Welfare expense is the third largest category comprising 11% of governmental expenses. Expenses for this category decreased \$109,816 or 2% as compared to the previous year due to Department of Social Services funding for which there is a local match being less than needed in FY21.
- Community Development is important to note as the fourth largest category and right behind Health & Welfare at 9% of governmental expenses. The significant increase in FY 22 is due to funding by the County to the Eastern Shore Broadband Authority as part of the Authority’s efforts for broadband expansion on the Eastern Shore. Funding was available for this initiative through CSLFRF funds awarded that were used for Public Safety salaries, thus allowing local funds to be available for this expansion project. \$2,267,150 as noted on Schedule 2 were remitted to the Authority in FY 22.



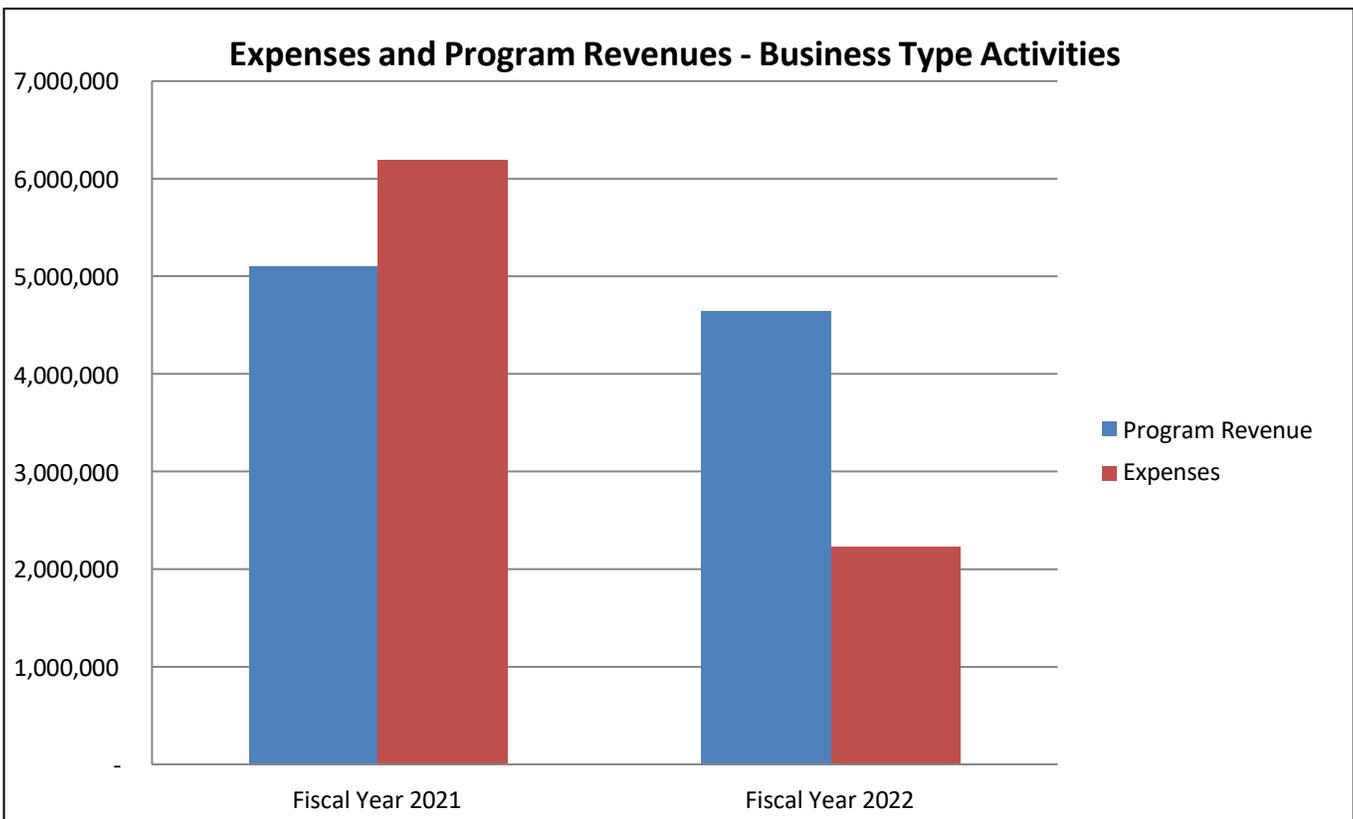
Fiscal Year 2022 Expenses by Function Governmental Activities



Business-type Activities – Business-type activities increased the County’s net position by \$2,387,714 or 31% during the fiscal year.

Business-type program revenues decreased by \$462,111 or 9% representing the significant drop in capital grants related to the Airport work. The Landfill had no increase in tipping fees and level tipping volume. Airport had revenue from a prior year grant in the amount of \$ 106,960 to finish out Runway 21 turnaround refurbishment as opposed to \$729,015 in FY21.

All business-type expenses decreased by 64% or \$3,955,436 as compared to the prior fiscal year. Landfill expenses decreased \$4,197,882 or 81% almost singularly due to expense for post-closure costs that are decreasing 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; however, in FY 22 after review with Department of Environmental Quality, that liability was reduced by \$1,940,221. This is the single largest change but also pay and benefits was less in FY 22 even considering the 5% pay increase in FY 22 as well as a slight decrease in depreciation after an annual inventory was taken and items no longer in service or transferred out of the department were considered. The Airport fund had an increase in expenses of \$132,732 or 21%. Leading this increase was an increase in fuel costs at just over \$110,000 for the fiscal year (even though revenue increased to offset when considered as a whole). Other minor increases in costs such as electrical service, credit card fees and telecommunications were incurred in FY 22.



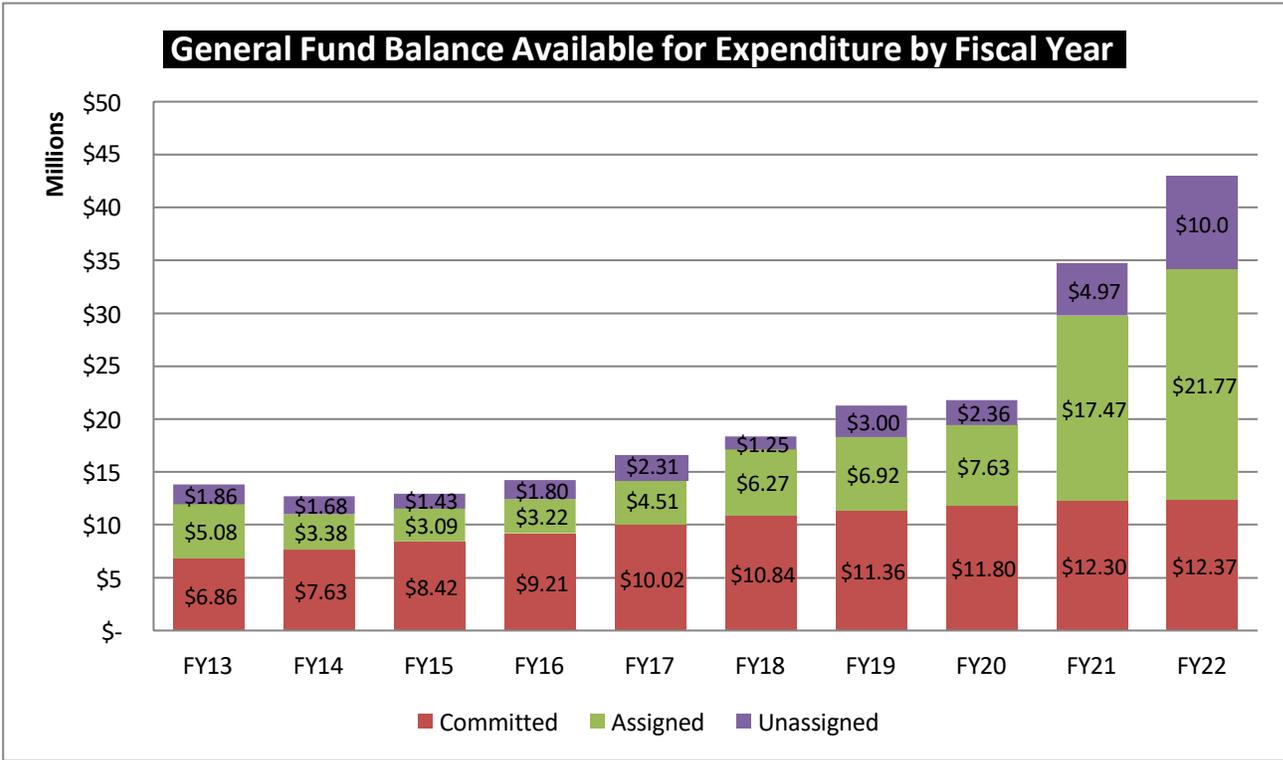
Financial Analysis of the County's Funds

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 \$52,269,992. Details are as follows:

1. The General Fund accounted for 85% percent or \$44,183,901 of the combined ending governmental fund balance.
 - \$10,040,481 or 23% 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.
 - \$12,367,051 or 28% is committed for a "Rainy Day" or Revenue Stabilization. This amount represents 11.8% 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.
 - \$21,770,155 or 49% is assigned to various projects yet to be completed or funds carried forward for use in the next fiscal year.
 - The remainder, \$6,214, of general fund balance is restricted to specific use by an entity external to County government.



o The General Fund reported an increase in fund balance of \$9,442,915 or 27%. General Fund Committed Fund Balance increased by \$64,335 or just at half of one percent. The entire amount of committed fund balance, \$12,367,051, is associated with the County’s “Rainy Day”/Revenue Stabilization Policy. The General Fund unassigned fund balance increased by \$5,040,303 or 101% primarily as a result of increased operating grants, property tax and other local taxes increases and premium on the bonds refunded.

2. The Consolidated Emergency Services Fund accounted for 10% or \$5,373,624 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 \$5,430,755 or 12%. The variance was primarily due to budget amendments made to recognize other state (\$270,281) and federal (\$4,722,131) grant funds awarded to the County during the fiscal year. Details by line item may be seen in detail in Schedule 1 which is the Schedule of Revenues – Budget to Actual.

Expenditures:

The difference between the Primary Government General Fund original budget and the final amended budget (schedule 2) was \$9,644,738 or 22%. 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 \$6,267,763. The increase included \$3,138,502 for acceptance of grant award for the first ARPA tranche. Additionally, CDBG Urgent Needs funding in the amount of \$1,177,914 and award for additional funds of \$600,000 to Volunteer Fire Departments altered the original budget. Our Emergency Management department was awarded additional funds (grants) in the amount of \$150,796 for improvements to our Emergency Operations Center, and a HazMat Equipment grant for new equipment related to providing HazMat emergency services. Other lesser funding was provided during FY 22 as well.
- Public Works related amendments – The original budget was primarily amended to increase by \$746,833 in total for projects funded by funds carried forward from prior year such as for storm drainage projects (\$395,038). Public Works' budget was also amended to reflect an increase for the County garage for work performed for other departments by \$173,653. Lastly, Public Works budget was increased for new litter control awards of \$42,176. These are the three major changes, but all maybe reviewed in Exhibit 26.

General Fund Budget Variances:

The Primary Government General Fund reported a positive variance between actual revenue and the final budget of \$4,421,668 and a positive variance between actual expenditures and the final budget of \$7,339,394.

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, 2022 amounts to \$59,295,881 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, intangibles, machinery, equipment, right to use assets 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 \$25,183,693. Of this amount, \$10,902,980 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. The County issued new lease revenue debt in August, 2021 for the expansion of its landfill. This debt is accounted for in the Landfill enterprise fund, and repaid from the fees associated with that fund. Further, the County refunded a portion of one outstanding bond to better its rate of interest. Details of this can be further seen in footnote 10.

Legislation enacted during a prior fiscal year required the Primary Government to assume debt historically reported by the School Board. At June 30, 2022 this legislation results in \$10,902,980 in debt reported on the County's Statement of Net position that is specific to school property and an expense increase of \$1,092,285 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 2023 are forecast to increase by 2.3% from those of FY22. This percentage change is comparing adopted FY 23 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 change is non-replicating federal COVID-19 relief monies (coming out) related to specific grants such as Urgent Needs that were pandemic related. Several local funding sources such as property tax are projected to increase along with other local taxes, as well as, the first year of the Cigarette tax. Total General Fund expenditures, including capital expenditures not in the capital projects funds, are forecast to increase 3.32% using the same comparator. Increase is modest, allowing for 5% pay increases for County staff and other changes in the overall operations for the County general departments.

Property Tax Rates/Fees

Below are the adopted property tax rates for calendar year 2021 (fiscal year 2022) and calendar year 2022 (fiscal year 2023).

2022 Real Estate Tax Rates:

Chincoteague \$0.465 per \$100 of assessed valuation
 Captains Cove/Greenbackville\$0.62 per \$100 of assessed valuation
 All other County areas\$0.595 per \$100 of assessed valuation

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
 There were no user fee increases for the fiscal year 2022.

Operating Expenditures

Fiscal year 2023 operating expenditures are budgeted to increase to provide a 5% wage increase for County and state-supported local positions that goes into effect July 1, 2022. The 2023 operating budget also provides an additional \$1,831,039 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 be appropriated to the School Division.

Capital Expenditures

The County’s adopted capital budget (before revisions) for 2023 totals just over \$5.2 million. This entire capital budget is cash funded using unassigned fund balance and a portion of 2023 projected operating revenues (\$17,217) to pay for infrastructure improvements. The capital plan includes funding that addresses a variety of County needs including, docks and ramps projects at Queen Sound, and Greenbackville, paving for the Grangeville Convenience Center, and funds to address County space needs for staffing, by way of example. Full details can be found in the County’s Annual Plan as adopted in April, 2022.

Other Initiatives

The fiscal year 2023 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 planned to set aside \$850,000 for this purpose. With this addition, the amount committed is expected to move the percentage to 14.8% of General Fund Revenue combined with School Operating Fund Revenue (less revenue from the Primary Government). This allocation will still push achieving the goal of 16.7% out two additional years as noted.

Employment and Population

The local unemployment rate decreased from June 2021 to June 2022 as shown below. The County’s 3.0% unemployment rate equals the unemployment rate for the Commonwealth and falls below the country as of June 30, 2022.

Unemployment Rates			
	June 2020	June 2021	June 2022
Accomack County	7.7%	4.5%	3.0%
Commonwealth of Virginia	8.2%	4.5%	3.0%
USA	11.2%	6.1%	3.4%

According to the Virginia Employment Commission, the number of persons employed in the County decreased from 16,807 in June, 2020 to 15,560 in June, 2021 and decreased to 15,823 in June, 2022. This equates to a decrease of 263 in one year or approximately 1.7%.

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 23 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

**COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF NET POSITION
AT JUNE 30, 2022**

Exhibit 1

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	School Board	Other
Assets:					
Cash and investments	\$ 57,693,661	\$ 4,028,321	\$ 61,721,982	\$ 2,528,056	\$ 2,624,313
Taxes receivable, net	17,817,430	-	17,817,430	-	-
Accounts receivable, net	560,313	387,614	947,927	111,509	452,041
Leases receivable	1,002,350	-	1,002,350	-	-
Loans receivable	-	-	-	-	56,644
Due from other governmental entities	2,659,533	6,216	2,665,749	5,091,444	15,288
Inventory	-	67,339	67,339	-	-
Prepaid items	-	-	-	-	22,451
Internal balances	297,011	(297,011)	-	-	-
Notes receivable	-	-	-	-	75,705
Restricted assets:					
Cash and cash equivalents	-	823,090	823,090	-	443,356
Capital assets (net of accumulated depreciation):					
Land	2,559,821	1,642,774	4,202,595	974,862	556,871
Buildings	19,115,135	658,939	19,774,074	35,001,033	691,576
Improvements other than buildings	11,006,475	8,466,912	19,473,387	2,314,272	147,494
Machinery and equipment	2,194,687	1,617,637	3,812,324	9,368,918	210,718
Right to use lease assets	843,241	9,921	853,162	343,856	-
Intangibles	122,613	-	122,613	-	-
Construction in progress	5,206,144	5,851,582	11,057,726	4,317,634	-
Net pension asset	5,538,067	230,109	5,768,176	2,592,654	435,510
Total assets	<u>126,616,481</u>	<u>23,493,443</u>	<u>150,109,924</u>	<u>62,644,238</u>	<u>5,731,967</u>
Deferred Outflows of Resources:					
Deferred amount on refunding	237,436	-	237,436	-	-
Pension related items	2,962,716	144,135	3,106,851	9,441,279	335,759
OPEB related items	364,368	15,380	379,748	1,412,854	-
Total deferred outflows of resources	<u>3,564,520</u>	<u>159,515</u>	<u>3,724,035</u>	<u>10,854,133</u>	<u>335,759</u>
Liabilities:					
Accounts payable	1,780,666	409,724	2,190,390	702,847	50,307
Wages and benefits payable	119,301	-	119,301	5,767,741	18,576
Retainage payable	-	199,819	199,819	166,388	-
Line of Credit	-	-	-	-	22,700
Due to other governmental entities	84,764	-	84,764	-	-
Accrued interest payable	291,245	48,047	339,292	-	-
Unearned revenue	3,252,735	8,168	3,260,903	405,986	314,057
Customer deposits	332,605	32,065	364,670	-	-
Long-term liabilities:					
Due within one year	4,422,771	639,287	5,062,058	1,452,018	-
Due in more than one year	20,760,924	11,739,464	32,500,388	32,843,644	657,816
Total liabilities	<u>31,045,011</u>	<u>13,076,574</u>	<u>44,121,585</u>	<u>41,338,624</u>	<u>1,063,456</u>
Deferred Inflows of Resources:					
Deferred property tax revenue	19,294,937	-	19,294,937	-	-
Pension related items	8,248,592	350,721	8,599,313	22,228,112	706,194
OPEB related items	861,753	36,374	898,127	2,295,952	-
Deferred inflow leases	989,491	-	989,491	-	-
Total deferred inflows of resources	<u>29,394,773</u>	<u>387,095</u>	<u>29,781,868</u>	<u>24,524,064</u>	<u>706,194</u>
Net Position:					
Net investment in capital assets	20,203,148	14,206,177	34,409,325	51,803,410	1,233,959
Restricted:					
Pension	5,538,067	230,109	5,768,176	2,592,654	435,510
Future debt service	896,604	-	896,604	-	-
Grant purposes	172,274	-	172,274	-	-
Public safety	5,421,333	-	5,421,333	-	-
Parks Recreation and Culture	-	-	-	-	1,029,649
Judicial administration	67,931	-	67,931	-	-
Community development	6,214	-	6,214	-	-
Unrestricted	37,435,646	(4,246,997)	33,188,649	(46,760,381)	1,598,958
Total net position	<u>\$ 69,741,217</u>	<u>\$ 10,189,289</u>	<u>\$ 79,930,506</u>	<u>\$ 7,635,683</u>	<u>\$ 4,298,076</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, 2022**

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	School Board	Other	
Primary government:									
Governmental activities:									
General government administration	\$ 4,664,443	\$ 613,307	\$ 324,800	\$ -	\$ (3,726,336)	\$ -	\$ (3,726,336)	\$ -	
Judicial administration	1,763,173	123,073	1,235,550	-	(404,550)	-	(404,550)	-	
Public safety	16,311,952	676,852	7,620,461	-	(8,014,639)	-	(8,014,639)	-	
Public works	4,989,366	260,361	26,832	-	(4,702,173)	-	(4,702,173)	-	
Health and welfare	6,192,116	87,774	4,093,255	-	(2,011,087)	-	(2,011,087)	-	
Education	16,588,415	-	-	-	(16,588,415)	-	(16,588,415)	-	
Parks, recreation and cultural	1,080,262	-	276,565	-	(803,697)	-	(803,697)	-	
Community development	5,121,034	60,294	746,054	-	(4,314,686)	-	(4,314,686)	-	
Interest on long-term debt	831,228	89,193	-	-	(742,035)	-	(742,035)	-	
Total governmental activities	<u>57,541,989</u>	<u>1,910,854</u>	<u>14,323,517</u>	<u>-</u>	<u>(41,307,618)</u>	<u>-</u>	<u>(41,307,618)</u>	<u>-</u>	
Business-type activities:									
Landfill	954,018	3,741,688	-	-	-	2,787,670	2,787,670	-	
Airport	751,128	324,765	-	194,371	-	(231,992)	(231,992)	-	
Water and sewer	516,929	354,650	-	-	-	(162,279)	(162,279)	-	
Parks and recreation	7,355	4,356	-	-	-	(2,999)	(2,999)	-	
Total business-type activities	<u>2,229,430</u>	<u>4,425,459</u>	<u>-</u>	<u>194,371</u>	<u>-</u>	<u>2,390,400</u>	<u>2,390,400</u>	<u>-</u>	
Total primary government	<u>59,771,419</u>	<u>6,336,313</u>	<u>14,323,517</u>	<u>194,371</u>	<u>(41,307,618)</u>	<u>2,390,400</u>	<u>(38,917,218)</u>	<u>-</u>	
Component Units:									
School Board	61,325,613	1,348,843	55,740,918	-	-	-	-	(4,235,852)	
Economic Development Authority	26,801	5,209	-	-	-	-	-	(21,592)	
Public Library	1,051,411	111,433	1,007,780	-	-	-	-	67,802	
Planning District Commission	1,694,847	1,580,504	88,801	-	-	-	-	(25,542)	
Quinby Harbor Committee	12,459	20,489	-	-	-	-	-	8,030	
Greenbackville Harbor Committee	6,167	34,800	-	-	-	-	-	28,633	
Captain's Cove/Greenbackville Mosquito Control Commission	57,744	78,247	-	-	-	-	-	20,503	
Total component units	<u>\$ 64,175,042</u>	<u>\$ 3,179,525</u>	<u>\$ 56,837,499</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,235,852)</u>	<u>77,834</u>
General Revenues:									
Taxes:									
General property taxes					38,066,876	-	38,066,876	-	
Local sales and use taxes					5,135,745	-	5,135,745	-	
Communication taxes					734,693	-	734,693	-	
Consumer utility taxes					1,200,126	-	1,200,126	-	
Other local taxes					2,976,998	-	2,976,998	-	
Contributions from Accomack County					-	-	-	15,239,512	
Grants and contributions not restricted to specific programs					3,443,008	-	3,443,008	-	
Investment earnings and rent					230,270	4,326	234,596	49	
Other revenue (expense)					-	12,703	12,703	1,194,558	
Transfers					19,715	(19,715)	-	-	
Total general revenue and transfers					<u>51,807,431</u>	<u>(2,686)</u>	<u>51,804,745</u>	<u>16,434,119</u>	
Change in net position					<u>10,499,813</u>	<u>2,387,714</u>	<u>12,887,527</u>	<u>12,198,267</u>	
Net position-beginning, for School Board and Primary Government, Governmental Activities					<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>
Net position-ending					<u>\$ 69,741,217</u>	<u>\$ 10,189,289</u>	<u>\$ 79,930,506</u>	<u>\$ 7,635,683</u>	<u>\$ 4,298,076</u>

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

**COUNTY OF ACCOMACK, VIRGINIA
BALANCE SHEET
GOVERNMENTAL FUNDS
AT JUNE 30, 2022**

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	\$ 47,904,093	\$ -	\$ 5,872,518	\$1,046,409	\$ 1,248,360	\$ 1,622,281	\$ 57,693,661
Taxes receivable, net	14,031,515	-	1,908,548	-	1,171,442	705,925	17,817,430
Accounts receivable	528,474	12,998	7,379	-	-	11,462	560,313
Lease receivable, net	1,002,350	-	-	-	-	-	1,002,350
Due from other governmental entities	1,905,598	255,820	-	210,889	-	287,226	2,659,533
Interfund receivables	547,619	-	-	-	-	-	547,619
Total assets	<u>65,919,649</u>	<u>268,818</u>	<u>7,788,445</u>	<u>1,257,298</u>	<u>2,419,802</u>	<u>2,626,894</u>	<u>80,280,906</u>
Liabilities:							
Accounts payable	843,422	14,959	21,140	165,571	-	735,574	1,780,666
Wages and benefits payable	116,050	3,251	-	-	-	-	119,301
Due to other governmental entities	-	-	-	-	-	84,764	84,764
Customer deposits	248,120	-	-	4,288	-	80,197	332,605
Interfund payables	-	250,608	-	-	-	-	250,608
Unearned revenue	3,187,085	-	-	-	-	65,650	3,252,735
Total liabilities	<u>4,394,677</u>	<u>268,818</u>	<u>21,140</u>	<u>169,859</u>	<u>-</u>	<u>966,185</u>	<u>5,820,679</u>
Deferred Inflows of Resources:							
Deferred property tax revenue	14,846,261	-	2,191,571	-	1,399,039	858,066	19,294,937
Unavailable revenue-property taxes	1,505,319	-	202,110	-	124,159	74,219	1,905,807
Deferred inflow leases	989,491	-	-	-	-	-	989,491
Total deferred inflows of resources	<u>17,341,071</u>	<u>-</u>	<u>2,393,681</u>	<u>-</u>	<u>1,523,198</u>	<u>932,285</u>	<u>22,190,235</u>
Fund Balances:							
Restricted:							
Debt service	-	-	-	-	896,604	-	896,604
Fire and rescue	-	-	5,373,624	-	-	38,871	5,412,495
Law library	-	-	-	-	-	67,931	67,931
Drug seizures	-	-	-	-	-	23,698	23,698
Courthouse security	-	-	-	-	-	8,838	8,838
Rehabilitation projects	-	-	-	-	-	148,576	148,576
Wetlands mitigation	6,214	-	-	-	-	-	6,214
Committed to Rainy Day Revenue Stabilization	12,367,051	-	-	-	-	-	12,367,051
Assigned:							
Storm drainage	444,741	-	-	-	-	-	444,741
Fire and rescue	-	-	-	-	-	440,510	440,510
Public boating facility improvement or repair	1,000,677	-	-	-	-	-	1,000,677
Subsequent year's expenditures	5,164,896	-	-	-	-	-	5,164,896
Information technology projects	112,098	-	-	-	-	-	112,098
County projects	-	-	-	1,087,439	-	-	1,087,439
Hazardous materials response	80,534	-	-	-	-	-	80,534
School Board	11,134,417	-	-	-	-	-	11,134,417
Other purposes	3,832,792	-	-	-	-	-	3,832,792
Unassigned	10,040,481	-	-	-	-	-	10,040,481
Total fund balances	<u>44,183,901</u>	<u>-</u>	<u>5,373,624</u>	<u>1,087,439</u>	<u>896,604</u>	<u>728,424</u>	<u>52,269,992</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 65,919,649</u>	<u>\$ 268,818</u>	<u>\$ 7,788,445</u>	<u>\$ 1,257,298</u>	<u>\$ 2,419,802</u>	<u>\$ 2,626,894</u>	<u>\$ 80,280,906</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, 2022**

Exhibit 4

Total fund balances - governmental funds (Exhibit 3)		\$ 52,269,992
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	2,559,821	
Buildings, net of depreciation	11,238,780	
Improvements other than buildings, net of depreciation	11,006,475	
Machinery and equipment, net of depreciation	2,194,687	
Right to use assets, net of amortization	843,241	
Intangibles, net of amortization	122,613	
Construction in progress	5,206,144	
School Board capital assets, net of depreciation	<u>7,876,355</u>	
Total capital assets		41,048,116
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Unavailable revenue - property taxes	1,905,807	
Pension asset	<u>5,538,067</u>	
		7,443,874
Deferred inflows of resources are not due in the current period and, therefore, are not reported in the funds.		
Deferred inflows related to pensions	(8,248,592)	
Deferred inflows related to OPEB	<u>(861,753)</u>	
Total deferred inflows of resources		(9,110,345)
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	2,962,716	
Deferred outflows related to OPEB	<u>364,368</u>	
Total deferred outflows of resources		3,327,084
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	(10,902,980)	
Lease revenue bonds	(8,844,664)	
Accrued interest on debt	(291,245)	
Bond premiums and discounts, net of amortization	(488,621)	
Lease liabilities	(846,141)	
Bond deferred charge on refunding	237,436	
Compensated absences	(2,096,097)	
Net OPEB liability	<u>(2,005,192)</u>	
Net adjustment		<u>(25,237,504)</u>
Total net position - governmental activities (Exhibit 1)		<u>\$ 69,741,217</u>

(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, 2022

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	
Revenues:							
General property taxes	\$ 29,389,390	\$ -	\$ 4,672,920	\$ -	\$ 2,772,417	\$ 1,786,071	\$ 38,620,798
Other local taxes	9,939,476	-	-	-	-	108,086	10,047,562
Permits, fees and licenses	468,139	-	-	-	-	23,141	491,280
Fines and forfeitures	91,655	-	-	-	-	-	91,655
Revenue from the use of money & property	230,102	-	-	140	-	28	230,270
Charges for services	608,372	-	-	-	-	5,125	613,497
Miscellaneous	102,422	-	-	-	89,193	102,053	293,668
Recovered costs	497,321	-	4,957	11,356	-	1,447	515,081
Intergovernmental	12,305,378	3,495,650	65,279	492,347	83,008	1,230,539	17,672,201
Total revenues	53,632,255	3,495,650	4,743,156	503,843	2,944,618	3,256,490	68,576,012
Expenditures:							
General government administration	4,819,289	-	-	65,000	-	-	4,884,289
Judicial administration	1,555,059	-	-	-	-	145,028	1,700,087
Public safety	13,479,094	-	1,364,218	6,000	-	1,985,480	16,834,792
Public works	4,595,052	-	-	226,131	-	-	4,821,183
Health and welfare	1,149,606	4,215,609	-	-	-	746,528	6,111,743
Education	15,260,026	-	-	-	-	-	15,260,026
Parks, recreation and cultural	783,049	-	-	1,363,962	-	-	2,147,011
Community development	3,732,848	-	-	322,842	-	694,850	4,750,540
Nondepartmental	30,046	-	-	-	-	-	30,046
Debt service:							
Principal retirement	280,388	-	676	-	2,107,566	392	2,389,022
Interest and other charges	70,374	-	5	-	834,847	9	905,235
Total expenditures	45,754,831	4,215,609	1,364,899	1,983,935	2,942,413	3,572,287	59,833,974
Revenues over (under) expenditures	7,877,424	(719,959)	3,378,257	(1,480,092)	2,205	(315,797)	8,742,038
Other financing sources (uses):							
Refunding bonds issued	-	-	-	-	2,470,000	-	2,470,000
Premium on bonds issuance	-	-	-	-	209,360	-	209,360
Payment to refunded bond escrow agent	-	-	-	-	(2,591,629)	-	(2,591,629)
Proceeds from leases	107,201	-	-	-	-	-	107,201
Transfers in	3,131,792	719,959	-	951,686	-	208,042	5,011,479
Transfers out	(1,673,502)	-	(3,318,262)	-	-	-	(4,991,764)
Total other financing sources (uses)	1,565,491	719,959	(3,318,262)	951,686	87,731	208,042	214,647
Net changes in fund balance	9,442,915	-	59,995	(528,406)	89,936	(107,755)	8,956,685
Fund balance, beginning of year	34,740,986	-	5,313,629	1,615,845	806,668	836,179	43,313,307
Fund balance, end of year	\$ 44,183,901	\$ -	\$ 5,373,624	\$ 1,087,439	\$ 896,604	\$ 728,424	\$ 52,269,992

(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, 2022

Exhibit 6

Net changes in fund balances-governmental funds (Exhibit 5) \$ 8,956,685

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	2,120,389	
Depreciation expense	<u>(2,684,718)</u>	
Net adjustment		(564,329)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net assets. (60,869)

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. (1,092,285)

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

Property taxes	(553,922)	
Change in deferred inflows related OPEB	(116,150)	
Change in deferred inflows related to pensions	<u>(7,824,475)</u>	
Net adjustment		(8,494,547)

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. 2,397,903

The refunding proceeds due to refinancing of long-term debt is reported as an other financing use in governmental funds, whereas this amount is deferred in the statement of activities.

Proceeds from bonds issued including premiums and discounts	(2,470,000)	
Proceeds right to use assets	(107,201)	
Proceeds premium related to bonds refunding	(209,360)	
Repayment of bonds and associated premium, discount refunded	<u>2,591,629</u>	
Net adjustment		(194,932)

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	108,290	
Change in compensated absences	144,147	
Change in net OPEB obligation	244,118	
Change in net pension liability	9,526,715	
Change in deferred outflows related to OPEB	(2,528)	
Change in deferred outflows related to pensions	<u>(468,555)</u>	
Net adjustment		<u>9,552,187</u>

Change in net position of governmental activities (Exhibit 2) \$ 10,499,813

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

**COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AT JUNE 30, 2022**

Exhibit 7

	Business-type Activities-Enterprise Funds			
	Major Funds			
	Landfill Fund	Airport Fund	Nonmajor Funds	Total
Assets:				
Current assets:				
Cash and investments	\$ 3,655,391	\$ 367,673	\$ 5,257	\$ 4,028,321
Accounts receivable (net of allowance for uncollectibles)	275,832	25,213	86,569	387,614
Due from other government entities	-	6,216	-	6,216
Inventory	-	67,339	-	67,339
Restricted cash	352,889	-	-	352,889
Total current assets	4,284,112	466,441	91,826	4,842,379
Noncurrent assets:				
Capital Assets (net of accumulated depreciation):				
Land	402,959	1,239,815	-	1,642,774
Buildings	658,939	-	-	658,939
Improvements other than buildings	4,232,966	3,435,849	798,097	8,466,912
Machinery and equipment	1,345,772	67,774	204,091	1,617,637
Construction in progress	4,839,350	1,012,232	-	5,851,582
Lease asset	-	2,683	7,238	9,921
Total capital assets	11,479,986	5,758,353	1,009,426	18,247,765
Restricted cash	470,201	-	-	470,201
Net pension asset	230,109	-	-	230,109
Total assets	16,464,408	6,224,794	1,101,252	23,790,454
Deferred Outflows of Resources:				
Pension related items	128,383	15,752	-	144,135
OPEB related items	15,380	-	-	15,380
Total deferred outflows of resources	143,763	15,752	-	159,515
Liabilities:				
Current liabilities:				
Accounts payable	348,948	23,252	37,524	409,724
Retainage payable	199,819	-	-	199,819
Unearned revenue	-	8,168	-	8,168
Customer deposits	31,305	-	760	32,065
Interfund payables	-	-	297,011	297,011
Compensated absences	70,281	299	-	70,580
Accrued interest payable	48,047	-	-	48,047
Lease revenue bonds payable	460,000	-	-	460,000
Lease revenue bond premium	106,092	-	-	106,092
Lease liability	-	823	1,792	2,615
Total current liabilities	1,264,492	32,542	337,087	1,634,121
Noncurrent liabilities:				
Compensated absences	8,684	37	-	8,721
Lease revenue bonds payable	3,290,000	-	-	3,290,000
Lease revenue bond premium	539,299	-	-	539,299
Landfill closure/post closure care	7,791,154	-	-	7,791,154
Lease liability	-	1,895	5,446	7,341
Net pension liability	-	18,310	-	18,310
Net OPEB liability	84,639	-	-	84,639
Total noncurrent liabilities	11,713,776	20,242	5,446	11,739,464
Total liabilities	12,978,268	52,784	342,533	13,373,585
Deferred Inflow of Resources:				
Pension related items	348,774	1,947	-	350,721
OPEB related items	36,374	-	-	36,374
Total deferred inflows of resources	385,148	1,947	-	387,095
Net Position:				
Net investment in capital assets	7,454,570	5,749,419	1,002,188	14,206,177
Restricted:				
Pension and OPEB assets	230,109	-	-	230,109
Unrestricted	(4,439,924)	436,396	(243,469)	(4,246,997)
Total net position	\$ 3,244,755	\$ 6,185,815	\$ 758,719	\$ 10,189,289

(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, 2022

Exhibit 8

	Business-type Activities-Enterprise Funds			
	Major Funds			
	Landfill Fund	Airport Fund	Nonmajor Funds	Total
Operating revenues:				
Use of property	\$ -	\$ 8,092	\$ -	\$ 8,092
Charges for services	3,597,673	315,887	359,006	4,272,566
Other operating revenue	144,015	786	-	144,801
Total operating revenues	<u>3,741,688</u>	<u>324,765</u>	<u>359,006</u>	<u>4,425,459</u>
Operating expenses:				
Personnel services and fringe benefits	802,076	72,247	-	874,323
Other operating expenses	(750,171)	397,520	465,587	112,936
Depreciation	766,923	281,345	58,697	1,106,965
Total operating expenses	<u>818,828</u>	<u>751,112</u>	<u>524,284</u>	<u>2,094,224</u>
Operating income (loss)	<u>2,922,860</u>	<u>(426,347)</u>	<u>(165,278)</u>	<u>2,331,235</u>
Nonoperating revenues (expenses):				
Interest expense and related debt expense	(135,190)	(16)	-	(135,206)
Interest income from bond proceeds	4,326	-	-	4,326
Gain (Loss) on disposal of capital assets	2,576	-	10,125	12,701
State grants - capital contribution	-	32,702	-	32,702
Federal grants - capital contribution	-	161,669	-	161,669
Total nonoperating revenues (expenses)	<u>(128,288)</u>	<u>194,355</u>	<u>10,125</u>	<u>76,192</u>
Income (loss) before transfers	<u>2,794,572</u>	<u>(231,992)</u>	<u>(155,153)</u>	<u>2,407,427</u>
Transfers:				
Transfers in	16,943	13,339	-	30,282
Transfers out	(49,995)	-	-	(49,995)
Total transfers	<u>(33,052)</u>	<u>13,339</u>	<u>-</u>	<u>(19,713)</u>
Changes in net position	2,761,520	(218,653)	(155,153)	2,387,714
Total net position, beginning of year	483,235	6,404,468	913,872	7,801,575
Total net position, end of year	<u>\$ 3,244,755</u>	<u>\$ 6,185,815</u>	<u>\$ 758,719</u>	<u>\$ 10,189,289</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, 2022**

Exhibit 9

	Business-type Activities-Enterprise Funds			
	Major Funds			Total
	Landfill Fund	Airport Fund	Nonmajor Funds	
Cash flows from operating activities:				
Receipts from customers	\$ 3,487,772	\$ 330,018	\$ 316,628	\$ 4,134,418
Payments to suppliers	49,486	(399,382)	(453,546)	(803,442)
Payments to employees and benefits paid on behalf of employees	(1,941,708)	(101,203)	(707)	(2,043,618)
Other receipts	144,015	786	-	144,801
Net cash provided by (used for) operating activities	<u>1,739,565</u>	<u>(169,781)</u>	<u>(137,625)</u>	<u>1,432,159</u>
Cash flows from noncapital financing activities:				
Repayment of advance to the General Fund	(49,995)	-	-	(49,995)
Transfer from (to) the General Fund	16,943	3,031	-	19,974
Net cash provided by noncapital financing activities	<u>(33,052)</u>	<u>3,031</u>	<u>-</u>	<u>(30,021)</u>
Cash flows from capital and related financing activities:				
Purchase of capital assets	(4,069,566)	(161,774)	-	(4,231,340)
Capital transfer from the General Fund	-	10,308	132,757	143,065
Capital grant proceeds from the Commonwealth and Federal Government	-	244,228	-	244,228
Proceeds from sale of capital assets	2,576	-	10,125	12,701
Proceeds from bonds	4,492,642	-	-	4,492,642
Principal payments on debt	(142,407)	-	-	(142,407)
Bond issuance costs	(40,494)	-	-	(40,494)
Interest earned	4,326	-	-	4,326
Interest payments on debt	(143,900)	(16)	-	(143,916)
Net cash used for capital and related financing activities	<u>103,177</u>	<u>92,746</u>	<u>142,882</u>	<u>338,805</u>
Net increase in cash and cash equivalents	1,809,690	(74,004)	5,257	1,740,943
Cash and cash equivalents, beginning of year	2,668,791	441,677	-	3,110,468
Cash and cash equivalents, end of year	<u>\$ 4,478,481</u>	<u>\$ 367,673</u>	<u>\$ 5,257</u>	<u>\$ 4,851,411</u>
<u>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</u>				
Operating income (loss)	\$ 2,922,860	\$ (426,347)	\$(165,278)	\$ 2,331,235
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation	766,923	281,345	56,889	1,105,157
Changes in assets and liabilities:				
Accounts receivable	(109,900)	3,200	(42,378)	(149,078)
Inventory	-	(16,748)	-	(16,748)
Pension expense, net of employer contributions	(52,103)	-	-	(52,103)
OPEB expense, net of employer contributions	(7,814)	(12,117)	-	(19,931)
Wages and benefits payable	(407)	(1,493)	-	(1,900)
Accounts payable	167,110	14,136	13,142	194,388
Prepaid rent	-	2,840	-	2,840
Customer deposits	(4)	-	-	(4)
Landfill closure/post closure liabilities	(1,940,221)	-	-	(1,940,221)
Compensated absences payable	(6,879)	(14,597)	-	(21,476)
Total adjustments	<u>(1,183,295)</u>	<u>256,566</u>	<u>27,653</u>	<u>(2,004,233)</u>
Net cash provided by (used for) operating activities	<u>\$ 1,739,565</u>	<u>\$ (169,781)</u>	<u>\$(137,625)</u>	<u>\$ 1,432,159</u>
Noncash investing, capital and financing activities:				
Capital asset related items in accounts payable at year end	\$ 253,296	\$ 6,216	\$ -	\$ 259,512

(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, 2022**

Exhibit 10

	Other Postemployment Benefits Trust Fund	Custodial Funds
<u>Assets:</u>		
Cash and investments held by Treasurer	\$ -	\$ 62,145
Accounts receivable	6,451	960
Cash and investments in custody of others	550,760	143,997
Total assets	557,211	207,102
<u>Liabilities:</u>		
Reconciled overdraft	16,052	-
Amounts held for social service clients	-	63,105
Amounts held for others	-	143,997
Total liabilities	16,052	207,102
<u>Net Position:</u>		
Net position restricted for OPEB	541,159	-
Total net position	\$ 541,159	\$ -

(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, 2022**

Exhibit 11

	Other Postemployment Benefits Trust Fund	Custodial Funds
<u>Additions:</u>		
Contributions:		
Employer	\$ 124,700	\$ -
Retiree	88,643	-
Custodial Funds	-	358,380
Total contributions	<u>213,343</u>	<u>358,380</u>
Investment earnings:		
Net appreciation (depreciation) in fair value of investments	(57,210)	-
Total investment earnings	<u>(57,210)</u>	<u>-</u>
Total additions	<u>156,133</u>	<u>358,380</u>
<u>Deductions</u>		
Health insurance credit payments	43,400	-
Benefits	113,122	-
Custodial Funds	-	358,380
Total deductions	<u>156,522</u>	<u>358,380</u>
Change in net position	(389)	-
Net position - beginning	541,548	-
Net position - ending	<u>\$ 541,159</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, 2022

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, 2022.

- 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, 2022

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, Accomac, 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, Accomac, 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, 2022

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 2022, the County contributed \$1,042,025 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 2022, the County contributed \$204,037 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, 2022

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, 2022

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 governmental funds. The individual governmental funds are:

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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.

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.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Fund Financial Statements-continued

- **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 beingheld 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.

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.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

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 for 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.
- 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.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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). When the County has bond proceeds unspent they are held for the benefit of the County by State Non-Arbitrage Program (SNAP). 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, 2022, the allowance for General fund uncollectible taxes receivable as shown in footnote 3 represents 26.6% 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 28.2%, 28.0% and 28.1% 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 of the component units presented. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

iv. Capital Assets - continued

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
Right to use assets	5-20
Other machinery and equipment	5-20

v. Leases

The County is a lessee for various items of equipment and real property. The County recognizes lease liabilities and intangible right-to-use assets (lease assets) in the statement of net position related to these agreements.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs, if any. Subsequently, the lease asset is amortized on a straight-line basis over the life of the lease. However, for the year of implementation, leases have been recognized and measured using the facts and circumstances that existed at the beginning of the period of implementation if there were no prepayments (payments made at or before the commencement of the lease or to place the asset into service). None of the leases in place at the implementation date had such prepayments, as such, they have been recognized and measured as of the implementation date of July 1, 2021. Therefore, no restatement of the prior year net position was necessary.

The County is a lessor for non-cancellable leases of communication facility towers and land. The County recognizes a lease receivable and a deferred inflow of resources related to these agreements. At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

v. Leases - continued

on a straight-line basis over the life of the lease term. However, for the year of implementation, leases have been recognized and measured using the facts and circumstance that existed at the beginning of the period of implementation if there were no prepayments (payments made at or before the commencement of the lease). None of the leases in place at the implementation date had such prepayments, as such, they have been recognized and measured as of the implementation date, July 1, 2021. As such, no restatement of the prior year net position was considered necessary.

Key estimates and judgements include how the County determines (1) the discount rate it uses to discount the expected lease payments/receipts to present value, (2) lease term, and (3) lease payments/receipts.

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments for the lessee.
- The County monitors changes in circumstance that would require a re-measurement of its lease, and will re-measure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

vi. 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, 2022, the Primary Government had \$237,436 in deferred outflows of resources representing debt refunding resulting in loss transactions which are amortized over the life of the refunded debt, \$3.5 million in deferred charges related to Pension and OPEB contributions, experience, assumptions, earnings, and proportion. The Primary Government also had \$19.3 million in deferred inflows of resources related to property tax revenue, \$9.5 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 and \$1.0 million of deferred inflows related to lease revenue which are amortized over the term of cumulated leases including any extensions to the terms which are reasonably certain will be exercised.

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.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

vi. Deferred Outflows of Resources - continued

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 become 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 as well as income related to the leases under GASB 87.

vii. 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.

viii. 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.

ix. 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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

ix. Fund Balance Flow Assumptions-continued

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.

x. 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.

Assigned	Consists of amounts intended to be used by the County for a specific purpose but are neither restricted nor committed.	<i>Assigned for subsequent year's expenditures</i> 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.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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 2022 was equal to 38% 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 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 Non-operating 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.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

H. Revenues and Expenditures/Expenses – continued

v. Use if 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 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.

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.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

K. Implementation of GASB Statement No. 87

Adoption of New Accounting Statement for fiscal year 2022. The County implemented GASB Statement No. 87, Leases (GASB 87). The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets, liabilities and deferred inflows, for leases that previously were classified and treated as operation leases. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The implementation of this pronouncement did not require a restatement of net position by the County, but it resulted in the revaluation of the County's existing arrangements and the recording of new assets, liabilities, and deferred inflows of resources on the County's statement of net position on the date of implementation, July 1, 2021. Future lease agreements that the County enters into will be evaluated under this pronouncement to determine proper accounting treatment. Additional details on the County's leases can be found in notes 1. 6, 9, and 10.

L. Future GASB Pronouncements

- The Governmental Accounting Standards Board (GASB) has issued the following Statements which are not yet effective. The effective dates below are updated based on Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance due to the COVID-19 pandemic.

In May 2019, the GASB issued **Statement No. 91**, *Conduit Debt Obligations*. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

In March 2020, the GASB issued **Statement No. 94**, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This Statement improved financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

In May 2020, the GASB issued **Statement No. 96**, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

In April 2022, the GASB issued **Statement No. 99**, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended,

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

L. Future GASB Pronouncements - continued

and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

In June 2022, the GASB issued **Statement No. 100, *Accounting Changes and Error Corrections***. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

In June 2022, the GASB issued **Statement No. 101, *Compensated Absences***. The Statement updates the recognition and measurement guidance for compensated absences and amends certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

Management has not determined the effects these new GASB Statements may have on prospective financial statements.

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.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

2. DEPOSITS AND INVESTMENTS – CONTINUE

The carrying amount of cash and investments of the Primary Government and the School Board Component Unit at June 30, 2022 is as follows:

Deposits with Financial Institutions	\$ 13,082,382
Investments	52,046,491
Petty Cash	6,400
Total Cash and Investments of the Primary Government and School Board Component Unit	<u>\$ 65,135,273</u>

A reconciliation to the basic financial statements is as follows:

Primary Government Cash and Investments per Exhibit 1	\$ 61,721,982
School Board Component Unit Cash and Investments per Exhibit 1	2,528,056
Restricted Cash - Business Type Activity - Landfill	823,090
Other Component Unit Cash and Investments per Exhibit 1	3,067,669
Fiduciary Funds Cash and Investments per Exhibit 10	756,902
Total Cash and Investments for the Reporting Entity	<u>68,897,699</u>
Less: Other Component Unit Cash and Investments per Exhibit 1 not in the custody of the Treasurer	(3,067,669)
Less: Fiduciary Funds Cash and Investments per Exhibit 10 not in the custody of the Treasurer	(694,757)
Total Cash and Investments in the custody of the Treasurer	<u>\$ 65,135,273</u>

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, 2022, 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	\$ 30,547,865	AAAm
VACo/VML Virginia Investment Pool-NAV Liquidity Pool	11,015,332	AAAm
VACo/VML Virginia Investment Pool-VIP 1-3 year High Quality Bond Fund	9,660,204	AA+f/SI
State Non-Arbitrage Program (SNAP)	823,090	AAAm
Total Investments	<u>\$ 52,046,491</u>	

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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

2. DEPOSITS AND INVESTMENTS – CONTINUED

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, 2022, 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, 2022 are presented below along with their maturity. The County had no policy on interest rate risk or other investment policy at June 30, 2022.

	<u>Fair Value</u>	<u>Maturity less than 1 year</u>
Primary Government and School Board Component Unit:		
Virginia Local Government Investment Pool	\$ 30,547,865	\$ 30,547,865
VACo/VML Virginia Investment Pool-NAV Liquidity Pool	11,015,332	11,015,332
VACo/VML Virginia Investment Pool-VIP 1-3 year High Quality Bond Fund	9,660,204	9,660,204
State Non-Arbitrage Program (SNAP)	823,090	823,090

Custodial Credit Risk

As of June 30, 2022, 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, 2022 are as follows:

	Major Funds					
	Consolidated		County	Nonmajor		
	Emergency			Funds		
	General Fund	Medical	Debt Fund			
Type:	Services Fund				Total	
Taxes receivable	\$ 4,601,331	\$ 677,298	\$ 410,059	\$ 248,657	\$ 5,937,345	

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

4. DUE FROM OTHER GOVERNMENTAL ENTITIES

Amounts due from other governments at June 30, 2022 consisted of the following:

	Major Governmental Funds			Nonmajor Govern- mental Funds	Total Primary Governmental Activities	Major Fund Airport Enterprise Fund	Total Primary Government
	General Fund	Virginia Public Assistance Fund	County Capital Projects Fund				
Commonwealth of Virginia:							
Local sales tax	1,112,302	-	-	-	1,112,302	-	1,112,302
Recordation tax	61,825	-	-	-	61,825	-	61,825
Constitutional officer shared expenses	300,177	-	-	-	300,177	-	300,177
Jail per diem for prisoner housing	42,356	-	-	-	42,356	-	42,356
Mobile home tax	23,813	-	-	-	23,813	-	23,813
Communications tax	117,522	-	-	-	117,522	-	117,522
Miscellaneous	29	-	-	-	29	-	29
Quinby Harbor Improvement	-	-	5,346	-	5,346	-	5,346
Hazard Mitigation Grant Fund	-	-	33,963	-	33,963	-	33,963
Public assistance funds	-	92,146	-	-	92,146	-	92,146
Virginia Port Authority projects	-	-	35,621	-	35,621	-	35,621
Fire Programs	-	-	-	50,000	50,000	-	50,000
Comprehensive services act reimbursements	-	-	-	114,996	114,996	-	114,996
Total due from the Commonwealth	1,658,024	92,146	74,930	164,996	1,990,096	-	1,990,096
Federal Government:							
Emergency management assistance	246,574	-	-	-	246,574	-	246,574
Rehabilitation projects	-	-	-	122,230	122,230	-	122,230
Miscellaneous	1,000	-	-	-	1,000	-	1,000
Hazard Mitigation Grant Fund	-	-	135,959	-	135,959	-	135,959
Airport construction funds	-	-	-	-	-	6,216	6,216
Public assistance funds	-	163,674	-	-	163,674	-	163,674
Total due from the Federal Government	247,574	163,674	135,959	122,230	669,437	6,216	675,653
Total due from other governmental entities	\$ 1,905,598	\$ 255,820	\$ 210,889	\$ 287,226	\$ 2,659,533	\$ 6,216	\$ 2,665,749

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

4. DUE FROM OTHER GOVERNMENTAL ENTITIES - CONTINUED

School Board Component Unit:

Commonwealth of Virginia:	
State sales tax contribution	\$ 1,131,027
SOL web base	47,870
VISSTA	9,397
Total due from Commonwealth	<u>1,188,294</u>
Federal Government:	
Title I	764,909
Title II	68,993
Title III	9,245
Title IV	119,257
Title V	59,379
Title VI-B Special Education	416,486
Migrant	77,826
Vocational/Perkins	87,667
Child Nutrition Services	202,005
ESSER	2,097,383
Total due from Federal Government	<u>3,903,150</u>
Total due from other governmental entities	<u>\$ 5,091,444</u>

5. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2022 are as follows:

	Interfund	
	Receivables	Payables
PRIMARY GOVERNMENT:		
Governmental Funds:		
General Fund	\$ 547,619	\$ -
Virginia Public Assistance Fund	-	250,608
Total Governmental Funds	<u>547,619</u>	<u>250,608</u>
Non-major proprietary funds	-	297,011
Total Primary Government	<u>\$ 547,619</u>	<u>\$ 547,619</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, 2022

6. CAPITAL ASSETS

A. Primary Government:

	Balance 7/1/2021 Restated*	Additions	Retirements	Balance June 30, 2022
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,473,639	\$ 86,182	\$ -	\$ 2,559,821
Construction in progress	4,107,200	1,234,696	(135,752)	5,206,144
Total capital assets not being depreciated	<u>6,580,839</u>	<u>1,320,878</u>	<u>(135,752)</u>	<u>7,765,965</u>
Other capital assets:				
Buildings	18,225,239	68,496	-	18,293,735
School buildings	11,891,038	-	(1,611,465)	10,279,573
Improvements other than buildings	20,828,851	382,434	(25,950)	21,185,335
Machinery and equipment	9,337,443	377,132	(1,280,917)	8,433,658
Right to use assets	782,104	107,201	-	889,305
Intangibles	1,524,478	-	(18,530)	1,505,948
Total other capital assets	<u>62,589,153</u>	<u>935,263</u>	<u>(2,936,862)</u>	<u>60,587,554</u>
Less accumulated depreciation & amortization:				
Buildings	(6,458,904)	(596,051)	-	(7,054,955)
School buildings	(2,686,294)	(236,104)	519,180	(2,403,218)
Improvements other than buildings	(9,083,069)	(1,121,741)	25,950	(10,178,860)
Machinery and equipment	(6,851,430)	(607,589)	1,220,048	(6,238,971)
Right to use assets	-	(46,064)	-	(46,064)
Intangibles	(1,324,696)	(77,169)	18,530	(1,383,335)
Total accumulated depreciation	<u>(26,404,393)</u>	<u>(2,684,718)</u>	<u>1,783,708</u>	<u>(27,305,403)</u>
Total governmental activities, net	<u>42,765,599</u>	<u>(428,577)</u>	<u>(1,288,906)</u>	<u>41,048,116</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	1,642,774	-	-	1,642,774
Construction in progress	1,575,460	4,378,165	(102,043)	5,851,582
Total capital assets not being depreciated	<u>3,218,234</u>	<u>4,378,165</u>	<u>(102,043)</u>	<u>7,494,356</u>
Other capital assets:				
Buildings	2,162,261	102,694	-	2,264,955
Improvements other than buildings	19,756,455	-	-	19,756,455
Motor vehicles and equipment	7,031,624	36,919	(423,540)	6,645,003
Right to use assets	12,577	-	-	12,577
Intangibles	29,710	-	-	29,710
Total other capital assets	<u>28,992,627</u>	<u>139,613</u>	<u>(423,540)</u>	<u>28,708,700</u>
Less accumulated depreciation & amortization:				
Buildings	(1,567,158)	(38,858)	-	(1,606,016)
Improvements other than buildings	(10,519,317)	(770,226)	-	(11,289,543)
Motor vehicles and equipment	(5,155,681)	(295,225)	423,540	(5,027,366)
Right to use assets	-	(2,656)	-	(2,656)
Intangibles	(29,710)	-	-	(29,710)
Total accumulated depreciation	<u>(17,271,866)</u>	<u>(1,106,965)</u>	<u>423,540</u>	<u>(17,955,291)</u>
Total business-type activities, net	<u>14,938,995</u>	<u>3,410,813</u>	<u>(102,043)</u>	<u>18,247,765</u>
Total primary government, net	<u>\$ 57,704,594</u>	<u>\$ 2,982,236</u>	<u>\$ (1,390,949)</u>	<u>\$ 59,295,881</u>

*Balances have been restated for the inclusion of right of use assets as a result of implementing GASB No. 87.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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	\$ 107,788	\$ -	\$ 107,788
Judicial administration	193,930	-	193,930
Public safety	401,720	-	401,720
Public works	605,573	-	605,573
Health and welfare	264,094	-	264,094
Education	236,104	-	236,104
Parks, recreation and cultural	443,584	-	443,584
Community development	431,925	-	431,925
Landfill	-	766,923	766,923
Airport	-	281,345	281,345
Water and sewer	-	57,699	57,699
Parks and Recreation	-	998	998
Total	<u>\$ 2,684,718</u>	<u>\$ 1,106,965</u>	<u>\$ 3,791,683</u>

B. School Board Component Unit:

	Balance 7/1/2021	Restated*	Additions	Retirements	Balance June 30, 2022
Capital assets not being depreciated:					
Land	\$ 974,862	\$ -	\$ -	\$ -	\$ 974,862
Construction in progress	185,006	4,226,761	(94,133)	-	4,317,634
Total capital assets not being depreciated	<u>1,159,868</u>	<u>4,226,761</u>	<u>(94,133)</u>	<u>-</u>	<u>5,292,496</u>
Other capital assets:					
Buildings	78,620,696	1,733,650	-	-	80,354,346
Improvements other than buildings	5,492,980	376,799	-	-	5,869,779
Motor vehicles and equipment	18,310,241	3,616,440	(737,439)	-	21,189,242
Motor vehicles and equipment - leased	-	429,820	-	-	429,820
Total other capital assets	<u>102,423,917</u>	<u>6,156,709</u>	<u>(737,439)</u>	<u>-</u>	<u>107,843,187</u>
Less accumulated depreciation:					
Buildings	(43,223,554)	(2,129,759)	-	-	(45,353,313)
Improvements other than buildings	(3,377,322)	(178,185)	-	-	(3,555,507)
Motor vehicles and equipment	(11,283,785)	(1,273,978)	737,439	-	(11,820,324)
Right to use assets	-	(85,964)	-	-	(85,964)
Total accumulated depreciation	<u>(57,884,661)</u>	<u>(3,667,886)</u>	<u>737,439</u>	<u>-</u>	<u>(60,815,108)</u>
Total school board component unit, net	<u>\$ 45,699,124</u>	<u>\$ 6,715,584</u>	<u>\$ (94,133)</u>	<u>\$ -</u>	<u>\$ 52,320,575</u>

* Balances have been restated for the inclusion of right of use assets as a result of implementing GASB No. 87.

Total depreciation expense charged to the School Board component unit was \$ 3,384,810. 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, 2022, is that debt and related assets in the amount of \$7,876,355 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, 2022

6. CAPITAL ASSETS – CONTINUED

C. Economic Development Authority Component Unit:

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022
Capital assets not being depreciated:				
Land	\$ 293,591	\$ 96,698	\$ -	\$ 390,289
Other capital assets:				
Buildings	-	261,444	-	261,444
Improvements other than buildings	779,575	86,781	-	866,356
Motor vehicles and equipment	7,799	-	-	7,799
Total other capital assets	<u>787,374</u>	<u>348,225</u>	<u>-</u>	<u>1,135,599</u>
Less accumulated depreciation:				
Buildings	-	(4,793)	-	(4,793)
Improvements other than buildings	(779,575)	(2,403)	-	(781,978)
Motor vehicles and equipment	(5,265)	(780)	-	(6,045)
Total accumulated depreciation	<u>(784,840)</u>	<u>(7,976)</u>	<u>-</u>	<u>(792,816)</u>
Total economic development authority component unit	<u>\$ 296,125</u>	<u>\$ 436,947</u>	<u>\$ -</u>	<u>\$ 733,072</u>

Total depreciation expense charged to the Authority during the fiscal year amounted to \$7,976.

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, 2022 consisted of the following:

<u>Unearned Revenue</u>	General Fund	Special Revenue Funds - Nonmajor	Enterprise Funds	School Board Component Unit
Advance grant funding received	\$ 3,187,085	\$ 65,650	\$ -	\$ 405,986
Prepaid rent received	-	-	8,168	-
Total	<u>\$ 3,187,085</u>	<u>\$ 65,650</u>	<u>\$ 8,168</u>	<u>\$ 405,986</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

8. COMPENSATED ABSENCES

Accrued compensated absences are as follows at June 30, 2022:

Compensated Leave	Primary Government		School Board Component Unit
	Governmental Activities	Business-type Activities	
Annual	\$ 1,117,395	\$ 47,356	\$ 723,916
Sick	424,555	25,686	815,025
Compensatory	554,147	6,259	-
Total	<u>\$ 2,096,097</u>	<u>\$ 79,301</u>	<u>\$ 1,538,941</u>

9. LEASES

In 2022, the County implemented GASB No. 87, *Leases*, which for lessees requires reporting an intangible right to use asset and a lease liability for leases that had previously been reported as operating leases. The first table shows those leases for both Governmental Activities and Business Type Activity whereby the County is the lessee. The County leases a variety of equipment, such as copiers, postage machines, vehicles and generators along with several pieces of land. Payments are monthly or in the cases of the land, annual. The imputed rate of interest for each lease is 2.74%.

Principal and interest payments on the leased property are due as follows for Governmental Activities and Business Type Activities noting principal and interest.

Fiscal Year Ending June 30,	Governmental Activities		Business Type Activities		Total
	Principal	Interest	Principal	Interest	
2023	\$ 49,162	\$ 24,699	\$ 2,633	\$ 95	\$ 76,589
2024	44,055	23,381	2,666	62	70,164
2025	35,110	22,265	2,698	30	60,103
2026	28,435	21,363	1,959	6	51,763
2027	15,168	20,678	-	-	35,846
2028-2032	16,170	91,379	-	-	107,549
2033-2037	18,534	89,015	-	-	107,549
2038-2042	21,244	86,305	-	-	107,549
2043-2047	24,350	83,199	-	-	107,549
2048-2052	27,910	79,639	-	-	107,549
2053-2057	31,990	75,559	-	-	107,549
2058-2062	36,667	70,882	-	-	107,549
2063-2067	42,028	65,521	-	-	107,549
2068-2072	48,172	59,377	-	-	107,549
2073-2077	55,215	52,334	-	-	107,549
2078-2082	63,288	44,261	-	-	107,549
2083-2087	72,541	35,008	-	-	107,549
2088-2092	83,146	24,403	-	-	107,549
2093-2097	95,302	12,247	-	-	107,549
2098-2099	37,654	1,105	-	-	38,759
Totals	<u>\$ 846,141</u>	<u>\$ 982,619</u>	<u>\$ 9,956</u>	<u>\$ 193</u>	<u>\$ 1,838,910</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

9. LEASES - CONTINUED

With the implementation of GASB No. 87, the County also includes reporting of lease revenue from land, a building, communication tower space, and a sign used by a commercial business. Payments are received according to lease agreements either annually, semi-annually or monthly. All leases where the County is the lessor are part of Governmental Activities. The imputed rate of interest for all leases is 2.282%. Interest revenue related to these leases for the County in FY 22 was \$24,184 and lease revenue was \$229,418.

Principal and interest revenue are due as follows:

Year Ending June 30,	Governmental Activities			Total
	Leased Property		Total	
	Principal	Interest		
2023	\$ 174,633	\$ 24,849	\$ 201,505	
2024	52,026	22,031	76,081	
2025	52,122	20,586	74,733	
2026	51,326	19,196	72,549	
2027	54,527	17,740	74,294	
2028-2032	245,323	66,055	311,378	
2033-2037	178,438	39,532	217,970	
2038-2042	37,420	22,407	59,827	
2043-2047	9,083	20,917	30,000	
2048-2052	5,082	19,918	25,000	
2053-2057	5,817	19,183	25,000	
2058-2062	6,658	18,342	25,000	
2063-2067	7,621	17,379	25,000	
2068-2072	8,723	16,277	25,000	
2073-2077	9,985	15,015	25,000	
2078-2082	11,429	13,571	25,000	
2083-2087	13,082	11,918	25,000	
2088-2092	14,974	10,026	25,000	
2093-2097	17,140	7,861	25,000	
2098-2102	19,618	5,382	25,000	
2103-2107	22,456	2,544	25,000	
2108	4,867	133	7,108	
Total	\$ 1,002,350	\$ 410,863	\$ 1,413,213	

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

10. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Amount due within 1 year
Primary Government:					
Governmental Activities:					
Compensated absences	\$ 2,240,244	\$ 153,710	\$ 297,857	\$ 2,096,097	\$ 1,865,524
Virginia Public School Authority bonds (1)	12,414,465	-	1,511,485	10,902,980	1,576,984
Lease revenue bonds(1)	9,559,047	2,470,000	3,184,383	8,844,664	841,195
Deferred premiums and discounts, net	494,968	209,360	215,707	488,621	89,900
Lease liabilities	782,104	107,201	43,164	846,141	49,166
Net OPEB liability:					
Net Health Insurance OPEB liability	1,021,135	751,726	655,420	1,117,441	-
Net VRS Group Life Insurance OPEB liability	1,001,035	181,815	505,430	677,420	-
Net VRS Health Insurance Credit OPEB liability	227,140	46,729	63,538	210,331	-
Net OPEB liability	<u>2,249,310</u>	<u>980,270</u>	<u>1,224,388</u>	<u>2,005,192</u>	<u>-</u>
Total governmental activities long-term obligations	<u>27,740,138</u>	<u>3,920,541</u>	<u>6,476,984</u>	<u>25,183,695</u>	<u>4,422,771</u>
Business-type Activities:					
Compensated absences	100,780	30,616	52,095	79,301	70,580
Financed purchase agreement	142,407	-	142,407	-	-
Lease revenue bond	-	3,750,000	-	3,750,000	460,000
Deferred premium	-	742,642	97,251	645,391	106,092
Landfill closure/postclosure	9,731,375	(1,827,122)	113,099	7,791,154	-
Lease liabilities	12,577	-	2,621	9,956	2,615
Net OPEB liability:					
Net Health Insurance OPEB liability	48,789	25,688	27,310	47,167	-
Net VRS Group Life Insurance OPEB liability	47,828	7,675	26,909	28,594	-
Net VRS Health Insurance Credit OPEB liability	10,852	1,973	3,947	8,878	-
Net OPEB liability	<u>58,680</u>	<u>9,648</u>	<u>30,856</u>	<u>84,639</u>	<u>-</u>
Net Pension Liability	<u>18,310</u>	<u>-</u>	<u>-</u>	<u>18,310</u>	<u>-</u>
Total business-type entities long-term obligations	<u>10,112,918</u>	<u>2,731,472</u>	<u>465,639</u>	<u>12,378,751</u>	<u>639,287</u>
Total primary government long-term obligations	<u>37,853,056</u>	<u>6,652,013</u>	<u>6,942,623</u>	<u>37,562,446</u>	<u>5,062,058</u>
School Board Component Unit:					
Compensated absences	1,552,266	176,115	189,440	1,538,941	1,369,657
Early retirement termination benefits	65,769	-	65,769	-	-
Lease liabilities	-	429,820	79,043	350,777	82,361
Net pension liability-Teacher Plan	47,790,825	8,391,824	32,014,574	24,168,075	-
Net OPEB liability:					
Net Health Insurance OPEB liability	2,587,212	1,043,342	1,416,555	2,213,999	-
Net VRS Group Life Insurance OPEB liability	2,571,676	526,917	1,380,827	1,717,766	-
Net VRS HIC OPEB liability - Non-professional	303,085	55,259	47,991	310,353	-
Net VRS HIC OPEB liability - Professional	4,279,988	665,069	949,306	3,995,751	-
Net OPEB Liability	<u>9,741,961</u>	<u>2,290,587</u>	<u>3,794,679</u>	<u>8,237,869</u>	<u>-</u>
Total School Board long-term obligations	<u>\$ 59,150,821</u>	<u>\$ 11,288,346</u>	<u>\$ 36,143,505</u>	<u>\$ 34,295,662</u>	<u>\$ 1,452,018</u>

(1) Direct borrowing and/or direct placement.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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)		Lease Revenue Bond (1)		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2023	\$ 1,576,984	\$ 360,727	\$ 841,195	\$ 252,504	\$ 460,000	\$ 180,400	\$ 3,671,810
2024	1,641,855	408,256	869,110	225,128	480,000	156,313	3,780,662
2025	1,711,765	327,796	891,434	199,032	505,000	131,072	3,766,099
2026	1,782,376	244,828	920,872	173,609	535,000	104,422	3,761,107
2027	1,250,000	173,378	945,629	147,422	560,000	76,363	3,152,792
2028-2032	2,940,000	217,838	3,198,424	379,027	1,210,000	62,781	8,008,070
2033-2037	-	-	906,000	105,138	-	-	1,011,138
2038-2041	-	-	272,000	13,009	-	-	285,009
Total	\$ 10,902,980	\$ 1,732,823	\$ 8,844,664	\$ 1,494,869	\$ 3,750,000	\$ 711,351	\$ 27,436,687

(1) Direct borrowing and/or direct placement.

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, 2022:

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	\$ 2,575,000
VPSA 2003B	School construction	12,170,000	3.10% - 5.35%	11/6/2003	7/15/2028	5,060,000
VPSA 2005A	School construction	1,935,000	4.35% - 5.10%	11/10/2005	7/15/2030	990,000
VPSA 2005B	School construction	9,370,000	4.28%	11/10/2005	7/15/2025	2,277,980
VRA 2013B Lease Revenue Bond	Research park construction	3,765,000	1.125% - 4.847%	8/14/2013	10/1/2032	410,000
Lease revenue bond	Various Projects	4,350,000	1.66%	10/21/2015	6/15/2030	2,572,464
2013 Lease Revenue Refunding Bond	Office construction	4,031,900	2.93%	12/19/2013	3/1/2028	1,580,200
Lease revenue bond 2019	Library	2,086,000	3.173%	8/8/2019	6/1/2039	1,852,000
2021B VRA Lease Revenue Refunding	Research Park construction	2,470,000	1.775%-2.875%	8/4/2022	10/1/2032	2,430,000
Total governmental activities:						<u>19,747,644</u>
Business-type Activities:						
VRA 2021B Lease Revenue Bond	Landfill Expansion	3,750,000	5.13%	8/4/2022	10/1/2028	3,750,000
Total primary government						<u>\$ 23,497,644</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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 fall of 2022, weather permitting.

The \$7,791,154 reported as landfill closure and post-closure care liability at June 30, 2022, represents the cumulative amount reported to date based on the use of 95% of the estimated capacity of the North Landfill Cell Six A, fully closed all other north cells and the south landfill entirely. Cell 7, while under construction during the fiscal year did not open prior to year-end. The County will recognize the remaining estimated North Landfill cost of closure and post-closure care of \$299,941 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 2022. 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 and those funds accumulated to date.

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				Total
	General Fund	Consolidated Emergency Medical Services Fund	County Debt Service Fund	Nonmajor Special Revenue Funds	
Deferred Revenue:					
Unbilled property taxes	\$ 11,376,518	\$ 1,539,139	\$ 945,511	\$ 565,185	\$ 14,426,352
Prepaid taxes	3,469,743	652,432	453,528	292,881	4,868,585
Leases	989,491	-	-	-	989,491
Total deferred revenue	15,835,752	2,191,571	1,399,039	858,066	20,284,428
Unavailable Revenue:					
Uncollected taxes	1,505,319	202,110	124,159	74,219	1,905,807
Total unavailable revenue	\$ 1,505,319	\$ 202,110	\$ 124,159	\$ 74,219	\$ 1,905,807

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

13. INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2022 were made up of the following:

Primary Government:	Transfers In	Transfers Out
Governmental funds:		
General fund	\$ 3,131,792	\$ 1,673,502
Virginia Public Assistance Fund	719,959	-
Consolidated emergency medical services	-	3,318,262
County capital projects fund	951,686	-
Non-major governmental funds	208,042	-
Total governmental funds	5,011,479	4,991,764
Enterprise funds:		
Airport fund	13,339	-
Landfill fund	16,943	49,995
Total enterprise funds	30,282	49,995
Total Primary Government	\$ 5,041,761	\$ 5,041,759

The purpose of the interfund transfers is as follows:

<u>Purpose</u>	<u>Amount</u>
Finance pay-as-you-go capital projects from General Fund	\$ 786,188
Satisfy grant local match requirements in CSA fund	70,676
Supplement operations and local match requirements of the Dept. of Social Services	719,959
Satisfy local share of hazardous duty supplement and Human Resource services	178,760
Fund costs of Board designated projects with County EMS fund revenue	3,138,502
Supplement operations of the County's Stormwater Ordinance Fund	121,366
Supplement operations of the County's Fire Programs Fund	16,000
Supplement operations of the Accomack County Airport	10,308
Total interfund transfers	\$ 5,041,759

The Primary Government also transferred \$15,239,512 to the School Board Component Unit, \$720,534 to the Eastern Shore Library Component Unit, \$105,724 to the Planning District Component Unit, \$72,388 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 \$162,551 encumbered at year end specific to the continuing Library being constructed in a capital projects fund specific to this purpose. Total contract for this project to one vendor was \$4,785,499. The amount paid to the contracted vendor during fiscal year 2022 was \$1,001,201. Subsequent to year end, at the October 19, 2022, Board of Supervisors meeting the Board terminated the contract with the vendor for being in default. Final completion and other associated pending matters are under discussion by the County with the former contracted vendor's surety and any additional costs, if any, to the County remain unknown at the date of report issuance. The County also had \$ 102,813 encumbered at year end specific to the expansion of the northern landfill, cell 7. Total contract for this expansion to the primary contractor was \$4,048,733 with payments made for the fiscal year in the amount of \$3,796,563. Completion is expected in the fall of 2022. The Accomack County Schools had encumbered a total of \$ 1,156,440 in the School Operating fund (\$1,121,193) and in the School Grant fund (\$35,247). Items for the School Operating fund included a security upgrade at Metompkin Elementary School (\$40,000), telephone upgrades at Arcadia and Nandua High Schools (\$95,910), bus loop repair at Nandua

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

14. COMMITMENTS AND CONTINGENT LIABILITIES - continued

High School (\$158,600), carpet replacement at Kegotank Elementary School (\$15,918), parking lot repairs at Kegotank Elementary School (\$70,700), boiler work at Nandua High School (\$29,377), roof replacement at Metompkin Elementary School (\$217,980) and Kegotank Elementary School (\$320,300), and a variety of other school related items (268,318). Items for the School Grant fund included camera upgrade/replacement (\$11,247) and a variety of other school related items (\$24,000).

Commitments - The County's Airport was awarded a grant from the FAA for Airport Improvement which is being used to design a turnaround on runway 21. Design work awarded to one vendor for the full design amount of \$ 138,000 is underway with spend at year end, of \$ 109,463. Design work is expected to be completed in early fiscal year 2023.

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.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

16. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

A. Primary Government:

For the year ended June 30, 2022, the following expenditures exceeded appropriation

Major Funds:

General Fund:	
Registrar	\$ 24,079
Property tax relief	5,264
Summer food program	1,029
Contingency	521
Erosion and sediment	83,610
Debt Service Leases	87,399
Town of Chincoteage	5,500
ESVA Broadband Authority supplement	793,405
Transfer to Hazard Mitigation grant fund	73,293
Total General Fund	<u>\$ 1,074,100</u>
School Operating Grant fund	<u>1,140,787</u>
School Federal Programs fund	<u>10,150,387</u>
School Federal Special Education fund	<u>1,268,651</u>
School Cafeteria fund	<u>476,849</u>
Component Unit fund:	
Economic Development Authority	<u>\$ 14,817</u>

The General Fund variances were funded by unassigned fund balance. All non-major fund variances, primarily Schools were funded by grant program income or unassigned fund balance.

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, 2022 the County contributed \$124,700 to the Trust Fund. Expenses allocated to the Trust Fund during the fiscal year ended June 30, 2022 were \$156,522.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

18. TRUST FOR OTHER POSTEMPLOYMENT BENEFITS continued:

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 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.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

County- continued

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, 2020 (valuation 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, 2022, the County's average contribution rate was .68 percent of covered-employee payroll. Plan members are not required to contribute to the plan.

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, 2022:

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

County- continued

Asset Class	Target Allocation
Domestic Equity	36%
International Funds	18%
Fixed Income U.S.	21%
Hedge Funds	10%
Real Estate	7%
Private Equity	5%
Commodities	3%
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, 2022, the annual money-weighted rate of return on investments, net of investment expense, was -11.28%. 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%
6/30/2022	-11.28%

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

Net/ OPEB Liability

The County's net OPEB liability was measured as of June 30, 2022. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that June 30, 2020.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

County- continued

Actuarial Assumptions

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary Increases	5.00%
Discount Rate	6.89%
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, 2022.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.89 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, 2022

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

County- continued

Changes in Net OPEB Liability

	Changes in Net OPEB Liability-County		
	Primary Government		
	Increase (Decrease)		
	Total OPEB	Net	Liability
	Liability (a)	Position (b)	(a)-(b)
Balance at June 30, 2021	\$ 1,645,518	\$ 575,594	\$ 1,069,924
Changes for the year:			-
Service Cost	11,604	-	11,604
Interest	112,365	-	112,365
Differences between expected and actual experience	-	-	-
Changes in assumptions	4,160	-	4,160
Contributions-employer	-	100,255	(100,255)
Net investment income	-	(66,310)	66,310
Benefit payments	(67,879)	(67,879)	-
Admin expenses	-	(500)	500
Net changes	60,250	(34,434)	94,684
Balances at June 30, 2022	<u>\$ 1,705,768</u>	<u>\$ 541,160</u>	<u>\$ 1,164,608</u>

The net position as a percentage of total OPEB liability for June 30, 2022 is 31.7%.

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 (5.89%) or one percentage point higher (7.89%) than the current discount rate:

	Rate		
	Current Discount		
	1% Decrease	Rate	1% Increase
	5.89%	6.89%	7.89%
Net OPEB Liability	\$ 1,318,795	\$ 1,164,608	\$ 1,031,277

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

County- continued

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	\$ 1,018,678	\$ 1,164,608	\$ 1,334,474

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

For the year ended June 30, 2022, the County recognized OPEB expense in the amount of \$12,998. At June 30, 2022, 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	\$ 90,045	\$ (200,708)
Changes in assumptions	3,698	(373,967)
Net difference between projected and actual earnings on OPEB plan investments	38,646	-
	\$ 132,389	\$ (574,675)

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)
2023	\$ (69,257)
2024	(71,066)
2025	(74,022)
2026	(55,689)
2027	(77,165)
After 2027	(95,087)

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.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

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.

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, 2020 (valuation 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, 2022. 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	2.50%
Salary Increases	2.50%
Discount Rate	3.69%

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

School Board- continued

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 due to no prefunding of benefits in the OPEB trust for this plan is equal to the yield on a 20-year municipal bond Aa index as of June 30, 2022. The discount rate used for this year's valuation is 3.69%.

Changes in Total OPEB Liability

Changes in Net OPEB Liability - School Board		
	School Board Total OPEB Liability	
Balance at June 30, 2021	\$	2,587,212
Changes for the year:		
Service Cost		125,490
Interest		50,442
Difference between expected and actual		-
Changes in assumptions		(377,270)
Contributions - employer		-
Net investment income		-
Benefit payments		(171,875)
Net changes		(373,213)
Balance at June 30, 2022	\$	2,213,999

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 (2.69%) or one percentage point higher (4.69%) than the current discount rate:

	Rate		
	Current Discount		
	1% Decrease	Rate	1% Increase
	2.69%	3.69%	4.69%
Net OPEB Liability	\$ 2,241,608	\$ 2,213,999	\$ 2,025,677

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED

School Board- continued

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		
	1% Decrease	Trend	1% Increase
	3.25%/3.5%	4.25%/4.5%	5.25%/5.5%
Net OPEB Liability	\$ 1,972,605	\$ 2,213,999	\$ 2,501,324

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

For the year ended June 30, 2022, the School Board recognized OPEB expense in the amount of \$126,603. At June 30, 2022, 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	\$ -	\$ (617,898)
Changes in assumptions	406,068	(345,831)
Total	\$ 406,068	\$ (963,729)

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)
2023	\$ (49,329)
2024	(49,329)
2025	(49,329)
2026	(49,329)
2027	(49,329)
After 2027	(311,016)

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.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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>

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, 2020 actuarial valuation, the following employees were covered by the benefit terms of the General Employee Health Insurance Credit Program:

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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

Plan Description - continued

	Primary Government	School Board
Inactive members or their beneficiaries currently receiving benefits	38	48
Inactive members:		
Vested inactive members	3	7
Non-vested inactive members	-	-
Inactive members active elsewhere in VRS	-	-
Total inactive members	41	55
Active members	149	163
Total covered employees	190	218

Contributions

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2020 (General Employee HIC Program) and June 30, 2019 (GLI and Teacher HIC Programs). 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, 2022 Contribution	\$70,410
June 30, 2021 Contribution	\$67,604

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, 2022 Contribution	\$161,859
June 30, 2021 Contribution	\$149,624

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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

Contributions- continued

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, 2022 Contribution	\$17,053
June 30, 2021 Contribution	\$14,876

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, 2022 Contribution	\$31,368
June 30, 2021 Contribution	\$29,691

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, 2022 Contribution	\$362,327
June 30, 2021 Contribution	\$333,130

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, 2022 Contribution	\$25,401
June 30, 2021 Contribution	\$22,202

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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

Contributions- continued

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

The net OPEB liabilities were measured as of June 30, 2021 and the total OPEB liabilities used to calculate the net OPEB liabilities was determined by an actuarial valuation performed as of June 30, 2020 and rolled forward to the measurement date of June 30, 2021. The covered employer's proportion of the net OPEB liabilities were based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2021 relative to the total of the actuarially determined employer contributions for all participating employers.

Primary Government Group Life Insurance Program

June 30, 2022 proportionate share of liability	\$706,014
June 30, 2021 proportion	.0606%
June 30, 2020 proportion	.0629%
June 30, 2022 expense	\$26,626

Teacher Group Life Insurance Program

June 30, 2022 proportionate share of liability	\$1,562,452
June 30, 2021 proportion	.1342%
June 30, 2020 proportion	.1399%
June 30, 2022 expense	\$37,658

School Board Non-professional Group Life Insurance Program

June 30, 2022 proportionate share of liability	\$155,314
June 30, 2021 proportion	.0133%
June 30, 2020 proportion	.0142%
June 30, 2022 expense	(\$347)

Teacher Health Insurance Credit Program

June 30, 2022 proportionate share of liability	\$3,995,751
June 30, 2021 proportion	.31%
June 30, 2020 proportion	.33%
June 30, 2022 expense	\$267,517

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, 2022

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	Plan	Net
	OPEB	Fiduciary	OPEB
	Liability	Net Position	Liability
	(a)	(b)	(a) - (b)
Balances at June 30, 2020	\$ 294,392	\$ 56,400	\$ 237,992
Changes for the year:			
Service cost	5,581	-	5,581
Interest	19,030	-	19,030
Changes of assumptions	7,392	-	7,392
Differences between expected and actual experience	(5,912)	-	(5,912)
Contributions-employer	-	29,694	(29,694)
Net investment income	-	15,377	(15,377)
Benefit payments	(24,934)	(24,934)	-
Administrative expenses	-	(197)	197
Net changes	1,157	19,940	(18,783)
Balances at June 30, 2021	\$ 295,549	\$ 76,340	\$ 219,209

In addition, for the year ended June 30, 2022, the County of Accomack recognized OPEB expense of \$17,230 related to the General Employee Health Insurance Credit Program.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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 Health Insurance Credit Program

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

	Increase (Decrease)		
	Total	Plan	Net
	OPEB	Fiduciary	OPEB
	Liability	Net Position	Liability
	(a)	(b)	(a) - (b)
Balances at June 30, 2020	303,085	-	303,085
Changes for the year:			
Service cost	4,828	-	4,828
Interest	20,459	-	20,459
Changes of assumptions	7,103	-	7,103
Contributions-employer	-	22,203	(22,203)
Net investment income	-	3,018	(3,018)
Administrative expense	-	(99)	99
Net changes	32,390	25,122	7,268
Balances at June 30, 2021	335,475	25,122	310,353

In addition, for the year ended June 30, 2022, the County of Accomack School Board recognized OPEB expense of \$25,789 related to the Non-professional Health Insurance Credit Program.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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, 2022, 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	\$ 80,523	\$ (5,379)
Change in assumptions	38,922	(96,598)
Net difference between projected and actual earnings on OPEB plan investments	-	(168,510)
Changes in proportion	12,287	(27,211)
Employer contributions subsequent to the measurement date	70,410	-
Total	\$ 202,142	\$ (297,698)

Teacher Group Life Insurance Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 178,203	\$ (11,905)
Change in assumptions	86,138	(213,777)
Net difference between projected and actual earnings on OPEB plan investments	-	(372,924)
Changes in proportion	11,100	(142,269)
Employer contributions subsequent to the measurement date	161,859	-
Total	\$ 437,300	\$ (740,875)

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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	\$ 17,714	\$ (1,183)
Change in assumptions	8,562	(21,250)
Net difference between projected and actual earnings on OPEB plan investments	-	(37,070)
Changes in proportion	-	(26,734)
Employer contributions subsequent to the measurement date	17,053	-
Total	<u>\$ 43,329</u>	<u>\$ (86,237)</u>

Teacher Health Insurance Credit Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (69,726)
Change in assumptions	108,012	(16,059)
Net difference between projected and actual earnings on OPEB plan investments	-	(52,636)
Changes in proportion	24,917	(340,901)
Employer contributions subsequent to the measurement date	362,327	-
Total	<u>\$ 495,256</u>	<u>\$ (479,322)</u>

School Board Non-professional Health Insurance Credit Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	\$ -	\$ (1,818)
Change in assumptions	5,500	-
Employer contributions subsequent to the measurement date	25,401	-
Total	<u>\$ 30,901</u>	<u>\$ (1,818)</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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	\$ 3,778	\$ (15,933)
Change in assumptions	10,071	(2,143)
Net difference between projected and actual earnings on OPEB plan investments	-	(7,678)
Employer contributions subsequent to the measurement date	31,368	-
Total	\$ 45,217	\$ (25,754)

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, 2023. 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
2023	\$ (3,498)
2024	(2,557)
2025	(2,855)
2026	(3,216)
2027	1
Thereafter	220

Teacher Health Insurance Credit Program

Year Ending June 30,	Increase (Reduction) to OPEB Expense
2023	\$ (62,794)
2024	(63,391)
2025	(63,530)
2026	(67,288)
2027	(49,358)
Thereafter	(40,032)

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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 Health Insurance Credit Program

	Increase (Reduction) to OPEB Expense
Year Ending June 30,	
2023	\$ 1,149
2024	1,149
2025	1,149
2026	235
2027	-
Thereafter	-

Primary Government Group Life Insurance

	Increase (Reduction) to OPEB Expense
Year Ending June 30,	
2023	\$ (37,079)
2024	(29,243)
2025	(28,895)
2026	(55,725)
2027	(15,024)
Thereafter	-

Teacher Government Group Life Insurance

	Increase (Reduction) to OPEB Expense
Year Ending June 30,	
2023	\$ (103,325)
2024	(89,695)
2025	(92,304)
2026	(142,184)
2027	(37,926)
Thereafter	-

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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

Year Ending June 30,	Increase (Reduction) to OPEB Expense
2023	\$ (14,361)
2024	(12,637)
2025	(11,871)
2026	(16,225)
2027	(4,867)
Thereafter	-

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2020, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021:

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 investment expenses	GLI & HIC: 6.75%

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, 2022

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, 2021, 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	\$ 3,577,345	\$ 1,477,873
Plan fiduciary net position	2,413,074	194,304
Employers' net OPEB liability (asset)	\$ 1,164,271	\$ 1,283,569
Plan fiduciary net position as a percentage of total OPEB liability	67.45%	13.15%

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, 2022

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>Average Long-Term Expected Rate of Return</u>
Public Equity	34.00%	5.00%	1.70%
Fixed Income	15.00%	0.57%	0.09%
Credit Strategies	14.00%	4.49%	0.63%
Real Assets	14.00%	4.76%	0.67%
Private Equity	14.00%	9.94%	1.39%
MAPS-Multi-Asset Public Strategies	6.00%	3.29%	0.20%
PIP-Private Investment Partnership	3.00%	6.84%	0.21%
Total	<u>100.00%</u>		<u>4.89%</u>
	Inflation		<u>2.50%</u>
	*Expected arithmetic nominal return		<u>7.39%</u>

* The above allocation provides for a one-year return of 7.39%. 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 6.94%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which was roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.5%.

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, 2021, 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 which was 100% of the actuarially determined contribution rate. From July 1, 2021 on, employers are assumed to continue 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 eligible 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, 2022

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 using the discount rate of 6.75%, 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%	Current	1.00%
	Decrease	Discount	Increase
	Rate		
	5.75%	6.75%	7.75%
Primary Government GLI Net OPEB liability	\$ 1,031,512	\$ 706,014	\$ 443,160
Teacher GLI Net OPEB liability	\$ 2,282,799	\$ 1,562,452	\$ 980,739
School Board Non-professional GLI Net OPEB liability	\$ 226,919	\$ 155,314	\$ 97,489
Teacher HIC Net OPEB liability	\$ 4,498,108	\$ 3,995,751	\$ 3,570,637
School Board Non-professional HIC Net OPEB liability	\$ 342,084	\$ 310,353	\$ 282,955
General Employee HIC Net OPEB liability	\$ 252,047	\$ 219,209	\$ 191,344

OPEB Plan Fiduciary Net Position

Detailed information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2021 Annual Comprehensive Financial Report (Annual Report). A copy of the 2021 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2021-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

- <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>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

21. DEFINED BENEFIT PENSION PLAN – CONTINUED

Employees Covered by Benefit Terms

As of the June 30, 2020 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Number
Inactive members or their beneficiaries currently receiving benefits	211
Inactive members:	
Vested inactive members	38
Non-vested inactive members	95
LTD	-
Active elsewhere in VRS	87
Total inactive members	220
Active members	288
Total covered employees	719

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, 2022 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 \$1,087,176 and \$1,054,256 for the years ended June 30, 2022 and June 30, 2021, 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, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2020 rolled forward to the measurement date of June 30, 2021.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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, 2020, 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, 2021.

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

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 Pub-2010 Mortality Table with various set back or set forwards for both males and females.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, 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 and VRS Board action are as follows:

General Employees – Largest 10 – Non-Hazardous Duty and All Others (Non 10 Largest): Updated mortality table adjusted retirement rates; adjusted withdrawal rates to better fit experience at each age and service through 9 years of service.

Public Safety Employees – Largest 10 – Hazardous Duty and All Others (Non 10 Largest): Updated mortality table adjusted retirement rates to better fit experience and extended final retirement age from 65 to 70; and adjusted rates of withdrawal.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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:

		Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Asset Class (Strategy)	Target Allocation		
Public Equity	34.00%	5.00%	1.70%
Fixed Income	15.00%	0.57%	0.09%
Credit Strategies	14.00%	4.49%	0.63%
Real Assets	14.00%	4.76%	0.67%
Private Equity	14.00%	9.94%	1.39%
MAPS-Multi-Asset Public Strategies	6.00%	3.29%	0.20%
PIP-Private Investment Partnership	3.00%	6.84%	0.21%
Total	100.00%		4.89%
Inflation			2.50%
*Expected arithmetic nominal return			7.39%

* The above allocation provides for a one-year return of 7.39%. 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 6.94%, 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 at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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, 2021, 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, 2021 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		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at June 30,2020	\$ 64,493,712	\$ 60,314,513	\$ 4,179,199
Changes for the year:			
Service cost	1,439,153	-	1,439,153
Interest	4,228,903	-	4,228,903
Differences between expected & actual experience	(353,261)	-	(353,261)
Assumption changes	2,642,155	-	2,642,155
Contributions-employer	-	989,919	(989,919)
Contributions-employee	-	608,921	(608,921)
Net investment income	-	16,327,201	(16,327,201)
Benefit payments, including refunds of employee contributions	(3,686,585)	(3,686,585)	-
Administrative expenses	-	(41,555)	41,555
Other changes	-	1,529	(1,529)
Net Changes	4,270,365	14,199,430	(9,929,065)
Balances at June 30, 2021	<u>\$ 68,764,077</u>	<u>\$ 74,513,943</u>	<u>\$ (5,749,866)</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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	\$ 2,939,847	\$ (5,749,866)	\$ (12,953,479)

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

For the year ended June 30, 2022, the political subdivision recognized pension expense of \$(262,949). At June 30, 2022, 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	\$ 10,096	\$ 500,303
Change in assumptions	2,009,579	-
Net difference between project and actual earnings on pension plan investments	-	8,099,010
Employer current year contributions	1,087,176	-
Total	\$ 3,106,851	\$ 8,599,313

The \$1,087,176 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, 2023. 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, 2022

21. DEFINED BENEFIT PENSION PLAN – CONTINUED

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

Year Ending June 30,	Reduction to Pension Expense
2023	\$ (1,338,411)
2024	(1,255,006)
2025	(1,520,665)
2026	(2,465,556)
2027	-
Thereafter	-

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plans is also available in the separately issued VRS 2021 Annual Report. A copy of the 2021 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2021-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, 2022

22. DEFINED BENEFIT PENSION PLAN – SCHOOL NONPROFESSIONALS - CONTINUED

Employees Covered by Benefit Terms

As of the June 30, 2020 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Number
Inactive members or their beneficiaries currently receiving benefits	96
Inactive members:	
Vested inactive members	30
Non-vested inactive members	54
LTD	-
Inactive members active elsewhere in VRS	39
Total inactive members	123
Active members	163
Total covered employees	382

Contributions

The school division's contractually required contribution rate for the year ended June 30, 2022 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 \$82,888 and \$90,408 for the years ended June 30, 2022 and June 30, 2021, respectively.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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, 2020	\$ 13,408,299	\$ 13,459,505	\$ (51,206)
Changes for the year:			
Service cost	253,506	-	253,506
Interest	880,280	-	880,280
Benefit changes	-	-	-
Differences between expected & actual experien	(226,895)	-	(226,895)
Assumption changes	378,021	-	378,021
Contributions-employer	-	82,888	(82,888)
Contributions-employee	-	125,010	(125,010)
Net investment income	-	3,627,411	(3,627,411)
Benefit payments, including refunds of employee			-
contributions	(734,224)	(734,224)	-
Administrative expenses	-	(9,289)	9,289
Other changes	-	340	(340)
Net Changes	550,688	3,092,136	(2,541,448)
Balances at June 30, 2021	\$ 13,958,987	\$ 16,551,641	\$ (2,592,654)

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	\$ (1,087,256)	\$ (2,592,654)	\$ (3,865,732)

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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, 2022, the school division recognized pension expense of \$(258,917). At June 30, 2022, 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	\$ 1,464	\$ 138,951
Change in assumptions	231,501	-
Net difference between project and actual earnings on pension plan investments	-	1,794,027
Employer current year contributions subsequent to the measurement date	82,888	-
Total	\$ 315,853	\$ 1,932,978

The \$82,888 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, 2023. 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 Ending June 30,	Reduction to Pension Expense
2023	\$ (359,919)
2024	(375,096)
2025	(417,606)
2026	(547,392)
2027	-
Thereafter	-

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plans is also available in the separately issued VRS 2021 Annual Comprehensive Financial Report (Annual Report). A copy of the 2021 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2021-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, 2022

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, 2022 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 \$4,779,628 and \$4,363,784 for the years ended June 30, 2022 and June 30, 2021, respectively.

In June 2021, the Commonwealth made a special contribution of approximately \$61.3 million to the VRS Teacher Employee Plan. This special payment was authorized by a budget amendment included in Chapter 552 of the 2021 Appropriation Act, and is classified as a non-employer contribution.

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

At June 30, 2022, the school division reported a liability of \$24,168,075 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2021 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2020, and rolled forward to the measurement date of June 30, 2021. 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, 2021 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, the school division’s proportion was .31132% as compared to .32840% at June 30, 2020.

For the year ended June 30, 2022, the school division recognized pension expense of \$(415,776). 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, 2022

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, 2022, 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	\$ -	\$ 2,058,490
Change in assumptions	4,234,183	-
Net difference between project and actual earnings on pension plan investments	-	15,230,074
Changes in proportion and differences between employer contributions and proportionate share of contributions	111,615	3,006,570
Employer current year contributions	4,779,628	-
Total	\$ 9,125,426	\$ 20,295,134

The \$4,404,335 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, 2023. 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 Ending June 30,	Reduction to Pension Expense
2023	\$ (3,818,192)
2024	(3,546,495)
2025	(3,806,062)
2026	(4,778,197)
2027	(390)
Thereafter	-

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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, 2021, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	Employee Retirement Plan
Total Pension Liability	\$ 53,381,141
Plan Fiduciary Net Position	45,617,878
Employer's Net Pension Liability (Asset)	<u>\$ 7,763,263</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.46%

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	\$ 46,643,076	\$ 24,168,075	\$ 5,679,385

Pension Plan Fiduciary Net Position

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2021 Annual Comprehensive Financial Report (Annual Report). A copy of the 2021 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2021-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

24. SUMMARY OF PENSION AND OTHER POSTEMPLOYMENT BENEFITS ELEMENTS

	Governmental Activities	Business-Type Activities	Primary Government	Component Unit, School Board
Deferred outflows of resources - pensions				
VRS, County	\$ 2,962,716	\$ 144,135	\$ 3,106,851	\$ -
VRS, Teacher	-	-	-	9,125,426
VRS, School Board Non - professional	-	-	-	315,853
Total deferred outflows of resources - pensions	<u>\$ 2,962,716</u>	<u>\$ 144,135</u>	<u>\$ 3,106,851</u>	<u>\$ 9,441,279</u>
Deferred outflow of resources - OPEB				
Local Plan	\$ 127,027	\$ 5,362	\$ 132,389	\$ 406,068
VRS, County GLI	193,955	8,187	202,142	-
VRS, County HIC	43,386	1,831	45,217	-
VRS, Teacher GLI	-	-	-	437,300
VRS, Non-professional GLI	-	-	-	43,329
VRS, Teacher HIC	-	-	-	495,256
VRS, Non-professional HIC	-	-	-	30,901
Total deferred outflow of resources - OPEB	<u>\$ 364,368</u>	<u>\$ 15,380</u>	<u>\$ 379,748</u>	<u>\$ 1,412,854</u>
Net pension asset				
VRS	\$ 5,538,067	\$ 230,109	\$ 5,768,176	\$ 2,592,654
Total net pension asset	<u>\$ 5,538,067</u>	<u>\$ 230,109</u>	<u>\$ 5,768,176</u>	<u>\$ 2,592,654</u>
Net pension liability				
VRS	\$ -	\$ 18,310	\$ 18,310	\$ 24,168,075
Total net pension liability	<u>\$ -</u>	<u>\$ 18,310</u>	<u>\$ 18,310</u>	<u>\$ 24,168,075</u>
Net OPEB liability				
Local Plan	\$ 1,117,441	\$ 47,167	\$ 1,164,608	\$ 2,213,999
VRS, County GLI	677,420	28,594	706,014	-
VRS, County HIC	210,331	8,878	219,209	-
VRS, Teacher GLI	-	-	-	1,562,452
VRS, Non-professional GLI	-	-	-	155,314
VRS, Teacher HIC	-	-	-	3,995,751
VRS, Non-professional HIC	-	-	-	310,353
Total net OPEB liability	<u>\$ 2,005,192</u>	<u>\$ 84,639</u>	<u>\$ 2,089,831</u>	<u>\$ 8,237,869</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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

	Governmental Activities	Business-Type Activities	Primary Government	Component Unit, School Board
Deferred inflows of resources - pensions				
VRS	\$ 8,248,592	\$ 350,721	\$ 8,599,313	\$ 22,228,112
Total deferred inflows of resources - pensions	<u>\$ 8,248,592</u>	<u>\$ 350,721</u>	<u>\$ 8,599,313</u>	<u>\$ 22,228,112</u>
Deferred inflows of resources - OPEB				
Local Plan	\$ 551,401	\$ 23,274	\$ 574,675	\$ 963,729
VRS, County GLI	285,641	12,057	297,698	-
VRS, County HIC	24,711	1,043	25,754	-
VRS, Teacher GLI	-	-	-	740,875
VRS, Non-professional GLI	-	-	-	86,237
VRS, Teacher HIC	-	-	-	479,322
VRS, Non-professional HIC	-	-	-	25,789
Total deferred inflow of resources - OPEB	<u>\$ 861,753</u>	<u>\$ 36,374</u>	<u>\$ 898,127</u>	<u>\$ 2,295,952</u>

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

	Governmental Activities	Business-Type Activities	Primary Government	Component Unit, School Board
Pension expense				
VRS, County	(315,052)	52,103	(262,949)	-
VRS, Teacher	-	-	-	(415,776)
VRS, Non-professional	-	-	-	(258,917)
Total pension expense	<u>\$ (315,052)</u>	<u>\$ 52,103</u>	<u>\$ (262,949)</u>	<u>\$ (674,693)</u>
OPEB expense				
Local Plan	\$ 16,532	\$ (3,534)	\$ 12,998	\$ 126,603
VRS, County GLI	25,555	1,071	26,626	-
VRS, County HIC	16,532	698	17,230	-
VRS, Teacher GLI	-	-	-	37,658
VRS, Non-professional GLI	-	-	-	(347)
VRS, Teacher HIC	-	-	-	267,517
VRS, Non-professional HIC	-	-	-	25,789
Total OPEB expense	<u>\$ 58,619</u>	<u>\$ (1,765)</u>	<u>\$ 56,854</u>	<u>\$ 457,220</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2022

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, 2022 all plan participants have concluded service and the liability is zero.

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, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, 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 and VRS Board action are as follows:

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

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)	Update to PUB2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Largest 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Component Unit School Board - Professional Employees:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

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: 06/30/2022

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	5%
Medical Trend Rate	5.5% initially, grading down to 4.25% ultimate
Discount Rate	6.89%
Investment Rate of Return	7.00%
Retirement Age	The average age at retirement is 62
Mortality Rates	The mortality rates are based on the PUB2010 Headcount tables for General employees and for Safety employees and for males and females, fully generational, projected using scale SSA2020.

School Board:

Valuation Date: 06/30/2020

Measurement Date: 06/30/2022

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	3.69%
Inflation	2.50%
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, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, 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)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all.
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service.
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

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)	Update to PUB2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70.
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty.
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

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, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, 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)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all.
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service.
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

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, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, 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)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all.
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service.
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Non-Largest 10 Locality Employers - General Employees:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all.
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service.
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

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, 2021

Exhibit 12

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</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	\$ 1,439,153
Interest	3,205,991	3,381,633	3,558,288	3,833,911	3,871,332	4,032,880	4,138,934	4,228,903
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)	(353,261)
Changes in assumptions	-	-	-	(417,284)	-	1,720,389	-	2,642,155
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)	(3,686,585)
Net change in total pension liability	2,597,789	2,688,756	4,044,326	934,266	2,394,145	3,749,152	1,414,676	4,270,365
Total pension liability - beginning	46,670,602	49,268,391	51,957,147	56,001,473	56,935,739	59,329,884	63,079,036	64,493,712
Total pension liability - ending (a)	\$49,268,391	\$ 51,957,147	\$ 56,001,473	\$ 56,935,739	\$59,329,884	\$63,079,036	\$ 64,493,712	\$68,764,077
Plan fiduciary net position								
Contributions - employer	\$ 912,155	\$ 918,486	\$ 1,071,751	\$ 896,974	\$ 915,071	\$ 897,263	\$ 931,306	\$ 989,919
Contributions - employee	538,436	543,528	560,988	575,555	587,929	696,872	618,160	608,921
Net investment income	6,800,749	2,272,415	894,070	6,254,600	4,164,022	3,887,497	1,163,532	16,327,201
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)	(3,686,585)
Administrative expense	(36,498)	(31,130)	(31,994)	(36,392)	(36,658)	(39,414)	(40,439)	(41,555)
Other	358	(479)	(379)	(5,551)	(3,672)	(2,442)	(1,360)	1,529
Net change in plan fiduciary net position	6,473,729	1,784,111	245,513	5,222,554	2,364,709	2,005,138	(851,786)	14,199,430
Plan fiduciary net position - beginning	43,070,545	49,544,274	51,328,385	51,573,898	56,796,452	59,161,161	61,166,299	60,314,513
Plan fiduciary net position - ending (b)	\$49,544,274	\$ 51,328,385	\$ 51,573,898	\$ 56,796,452	\$59,161,161	\$61,166,299	\$ 60,314,513	\$74,513,943
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	\$ (5,749,866)
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%	108.36%
Covered payroll	\$10,773,964	\$ 10,896,299	\$ 11,022,754	\$ 11,301,324	\$ 11,682,982	\$12,252,470	\$ 12,908,703	\$12,504,886
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%	-45.98%

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, 2021

Exhibit 13

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total pension liability								
Service Cost	\$ 317,109	\$ 295,580	\$ 296,936	\$ 269,197	\$ 289,593	\$ 268,105	\$ 282,013	\$ 253,506
Interest	730,383	770,263	778,450	798,537	804,276	832,871	853,430	880,280
Differences between expected and actual experience	-	(433,562)	(272,255)	(402,077)	(87,901)	25,602	5,904	(226,895)
Changes in assumptions	-	-	-	(55,425)	-	320,187	-	378,021
Benefit payments, including refunds of employee contributions	(445,583)	(509,990)	(520,646)	(511,696)	(544,817)	(650,123)	(752,902)	(734,224)
Net change in total pension liability	601,909	122,291	282,485	98,536	461,151	796,642	388,445	550,688
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	13,408,299
Total pension liability - ending (a)	\$ 11,258,749	\$ 11,381,040	\$ 11,663,525	\$ 11,762,061	\$ 12,223,212	\$ 13,019,854	\$ 13,408,299	\$ 13,958,987
Plan fiduciary net position								
Contributions - employer	\$ 266,876	\$ 217,678	\$ 219,731	\$ 116,380	\$ 110,918	\$ 95,195	\$ 90,408	\$ 82,888
Contributions - employee	149,754	145,565	145,477	141,852	138,361	137,777	134,523	125,010
Net investment income	1,525,205	507,774	199,764	1,395,490	930,335	872,720	260,171	3,627,411
Benefit payments, including refunds of employee contributions	(445,583)	(509,990)	(520,646)	(511,696)	(544,817)	(650,123)	(752,902)	(734,224)
Administrative expense	(8,164)	(7,000)	(7,162)	(8,145)	(8,121)	(8,872)	(9,164)	(9,289)
Other	81	(108)	(85)	(1,238)	(825)	(548)	(304)	340
Net change in plan fiduciary net position	1,488,169	353,919	37,079	1,132,643	625,851	446,149	(277,268)	3,092,136
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	13,459,505
Plan fiduciary net position - ending (b)	\$ 11,141,132	\$ 11,495,051	\$ 11,532,130	\$ 12,664,773	\$ 13,290,624	\$ 13,736,773	\$ 13,459,505	\$ 16,551,641
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)	\$ (2,592,654)
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%	118.57%
Covered payroll	\$ 2,985,035	\$ 2,953,111	\$ 2,867,655	\$ 2,952,275	\$ 2,962,415	\$ 2,959,628	\$ 2,922,208	\$ 2,741,026
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%	-94.59%

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, 2013 THROUGH JUNE 30, 2022**

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:					
2022	\$ 1,087,176	1,087,176	-	\$ 13,028,377	8.34%
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%
Component Unit School Board (nonprofessional):					
2022	82,888	82,888	-	3,135,957	2.64%
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%
Component Unit School Board (professional):					
2022	4,779,628	4,779,628	-	29,944,352	15.96%
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, 2021**

Exhibit 15

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Employer's Proportion of the Net Pension Liability (Asset)	0.35461%	0.34623%	0.34113%	0.34367%	0.34568%	0.33688%	0.32840%	0.31132%
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	\$ 24,168,075
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	\$ 27,531,386
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%	113.92%
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%	85.46%

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, 2022

Exhibit 16

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total OPEB liability						
Service Cost	\$ 115,033	\$ 118,484	\$ 20,186	\$ 16,296	\$ 16,785	\$ 11,604
Interest	72,863	78,474	107,064	119,921	125,843	112,364
Differences between expected and actual experience	-	180,090	-	-	(258,054)	-
Changes in assumptions	-	(361,325)	(225,408)	(28,772)	(48,756)	4,160
Benefit payments	(50,793)	(86,085)	(77,051)	(63,071)	(63,640)	(67,879)
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>	<u>60,249</u>
Total OPEB liability - beginning	1,937,435	2,074,538	2,004,176	1,828,967	1,873,341	1,645,519
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>	<u>\$ 1,705,768</u>
Plan fiduciary net position						
Contributions - employer	\$ 44,552	\$ 138,543	\$ 131,847	\$ 121,561	\$ 125,814	\$ 100,255
Net investment income	19,008	21,638	12,294	11,434	120,765	(66,310)
Benefit payments	-	(86,085)	(77,051)	(63,071)	(63,640)	(67,879)
Administrative expense	(500)	(1,008)	(1,002)	(500)	(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>	<u>(34,434)</u>
Plan fiduciary net position - beginning	121,495	184,555	257,643	323,731	393,155	575,594
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>	<u>\$ 541,160</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	\$ 1,164,608
Plan fiduciary net position as a percentage of the total OPEB liability	8.90%	12.86%	17.70%	20.99%	34.98%	31.73%
Covered payroll	\$ 11,036,000	\$ 12,139,885	\$ 12,515,330	\$ 13,025,827	\$ 13,039,941	\$ 14,742,320
County's net pension liability as a percentage of covered payroll	17.13%	14.39%	12.03%	11.36%	8.20%	7.90%

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, 2022**

Exhibit 17

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total OPEB liability						
Service Cost	\$ 157,700	\$ 161,643	\$ 89,708	\$ 105,487	\$ 108,124	\$ 125,490
Interest	97,588	100,171	92,588	87,371	75,672	50,442
Differences between expected and actual experience	(68,188)	(114,333)	-	-	(661,445)	-
Changes in assumptions	-	90,678	132,169	201,558	136,675	(377,270)
Benefit payments	(124,000)	(128,960)	(97,520)	(95,398)	(104,076)	(171,875)
Net change in total OPEB liability	63,100	109,199	216,945	299,018	(445,050)	(373,213)
Total OPEB liability - beginning	2,344,000	2,407,100	2,516,299	2,733,244	3,032,262	2,587,212
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>	<u>\$ 2,213,999</u>
Covered payroll	\$ 28,842,000	\$ 30,556,723	\$ 34,238,439	\$ 31,025,337	\$ 31,114,584	\$ 33,717,632
School Board's Total liability as a percentage of covered payroll	8.35%	8.23%	7.98%	9.77%	8.32%	6.57%

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 - OPEB PLANS
FOR THE YEARS ENDED JUNE 30, 2017 THROUGH JUNE 30, 2022**

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
2022	\$ 100,650	\$ 100,255	\$ 395	\$ 14,742,320	0.68%
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 - OPEB PLANS
FOR THE YEARS ENDED JUNE 30, 2017 THROUGH JUNE 30, 2022**

Exhibit 19

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Annual money-weighted rate of return, net of investment expense	12.33%	9.42%	4.03%	3.05%	29.15%	-11.28%

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, 2021

Exhibit 20

County:	2017	2018	2019	2020	2021
Total HIC OPEB Liability					
Service cost	\$ 5,809	\$ 5,490	\$ 5,193	\$ 5,528	\$ 5,581
Interest	18,930	19,041	20,339	19,425	19,030
Differences between expected and actual experience	-	10,002	(13,746)	(5,459)	(5,912)
Changes in assumptions	(9,898)	-	7,167	-	7,392
Benefit payments	(12,257)	(14,277)	(17,701)	(25,757)	(24,934)
Net change in total HIC OPEB liability	2,584	20,256	1,252	(6,263)	1,157
Total HIC OPEB Liability - beginning	276,563	279,147	299,403	300,655	294,392
Total HIC OPEB Liability - ending (a)	279,147	299,403	300,655	294,392	295,549
Plan fiduciary net position					
Contributions - employer	26,474	27,514	28,789	30,407	29,694
Net investment income	1,503	1,889	2,959	1,179	15,377
Benefit payments	(12,257)	(14,277)	(17,701)	(25,757)	(24,934)
Administrative expense	(47)	(57)	(66)	(105)	(197)
Other	32	(32)	(3)	-	-
Net change in plan fiduciary net position	15,705	15,037	13,978	5,724	19,940
Plan fiduciary net position - beginning	5,956	21,661	36,698	50,676	56,400
Plan fiduciary net position - ending (b)	21,661	36,698	50,676	56,400	76,340
County's net HIC OPEB liability - ending (a) - (b)	\$ 257,486	\$ 262,705	\$ 249,979	\$ 237,992	\$ 219,209
Plan fiduciary net position as a percentage of the total HIC OPEB liability	7.76%	12.26%	16.86%	19.16%	25.83%
Covered payroll	\$ 5,883,020	\$ 6,114,233	\$ 6,395,752	\$ 6,757,058	\$ 6,598,021
County's net HIC OPEB liability as a percentage of covered payroll	4.38%	4.30%	3.91%	3.52%	3.32%
School Board (Non-professional):					
Total HIC OPEB Liability					
Service cost				\$ 303,085	\$ 4,828
Interest				-	20,459
Changes in assumptions				-	7,103
Net change in total HIC OPEB liability				303,085	32,390
Total HIC OPEB Liability - beginning				-	303,085
Total HIC OPEB Liability - ending (a)				303,085	335,475
Plan fiduciary net position					
Contributions - employer				-	22,203
Net investment income				-	3,018
Administrative expense				-	(99)
Net change in plan fiduciary net position				-	25,122
Plan fiduciary net position - beginning				-	-
Plan fiduciary net position - ending (b)				-	25,122
School's net HIC OPEB liability - ending (a) - (b)				\$ 303,085	\$ 310,353

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, 2022**

Exhibit 21

<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:					
2022	\$ 31,368	\$ 31,368	\$ -	\$ 6,970,632	0.45%
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, 2021

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)
2021	0.31%	\$ 3,995,751	\$ 27,531,386	14.51%	13.15%
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, 2013 THROUGH JUNE 30, 2022**

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):					
2022	\$ 25,401	\$ 25,401	-	\$ 3,135,957	0.81%
2021	22,202	22,202	-	2,741,026	0.81%
School Board (Professional):					
2022	\$ 362,327	\$ 362,327	-	\$ 29,944,352	1.21%
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%

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 YEARS ENDED JUNE 30, 2017 THROUGH JUNE 30, 2021

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:					
2021	0.0606%	\$ 706,014	\$ 12,519,301	5.64%	67.45%
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):					
2021	0.0133%	\$ 155,314	\$ 2,754,883	5.64%	67.45%
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):					
2021	0.1342%	\$ 1,562,452	\$ 27,708,217	5.64%	67.45%
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.

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
GROUP LIFE INSURANCE PROGRAM
FOR THE YEARS ENDED JUNE 30, 2013 THROUGH JUNE 30, 2022**

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:					
2022	\$ 70,410	\$ 70,410	\$ -	\$ 13,038,841	0.54%
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%
School Board (Nonprofessional)					
2022	\$ 17,053	\$ 17,053	\$ -	\$ 3,157,922	0.54%
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%
School Board (Professional)					
2022	\$ 161,859	\$ 161,859	\$ -	\$ 29,973,968	0.54%
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%

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

Exhibit 26
Page 1 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
General property taxes	\$ 26,107,900	\$ 26,107,900	\$ 29,389,390	\$ 3,281,490
Other local taxes	8,470,874	8,470,874	9,939,476	1,468,602
Permits, fees and licenses	397,300	397,300	468,139	70,839
Fines and forfeitures	140,000	140,000	91,655	(48,345)
Revenue from the use of money and property	527,066	527,066	230,102	(296,964)
Charges for services	353,788	475,223	608,372	133,149
Miscellaneous	30,000	30,000	102,422	72,422
Recovered costs	144,230	461,138	497,321	36,183
Intergovernmental	7,608,674	12,601,086	12,305,378	(295,708)
Total revenues	<u>43,779,832</u>	<u>49,210,587</u>	<u>53,632,255</u>	<u>4,421,668</u>
Expenditures:				
General government administration:				
Legislative:				
Board of supervisors	140,783	140,783	114,022	26,761
General and financial administration:				
County administrator	350,329	389,808	329,059	60,749
Human resources	274,454	260,889	243,237	17,652
Legal services	216,702	216,702	197,210	19,492
Commissioner of the revenue	317,799	322,643	283,777	38,866
County assessor	692,718	699,159	546,846	152,313
Treasurer	591,346	725,628	689,212	36,416
Finance	690,107	837,808	697,205	140,603
Information technology	1,203,803	1,240,057	1,125,977	114,080
Risk management	328,746	328,746	312,893	15,853
Total general and financial administration	<u>4,666,004</u>	<u>5,021,440</u>	<u>4,425,416</u>	<u>596,024</u>
Board of elections:				
Electoral board	62,504	111,504	52,124	59,380
Registrar	201,044	203,648	227,727	(24,079)
Total board of elections	<u>263,548</u>	<u>315,152</u>	<u>279,851</u>	<u>35,301</u>
Total general government administration	<u>5,070,335</u>	<u>5,477,375</u>	<u>4,819,289</u>	<u>658,086</u>
Judicial administration:				
Courts:				
Circuit court	96,334	96,334	87,870	8,464
General district court	11,471	11,471	8,287	3,184
Chief magistrate	16,938	16,938	4,457	12,481
Juvenile and domestic relations court	13,650	13,650	8,204	5,446
Clerk of the circuit court	517,149	542,726	505,670	37,056
Sheriff court services	639,660	644,860	400,130	244,730
Commissioner of accounts	214	214	-	214
Victim and witness assistance	100,816	116,836	90,483	26,353
Total courts	<u>1,396,232</u>	<u>1,443,029</u>	<u>1,105,101</u>	<u>337,928</u>
Commonwealth's attorney	441,243	467,094	449,958	17,136
Total judicial administration	<u>1,837,475</u>	<u>1,910,123</u>	<u>1,555,059</u>	<u>355,064</u>
Public safety:				
Law enforcement and traffic control:				
Sheriff law enforcement	2,787,554	3,149,801	3,142,982	6,819

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022 (continued)

Exhibit 26
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	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	\$ 994,951	\$ 915,242	\$ 79,709
Emergency medical services	-	69,776	30,779	38,997
Payments to 911 commission	1,002,350	1,167,300	1,042,025	125,275
Total fire and rescue services	<u>1,267,460</u>	<u>2,232,027</u>	<u>1,988,046</u>	<u>243,981</u>
Correction and detention:				
Jail	2,887,831	2,679,946	2,613,311	66,635
Juvenile probation	148,622	255,237	255,127	110
Community correction	98,668	310,178	255,459	54,719
Total correction and detention	<u>3,135,121</u>	<u>3,245,361</u>	<u>3,123,897</u>	<u>121,464</u>
Other protection:				
Building and zoning	581,923	582,968	517,638	65,330
Ordinance enforcement	85,593	85,593	79,487	6,106
Animal control	137,387	137,387	136,864	523
Regional animal control facility	111,573	111,573	80,642	30,931
S.P.C.A. supplement	5,921	6,946	6,946	-
Emergency management	122,666	273,462	153,042	120,420
CARES Act	-	313,254	286,508	26,746
COVID 19 Urgent Needs	-	1,177,914	788,628	389,286
American Rescue Plan Act	-	3,138,502	3,138,502	-
Medical examiner	5,000	5,000	(1,826)	6,826
E.S. Coalition Against Domestic Violence supplement	20,000	20,000	20,000	-
Cleanup/disposal of hazardous materials	30,000	78,173	17,738	60,435
Total other protection	<u>1,100,063</u>	<u>5,930,772</u>	<u>5,224,169</u>	<u>706,603</u>
Total public safety	<u>8,290,198</u>	<u>14,557,961</u>	<u>13,479,094</u>	<u>1,078,867</u>
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Ditch maintenance	316,303	711,341	169,516	541,825
	<u>316,303</u>	<u>711,341</u>	<u>169,516</u>	<u>541,825</u>
Sanitation and waste removal:				
General operations	242,567	242,567	347,129	(104,562)
Refuse disposal	1,047,195	1,047,195	1,179,810	(132,615)
Refuse collection	946,951	1,014,911	837,164	177,747
Maintenance garage	198,277	371,930	333,266	38,664
Litter control	300,273	342,449	312,978	29,471
Total sanitation and waste removal	<u>2,735,263</u>	<u>3,019,052</u>	<u>3,010,347</u>	<u>8,705</u>
Maintenance of buildings and grounds:				
Buildings and grounds	1,584,567	1,652,573	1,415,189	237,384
Total public works	<u>4,636,133</u>	<u>5,382,966</u>	<u>4,595,052</u>	<u>787,914</u>
Health and welfare:				
Health:				
Local health department supplement	707,079	709,079	707,079	2,000
Rural health dental program supplement	30,971	30,971	30,971	-
Total health	<u>738,050</u>	<u>740,050</u>	<u>738,050</u>	<u>2,000</u>
Mental health and mental retardation:				
Community services board supplement	204,037	204,037	204,037	-

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022 (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	\$ 178,825	\$ 178,825	\$ 184,089	\$ (5,264)
Area agency on aging supplement	23,430	23,430	23,430	-
Total welfare	<u>202,255</u>	<u>202,255</u>	<u>207,519</u>	<u>(5,264)</u>
Total health and welfare	<u>1,144,342</u>	<u>1,146,342</u>	<u>1,149,606</u>	<u>(3,264)</u>
Education:				
Contribution to School Board component unit	19,607,736	19,607,736	15,239,512	4,368,224
Community College supplement	41,028	41,028	20,514	20,514
Total education	<u>19,648,764</u>	<u>19,648,764</u>	<u>15,260,026</u>	<u>4,388,738</u>
Parks, recreation and cultural:				
Parks and recreation:				
Recreation administration and maintenance	280,881	260,914	232,482	28,432
Summer food program	-	-	1,029	(1,029)
Boating facilities	98,344	48,844	47,288	1,556
Total parks and recreation	<u>379,225</u>	<u>309,758</u>	<u>280,799</u>	<u>28,959</u>
Cultural enrichment:				
Translator television	104,457	159,971	45,334	114,637
Contribution to Public Library component unit	444,844	456,916	456,916	-
Total cultural enrichment	<u>549,301</u>	<u>616,887</u>	<u>502,250</u>	<u>114,637</u>
Total parks, recreation and cultural	<u>928,526</u>	<u>926,645</u>	<u>783,049</u>	<u>143,596</u>
Community development:				
Planning and community development:				
Contribution to Planning Dist. Commission component unit	75,703	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	86,010	89,575	173,185	(83,610)
Planning	507,427	594,351	419,801	174,550
Enterprise Zone incentives	-	23,017	-	23,017
Tourism Commission supplement	129,438	129,438	129,438	-
Wallops Research Park	94,551	94,551	669	93,882
Qualified childcare contributions	-	600,000	250,000	350,000
Star Transit public transportation supplement	219,600	219,600	219,600	-
Transportation District Commission supplement	6,704	6,704	6,704	-
Chincoteague Chamber of Commerce supplement	25,000	25,000	25,000	-
ES of VA Broadband Authority supplement	-	1,473,745	2,267,150	(793,405)
Town of Chincoteague supplement	-	-	5,500	(5,500)
Small Business Development Center supplement	4,607	4,607	4,607	-
Total planning and community development	<u>1,165,755</u>	<u>3,353,006</u>	<u>3,594,072</u>	<u>(241,066)</u>
Environmental management:				
Johnsongrass/gypsy moth control program	13,370	13,370	-	13,370
Chincoteague water study grant match	50,000	200,000	-	200,000
Soil and Water Conservation District supplement	21,154	21,154	15,866	5,288
Contribution to Planning Dist. Commission component unit	30,021	30,021	30,021	-
Resource Conservation and Dev. Council supplement	9,999	9,999	9,999	-
Total environmental management	<u>124,544</u>	<u>274,544</u>	<u>55,886</u>	<u>218,658</u>
Cooperative extension program	98,883	98,883	82,890	15,993
Total community development	<u>1,389,182</u>	<u>3,726,433</u>	<u>3,732,848</u>	<u>(6,415)</u>
Nondepartmental:				
Contingency	216,441	29,525	30,046	(521)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022 (continued)

Exhibit 26
Page 4 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Debt service	\$ 288,091	\$ 288,091	\$ 350,762	\$ (62,671)
Total expenditures	43,449,487	53,094,225	45,754,831	7,339,394
Revenues over (under) expenditures	330,345	(3,883,638)	7,877,424	11,761,062
Other Financing Sources (Uses):				
Transfers in	305,396	3,131,790	3,131,792	2
Proceeds from leases	-	-	107,201	107,201
Transfers out	(2,845,342)	(16,480,872)	(1,673,502)	14,807,370
Total other financing sources (uses)	(2,539,946)	(13,349,082)	1,565,491	14,914,573
Net changes in fund balance	(2,209,601)	(17,232,720)	9,442,915	26,675,635
Fund balance, beginning of year	34,740,986	34,740,986	34,740,986	-
Fund balance, end of year	\$ 32,531,385	\$ 17,508,266	\$ 44,183,901	\$ 26,675,635

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, 2022

Exhibit 27

	Budgeted Amounts		Actual	Variance from
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Intergovernmental	\$ 3,617,037	\$ 4,257,539	\$ 3,495,650	\$ (761,889)
Total revenues	<u>3,617,037</u>	<u>4,257,539</u>	<u>3,495,650</u>	<u>(761,889)</u>
Expenditures:				
Health and welfare:				
Welfare administration	3,326,598	3,548,121	3,286,876	261,245
Public assistance	675,265	857,622	632,090	225,532
Fuel administration	39,057	60,000	-	60,000
S&O No Local	-	76,425	23,578	52,847
Fest Program	-	11,120	12,166	(1,046)
Local only administration	79,731	105,622	76,737	28,885
CSA Coordinator local only	-	70,017	57,641	12,376
Local staff and operations	-	94,751	94,174	577
Service pass-through	150,293	136,012	-	136,012
Debt service	-	-	32,347	(32,347)
Total expenditures	<u>4,270,944</u>	<u>4,959,690</u>	<u>4,215,609</u>	<u>744,081</u>
Revenues over (under) expenditures	<u>(653,907)</u>	<u>(702,151)</u>	<u>(719,959)</u>	<u>(17,808)</u>
Other financing sources (uses):				
Transfers in	816,299	864,543	719,959	(144,584)
Total other financing sources (uses)	<u>816,299</u>	<u>864,543</u>	<u>719,959</u>	<u>(144,584)</u>
Net changes in fund balance	-	162,392	-	(162,392)
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ 162,392</u>	<u>\$ -</u>	<u>\$ (162,392)</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, 2022

Exhibit 28

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
General property taxes	\$ 4,309,027	\$ 4,309,027	\$ 4,672,920	\$ 363,893
Recovered costs	-	4,958	4,957	(1)
Intergovernmental	64,964	64,964	65,279	315
Total revenues	<u>4,373,991</u>	<u>4,378,949</u>	<u>4,743,156</u>	<u>364,207</u>
Expenditures:				
Public safety:				
Rescue services:				
Emergency medical services	4,613,738	2,224,433	1,362,771	861,662
Debt service:				
Interest, other charges and leases	-	-	2,128	(2,128)
Total expenditures	<u>4,613,738</u>	<u>2,224,433</u>	<u>1,364,899</u>	<u>861,662</u>
Revenues over (under) expenditures	<u>(239,747)</u>	<u>2,154,516</u>	<u>3,378,257</u>	<u>1,225,869</u>
Other financing sources (uses):				
Transfers out	<u>(306,396)</u>	<u>(3,318,262)</u>	<u>(3,318,262)</u>	<u>-</u>
Total other financing sources (uses)	<u>(306,396)</u>	<u>(3,318,262)</u>	<u>(3,318,262)</u>	<u>-</u>
Net changes in fund balance	(546,143)	(1,163,746)	59,995	1,225,869
Fund balance, beginning of year	5,313,629	5,313,629	5,313,629	-
Fund balance, end of year	<u>\$ 4,767,486</u>	<u>\$ 4,149,883</u>	<u>\$ 5,373,624</u>	<u>\$ 1,225,869</u>

Other Supplementary Information

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.

**COUNTY OF ACCOMACK, VIRGINIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AT JUNE 30, 2022**

Exhibit 29

	Law Library Fund	Stormwater Ordinance Fund	Drug Seizures Fund	Courthouse Security Fund	Fire Programs Fund	Rehabilitation Projects Fund	Captains Cove Greenbackville Mosquito Control Fund	Special Revenue	Comprehen- sive Youth Services Fund	Consolidated Fire and Rescue Fund	Total Nonmajor Governmental Funds	
Assets:												
Cash and investments	\$ 68,049	\$ 80,197	\$ 23,698	\$ 695	\$ 57,192	\$ 63,978	\$ 22,347	\$ 7,596	\$ 1,298,529	\$ 1,622,281		
Receivables (net):												
Taxes, including penalties	-	-	-	-	-	-	21,736	-	684,189	705,925		
Accounts / other	499	-	-	8,143	2,820	-	-	-	-	11,462		
Due from other governmental entities:												
Commonwealth of Virginia	-	-	-	-	50,000	-	-	114,996	-	164,996		
Federal government	-	-	-	-	-	122,230	-	-	-	122,230		
Total assets	68,548	80,197	23,698	8,838	110,012	186,208	44,083	122,592	1,982,718	2,626,894		
Liabilities:												
Accounts payable	617	-	-	-	5,491	37,632	-	53,116	638,718	735,574		
Due to other government entities:												
Northampton County	-	-	-	-	-	-	-	69,476	-	69,476		
Other governmental entity	-	-	-	-	-	-	15,288	-	-	15,288		
Customer deposits	-	80,197	-	-	-	-	-	-	-	80,197		
Unearned revenues	-	-	-	-	65,650	-	-	-	-	65,650		
Total liabilities	617	80,197	-	-	71,141	37,632	15,288	122,592	638,718	966,185		
Deferred Inflows of Resources:												
Deferred property tax revenue	-	-	-	-	-	-	26,524	-	831,542	858,066		
Unavailable revenue - property taxes	-	-	-	-	-	-	2,271	-	71,948	74,219		
Total deferred inflow of resources	-	-	-	-	-	-	28,795	-	903,490	932,285		
Fund Balances:												
Restricted for:												
Fire and Rescue	-	-	-	-	38,871	-	-	-	-	38,871		
Judicial Administration	-	-	11,673	-	-	-	-	-	-	11,673		
Courthouse Security	-	-	-	8,838	-	-	-	-	-	8,838		
Law Library	67,931	-	-	-	-	-	-	-	-	67,931		
Law Enforcement	-	-	12,025	-	-	-	-	-	-	12,025		
Community Development	-	-	-	-	-	148,576	-	-	-	148,576		
Assigned to:												
Fire and Rescue	-	-	-	-	-	-	-	-	440,510	440,510		
Total fund balances	67,931	-	23,698	8,838	38,871	148,576	-	-	440,510	728,424		
Total liabilities, deferred inflows of resources and fund balances	\$ 68,548	\$ 80,197	\$ 23,698	\$ 8,838	\$ 110,012	\$ 186,208	\$ 44,083	\$ 122,592	\$ 1,982,718	\$ 2,626,894		

**COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022**

Exhibit 30

	Law Library Fund	Stormwater Ordinance Fund	Drug Seizures Fund	Courthouse Security Fund	Fire Programs Fund	Special Revenue Rehabilitation Projects Fund	Captains Cove Greenbackville Mosquito Control Fund	Comprehen- sive Youth Services Fund	Consolidated Fire and Rescue Fund	Total Nonmajor Governmental Funds
Revenues:										
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,388	\$ -	\$ 1,713,683	\$ 1,786,071
Other local taxes	-	-	-	108,086	-	-	-	-	-	108,086
Permits, fees and licenses	-	23,141	-	-	-	-	-	-	-	23,141
Revenue from the use of money and property	-	-	4	-	4	20	-	-	-	28
Charges for services	5,125	-	-	-	-	-	-	-	-	5,125
Miscellaneous	-	-	726	-	13,700	-	-	87,627	-	102,053
Recovered costs	-	-	-	-	-	1,447	-	-	-	1,447
Intergovernmental	-	-	-	-	148,785	530,272	-	509,978	41,504	1,230,539
Total revenues	5,125	23,141	730	108,086	162,489	531,739	72,388	597,605	1,755,187	3,256,490
Expenditures:										
Judicial administration	3,522	-	-	141,506	-	-	-	-	-	145,028
Public safety	-	-	-	-	168,463	-	-	-	1,817,011	1,985,474
Health and welfare	-	-	-	-	-	-	78,247	668,281	-	746,528
Community development	-	144,507	-	-	-	550,343	-	-	-	694,850
Debt Service:										
Interest and other charges	-	-	-	-	407	-	-	-	-	407
Total expenditures	3,522	144,507	-	141,506	168,870	550,343	78,247	668,281	1,817,011	3,572,287
Revenues over (under) expenditures	1,603	(121,366)	730	(33,420)	(6,381)	(18,604)	(5,859)	(70,676)	(61,824)	(315,797)
Other financing sources (uses):										
Transfers in	-	121,366	-	-	16,000	-	-	70,676	-	208,042
Net change in fund balances	1,603	-	730	(33,420)	9,619	(18,604)	(5,859)	-	(61,824)	(107,755)
Fund balance, beginning of year	66,328	-	22,968	42,258	29,252	167,180	5,859	-	502,334	836,179
Fund balance, end of year	\$ 67,931	\$ -	\$ 23,698	\$ 8,838	\$ 38,871	\$ 148,576	\$ -	\$ -	\$ 440,510	\$ 728,424

**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, 2022**

**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	23,141	(7,762)	-	-	-	-
Revenue from the use of money and property	-	-	-	-	-	-	-	-	-	4	-	4
Charges for services	7,000	7,000	5,125	(1,875)	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	726	-	726
Recovered costs	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	2,000	2,000	-	(2,000)
Total revenues	7,000	7,000	5,125	(1,875)	30,903	30,903	23,141	(7,762)	2,000	2,000	730	(1,270)
Expenditures:												
Judicial administration	7,000	73,328	3,522	69,806	-	-	-	-	-	11,670	-	11,670
Public safety	-	-	-	-	-	-	-	-	2,000	13,298	-	13,298
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	-
Community development	-	-	-	-	191,824	191,824	144,507	47,317	-	-	-	-
Debt Service:												
Interest and Other Charges	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	7,000	73,328	3,522	69,806	191,824	191,824	144,507	47,317	2,000	24,968	-	24,968
Revenues over (under) expenditures	-	(66,328)	1,603	67,931	(160,921)	(160,921)	(121,366)	39,555	-	(22,968)	730	23,698
Other financing sources (uses):												
Transfers in	-	-	-	-	159,580	159,580	121,366	(38,214)	-	-	-	-
Total other financing sources (uses)	-	-	-	-	159,580	159,580	121,366	(38,214)	-	-	-	-
Net changes in fund balance	-	(66,328)	1,603	67,931	(1,341)	(1,341)	-	1,341	-	(20,579)	730	21,309
Fund balance, beginning of year	66,328	66,328	66,328	-	-	-	-	-	-	20,579	22,968	2,389
Fund balance, end of year	\$ 66,328	\$ -	\$ 67,931	\$ 67,931	\$ (1,341)	\$ (1,341)	\$ -	\$ 1,341	\$ -	\$ -	\$ 23,698	\$ 23,698

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, 2022 (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	150,000	150,000	108,086	(41,914)	-	-	-	-	-	-	-	-
Permits, privilege fees and licenses	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from the use of money and property	-	-	-	-	-	-	4	4	-	-	20	20
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	7,000	7,000	13,700	6,700	-	-	-	-
Recovered costs	-	-	-	-	6,700	6,700	-	(6,700)	2,500	2,500	1,447	(1,053)
Intergovernmental	-	-	-	-	59,000	214,436	148,785	(65,651)	-	1,331,802	530,272	(801,530)
Total revenues	150,000	150,000	108,086	(41,914)	72,700	228,136	162,489	(65,647)	2,500	1,334,302	531,739	(802,563)
Expenditures:												
Judicial administration	150,000	192,258	141,506	50,752	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	88,700	277,123	168,463	108,660	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-	1,498,982	550,343	948,639
Debt Service:												
Interest and Other Charges	-	-	-	-	-	-	407	(407)	-	-	-	-
Total expenditures	150,000	192,258	141,506	50,752	88,700	277,123	168,870	108,253	-	1,498,982	550,343	948,639
Revenues over (under) expenditures	-	(42,258)	(33,420)	8,838	(16,000)	(48,987)	(6,381)	42,606	2,500	(164,680)	(18,604)	146,076
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	-	(42,258)	(33,420)	8,838	-	(32,987)	9,619	42,606	2,500	(164,680)	(18,604)	146,076
Fund balance, beginning of year	5,576	5,576	42,258	36,682	29,252	29,252	29,252	-	-	167,180	167,180	-
Fund balance, end of year	\$ 5,576	\$ (36,682)	\$ 8,838	\$ 45,520	\$ 29,252	\$ (3,735)	\$ 38,871	\$ 42,606	\$ 2,500	\$ 2,500	\$ 148,576	\$ 146,076

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, 2022 (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	\$ 47,814	\$ 47,814	\$ 72,388	\$ 24,574	\$ -	\$ -	\$ -	\$ -	\$ 1,630,258	\$ 1,630,258	\$ 1,713,683	\$ 83,425
Other local taxes	-	-	-	-	-	-	-	-	-	-	-	-
Permits, privilege fees and licenses	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from the use of money and property	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	100,274	100,274	87,627	(12,647)	-	-	-	-
Recovered costs	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	778,826	778,826	509,978	(268,848)	41,188	41,188	41,504	316
Total revenues	47,814	47,814	72,388	24,574	879,100	879,100	597,605	(281,495)	1,671,446	1,671,446	1,755,187	83,741
Expenditures:												
Judicial administration	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	1,671,446	2,173,780	1,817,011	356,769
Health and welfare	46,650	52,509	78,247	(25,738)	1,082,016	1,082,016	668,281	413,735	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service:												
Interest and Other Charges	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	46,650	52,509	78,247	(25,738)	1,082,016	1,082,016	668,281	413,735	1,671,446	2,173,780	1,817,011	356,769
Revenues over (under) expenditures	1,164	(4,695)	(5,859)	(1,164)	(202,916)	(202,916)	(70,676)	132,240	-	(502,334)	(61,824)	440,510
Other financing sources (uses):												
Transfers in	-	-	-	-	202,916	202,916	70,676	(132,240)	-	-	-	-
Total other financing sources (uses)	-	-	-	-	202,916	202,916	70,676	(132,240)	-	-	-	-
Net changes in fund balance	1,164	(4,695)	(5,859)	(1,164)	-	-	-	-	-	(502,334)	(61,824)	440,510
Fund balance, beginning of year	-	5,859	5,859	-	-	-	-	-	502,334	502,334	502,334	-
Fund balance, end of year	\$ 1,164	\$ 1,164	\$ -	\$ (1,164)	\$ -	\$ -	\$ -	\$ -	\$ 502,334	\$ -	\$ 440,510	\$ 440,510

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, 2022 (continued)

Exhibit 31
Page 4

	Total Nonmajor Governmental Funds				Variance From Final Budget Positive (Negative)			
	Budgeted Amounts		Final	Actual				
	Original	Final						
Revenues:								
General property taxes	\$	1,678,072	\$	1,678,072	\$	1,786,071	\$	107,999
Other local taxes		150,000		150,000		108,086		(41,914)
		30,903		30,903		23,141		(7,762)
Revenue from the use of money and property		-		-		28		28
Charges for services		7,000		7,000		5,125		(1,875)
Miscellaneous		107,274		107,274		102,053		(5,221)
Recovered costs		9,200		9,200		1,447		(7,753)
Intergovernmental		881,014		2,368,252		1,230,539		(1,137,713)
Total revenues		2,863,463		4,350,701		3,256,490		(1,094,211)
Expenditures:								
Judicial administration		157,000		277,256		145,028		132,228
Public safety		1,762,146		2,464,201		1,985,474		478,727
Health and welfare		1,128,666		1,134,525		746,528		387,997
Community development		191,824		1,690,806		694,850		995,956
Debt Service:								
Interest and Other Charges		-		-		407		(407)
Total expenditures		3,239,636		5,566,788		3,572,287		1,994,501
Revenues over (under) expenditures		(376,173)		(1,216,087)		(315,797)		900,290
Other financing sources (uses):								
Transfers in		378,496		378,496		208,042		(170,454)
Total other financing sources (uses)		378,496		378,496		208,042		(170,454)
Net changes in fund balance		2,323		(835,202)		(107,755)		729,836
Fund balance, beginning of year		603,490		797,108		836,179		39,071
Fund balance, end of year	\$	605,813	\$	(38,094)	\$	728,424	\$	768,907

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, 2022

Exhibit 32

	Budgeted Amounts		Actual	Variance from
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
General property taxes	\$ 2,931,639	\$ 2,931,639	\$ 2,772,417	\$ (159,222)
Miscellaneous	83,357	83,357	89,193	5,836
Intergovernmental	82,376	82,376	83,008	632
Total revenues	<u>3,097,372</u>	<u>3,097,372</u>	<u>2,944,618</u>	<u>(152,754)</u>
Expenditures:				
Debt Service:				
Principal	1,983,423	1,983,423	2,107,566	(124,143)
Interest and fiscal charges	917,803	917,803	834,847	82,956
Total expenditures	<u>2,901,226</u>	<u>2,901,226</u>	<u>2,942,413</u>	<u>(41,187)</u>
Revenues over (under) expenditures	<u>196,146</u>	<u>196,146</u>	<u>2,205</u>	<u>(193,941)</u>
Other financing sources (uses):				
Refunding bonds issued	-	-	2,470,000	2,470,000
Premium on bonds issued	-	-	209,360	209,360
Payment to refunded bond escrow agent	-	-	(2,591,629)	(2,591,629)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>87,731</u>	<u>87,731</u>
Net changes in fund balance	196,146	196,146	89,936	(106,210)
Fund balance, beginning of year	307,185	307,185	806,668	499,483
Fund balance, end of year	<u>\$ 503,331</u>	<u>\$ 503,331</u>	<u>\$ 896,604</u>	<u>\$ 393,273</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, 2022

Exhibit 33

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 140	\$ 140
Recovered costs	-	-	11,356	11,356
Intergovernmental	-	2,041,851	492,347	(1,549,504)
Total revenues	-	2,041,851	503,843	(1,538,008)
Expenditures:				
General government administration	60,000	345,551	65,000	280,551
Judicial administration	500,000	500,000	-	500,000
Public safety	-	60,768	6,000	54,768
Public works	650,000	923,257	226,131	697,126
Parks and recreation	83,625	3,441,248	1,363,962	2,077,286
Community development	150,000	1,752,611	322,842	1,429,769
Nondepartmental	-	-	-	-
Total expenditures	1,443,625	7,023,435	1,983,935	5,039,500
Revenues over (under) expenditures	(1,443,625)	(4,981,584)	(1,480,092)	3,501,492
Other financing sources (uses):				
Transfers in	1,443,625	4,728,962	951,686	(3,777,276)
Total other financing sources (uses)	1,443,625	4,728,962	951,686	(3,777,276)
Net changes in fund balance	-	(252,622)	(528,406)	(275,784)
Fund balance, beginning of year	-	(1,525,976)	1,615,845	3,141,821
Fund balance, end of year	\$ -	\$ (1,778,598)	\$ 1,087,439	\$ 2,866,037

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.

**COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
AT JUNE 30, 2022**

Exhibit 34

	Business-type Activities - Enterprise Funds		
	Nonmajor Funds		
	Water and Sewer Fund	Parks and Recreation Revolving Fund	Total
<u>Assets:</u>			
Current assets:			
Cash and investments	\$ -	\$ 5,257	\$ 5,257
Accounts receivable (net of allowance for uncollectibles)	86,569	-	86,569
Total current assets	<u>86,569</u>	<u>5,257</u>	<u>91,826</u>
Noncurrent assets:			
Capital assets (net of accumulated depreciation):			
Improvements other than buildings	798,097	-	798,097
Machinery and equipment	200,183	3,908	204,091
Right to use asset	7,238	-	7,238
Total capital assets	<u>1,005,518</u>	<u>3,908</u>	<u>1,009,426</u>
Total assets	<u>1,092,087</u>	<u>9,165</u>	<u>1,101,252</u>
<u>Liabilities:</u>			
Current liabilities:			
Accounts payable	35,811	1,713	37,524
Due to customers	760	-	760
Current portion lease liability	1,792	-	1,792
Interfund payables	297,011	-	297,011
Total current liabilities	<u>335,374</u>	<u>1,713</u>	<u>337,087</u>
Noncurrent liabilities:			
Lease liability	5,446	-	5,446
Total noncurrent liabilities	<u>5,446</u>	<u>-</u>	<u>5,446</u>
Total liabilities	<u>340,820</u>	<u>1,713</u>	<u>342,533</u>
<u>Net Position:</u>			
Investment in capital assets	998,280	3,908	1,002,188
Unrestricted	(247,013)	3,544	(243,469)
Total net position	<u>\$ 751,267</u>	<u>\$ 7,452</u>	<u>\$ 758,719</u>

**COUNTY OF ACCOMACK, VIRGINIA
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 NONMAJOR PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022**

Exhibit 35

	Business-type Activities - Enterprise Funds		
	Nonmajor Funds		
	Water and Sewer Fund	Parks and Recreation Revolving Fund	Total
Operating revenues:			
Charges for services	\$ 354,650	\$ 4,356	\$ 359,006
Total operating revenues	<u>354,650</u>	<u>4,356</u>	<u>359,006</u>
Operating expenses:			
Other operating expenses	461,038	6,357	467,395
Depreciation and amortization	55,891	998	56,889
Total operating expenses	<u>516,929</u>	<u>7,355</u>	<u>524,284</u>
Operating income (loss)	<u>(162,279)</u>	<u>(2,999)</u>	<u>(165,278)</u>
Nonoperating revenues (expenses):			
Gain on the sale of assets	-	10,125	10,125
Total nonoperating revenues (expenses)	<u>-</u>	<u>10,125</u>	<u>10,125</u>
Income (loss)	<u>(162,279)</u>	<u>7,126</u>	<u>(155,153)</u>
Changes in net position	(162,279)	7,126	(155,153)
Total net position, beginning of year	913,546	326	913,872
Total net position, end of year	<u>\$ 751,267</u>	<u>\$ 7,452</u>	<u>\$ 758,719</u>

**COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022**

Exhibit 36

	<u>Business-type Activities-Enterprise Funds</u>		
	Nonmajor		
	Water and Sewer Fund	Parks and Recreation Revolving Fund	Total
Cash flows from operating activities:			
Receipts from customers	\$ 312,272	\$ 4,356	\$ 316,628
Payments to suppliers	(446,409)	(7,137)	(453,546)
Payments to employees and benefits paid on behalf of employees	-	(707)	(707)
Net cash provided by (used for) operating activities	<u>(134,137)</u>	<u>(3,488)</u>	<u>(137,625)</u>
Cash flows from capital and related financing activities:			
Proceeds from sale of capital assets	-	10,125	10,125
Transfer from (to) the General Fund	134,137	(1,380)	132,757
Net cash provided by (used for) capital and related financing activities	<u>134,137</u>	<u>8,745</u>	<u>142,882</u>
Net increase (decrease) in cash and cash equivalents	-	5,257	5,257
Cash and cash equivalents, beginning of year	-	-	-
Cash and cash equivalents, end of year	<u>\$ -</u>	<u>\$ 5,257</u>	<u>\$ 5,257</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (162,279)	\$ (2,999)	\$ (165,278)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation	55,891	998	56,889
Changes in assets and liabilities:			
(Increase) Decrease in accounts receivable	(42,378)	-	(42,378)
Increase (Decrease) in accounts payable	14,629	(1,487)	13,142
Total adjustments	<u>28,142</u>	<u>(489)</u>	<u>27,653</u>
Net cash provided by (used for) operating activities	<u>\$ (134,137)</u>	<u>\$ (3,488)</u>	<u>\$ (137,625)</u>

Custodial Funds

Custodial Funds- Custodial 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. Custodial 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.

**COUNTY OF ACCOMACK, VIRGINIA
 COMBINING STATEMENT OF NET POSITION
 CUSTODIAL FUNDS
 AT JUNE 30, 2022**

Exhibit 37

	Custodial Funds		
	Special Welfare Fund	Sheriff Canteen Fund	Total Custodial Funds
<u>Assets:</u>			
Cash and investments held by Treasurer	\$ 62,146	\$ -	\$ 62,146
Cash and investments in custody of others	-	143,997	143,997
Accounts receivable	960	-	960
Total assets	63,106	143,997	207,103
<u>Liabilities:</u>			
Amounts held for social service clients	63,106	-	63,106
Amounts held for others	-	143,997	143,997
Total liabilities	\$ 63,106	\$ 143,997	\$ 207,103

**COUNTY OF ACCOMACK, VIRGINIA
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022**

Exhibit 38

	Special Welfare Fund	Sheriff Canteen Fund	Total
<u>Additions:</u>			
Contributions:			
Custodial Funds	\$ 63,664	\$ 276,555	\$ 340,219
Held for Custodial Fund clients	-	18,161	18,161
Total contributions	63,664	294,716	358,380
<u>Deductions</u>			
Custodial Funds	55,031	294,716	349,747
Held for Custodial Fund clients	8,633	-	8,633
Total deductions	63,664	294,716	358,380
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.

**COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
COMBINING BALANCE SHEET-GOVERNMENTAL FUNDS
AT JUNE 30, 2022**

Exhibit 39

	Major Funds		Nonmajor Fund		Total Governmental Funds
	School Operating Fund	School Capital Projects Fund	School Cafeteria Fund		
Assets:					
Cash and investments	\$ 1,855,675	\$ 9	\$ 672,372	\$	2,528,056
Accounts receivable, net	111,509	-	-		111,509
Due from the Commonwealth	1,188,294	-	-		1,188,294
Due from the Federal Government	3,872,329	-	30,821		3,903,150
Total assets	7,027,807	9	703,193		7,731,009
Liabilities:					
Accounts payable	687,692	-	15,155		702,847
Wages and benefits payable	5,767,741	-	-		5,767,741
Retainage payable	166,388	-	-		166,388
Unearned revenue	405,986	-	-		405,986
Total liabilities	7,027,807	-	15,155		7,042,962
Fund Balances:					
Reserved for:					
Restricted:					
Education	-	-	-		-
Capital Projects	-	9	-		9
Assigned:					
Food Services	-	-	688,038		688,038
Total Fund Balances:	-	9	688,038		688,047
Total liabilities and fund balances	\$ 7,027,807	\$ 9	\$ 703,193		

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	4,317,634	
Buildings, net of depreciation	42,877,388	
Improvements other than buildings, net of depreciation	2,314,272	
Machinery and equipment, net of depreciation	9,368,918	
Lease assets	343,856	
School Board capital assets in primary government, net of depreciation	(7,876,355)	
Total capital assets		52,320,575

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

Net pension asset	2,592,654	
Deferred inflows related to pensions	(22,228,112)	
Deferred inflows related to OPEB	(2,295,952)	
Total other long-term assets		(21,931,410)

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:

Lease liabilities	(350,777)	
Compensated absences	(1,538,941)	
Net OPEB liability	(8,237,869)	
Net pension liability	(24,168,075)	
Deferred outflows related to pensions	9,441,279	
Deferred outflows related to OPEB	1,412,854	
Net adjustment		(23,441,529)
Total net position		\$ 7,635,683

**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, 2022**

Exhibit 40

	Major Funds		Nonmajor Fund	Total Governmental Funds
	School Operating Fund	School Capital Projects Fund	School Cafeteria Fund	
Revenues:				
Revenue from the use of money and property		\$ -	\$ 49	\$ 49
Charges for services	1,313,704	-	35,139	1,348,843
Miscellaneous	764,738	-	-	764,738
Recovered costs	92,331	-	-	92,331
From the local government	15,239,512	-	-	15,239,512
From the Commonwealth	40,543,026	-	50,053	40,593,079
From the Federal Government	11,567,443	-	3,580,396	15,147,839
Total revenues	69,520,754	-	3,665,637	73,186,391
Expenditures:				
Education:				
Instruction	43,995,696	-	-	43,995,696
Administration of schools	1,387,548	-	-	1,387,548
Attendance and health services	1,801,575	-	-	1,801,575
Operation and maintenance services	13,110,237	-	-	13,110,237
Pupil transportation services	4,429,047	-	-	4,429,047
Technology Services	4,615,340	-	-	4,615,340
Capital outlay	429,820	-	-	429,820
Debt service:				
Principal payments on leases	79,043	-	-	79,043
Interest payments on leases	16,225	-	-	16,225
Food services	250,167	20	3,676,848	3,927,035
Total expenditures	70,114,698	20	3,676,848	73,791,566
Revenues over (under) expenditures	(593,944)	(20)	(11,211)	(605,175)
Other financing sources (uses):				
Proceeds from leases	429,820	-	-	429,820
Total other financing sources (uses)	429,820	-	-	429,820
Net changes in fund balance	(164,124)	(20)	(11,211)	(175,355)
Fund balance, beginning of year	164,124	29	699,249	863,402
Fund balance, end of year	\$ -	\$ 9	\$ 688,038	\$ 688,047

Net changes in fund balance per above (175,355)

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	8,677,872	
Depreciation on capital assets	(3,148,706)	
Net adjustment		5,529,166

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 1,092,285

The repayment of the principal of long-term debt consumes the current financial resources of governmental funds but has no effect on net assets.

Principal expenditures - leases	79,043	
Proceeds from leases	(429,820)	
		(350,777)

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	13,325	
OPEB expense	258,263	
Net termination benefit obligation	65,769	
Pension expense	5,765,591	
Net adjustment		6,102,948

Change in net position of governmental activities \$ 12,198,267

**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
FOR THE YEAR ENDED JUNE 30, 2022**

Exhibit 41

	Budgeted Amounts		Actual	Variance from Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Charges for services	\$ 109,872	\$ 109,872	\$ 88,068	\$ (21,804)
Miscellaneous	146,484	146,484	764,738	618,254
Recovered costs	190,000	190,000	92,331	(97,669)
From the local government	19,607,736	19,607,736	16,465,148	(3,142,588)
From the Commonwealth	36,995,820	39,556,140	40,543,026	986,886
From the Federal Government	129,941	129,941	11,567,443	11,437,502
Total revenues	57,179,853	59,740,173	69,520,754	9,780,581
Expenditures:				
Education:				
Instruction	39,806,811	40,268,568	43,995,696	(3,727,128)
Administration of schools	1,238,666	1,243,150	1,387,548	(144,398)
Attendance and health services	1,855,962	1,412,197	1,801,575	(389,378)
Operation and maintenance services	6,456,965	8,413,561	13,110,237	(4,696,676)
Pupil transportation services	4,034,185	4,444,958	4,429,047	15,911
Capital outlay	-	-	429,820	(429,820)
Debt service:				
Principal payments on leases	-	-	79,043	(79,043)
Interest payments on leases	-	-	16,225	(16,225)
Technology services	3,482,759	3,553,234	4,615,340	(1,062,106)
Food services	7,997	107,997	250,167	(142,170)
Total expenditures	56,883,345	59,443,665	70,114,698	(10,671,033)
Revenues over (under) expenditures	296,508	296,508	(593,944)	(890,452)
Other financing sources (uses):				
Proceeds from leases	-	-	429,820	429,820
Transfers in	-	196,141	-	(196,141)
Transfers out	(296,508)	(296,508)	-	296,508
Total other financing sources (uses)	(296,508)	(100,367)	429,820	530,187
Net changes in fund balance	-	196,141	(164,124)	(360,265)
Fund balance, beginning of year as restated	752,619	(328,929)	164,124	493,053
Fund balance, end of year	\$ 752,619	\$ (132,788)	\$ -	\$ 132,788

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**

**COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
AT JUNE 30, 2022**

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	\$ 1,055,139	\$ 1,294,707	\$ 46,378	\$ 106,294	\$ 96,459	\$ 25,336	\$ 2,624,313
Restricted cash and cash equivalents	443,356	-	-	-	-	-	443,356
Accounts receivables, net	452,041	-	-	-	-	-	452,041
Loan receivables	56,644	-	-	-	-	-	56,644
Due from other governmental entities	-	-	-	15,288	-	-	15,288
Prepaid expenses	9,499	12,952	-	-	-	-	22,451
Unconditional promises to give	-	75,705	-	-	-	-	75,705
Net pension asset	404,734	30,776	-	-	-	-	435,510
Capital Assets (net of accumulated depreciation):							
Land	161,582	5,000	-	-	-	390,289	556,871
Buildings	55,161	379,764	-	-	-	256,651	691,576
Improvements other than buildings	63,116	-	-	-	-	84,378	147,494
Machinery and equipment	25,775	183,189	-	-	-	1,754	210,718
Total assets	2,727,047	1,982,093	46,378	121,582	96,459	758,408	5,731,967
Deferred Outflows of Resources:							
Pension and OPEB deferrals	253,573	82,186	-	-	-	-	335,759
Total deferred outflows of resources	253,573	82,186	-	-	-	-	335,759
Liabilities:							
Accounts payable	35,377	9,254	-	2,400	-	3,276	50,307
Wages and benefits payable	16,830	1,746	-	-	-	-	18,576
Line of credit	-	-	-	-	-	22,700	22,700
Unearned revenue	298,416	15,641	-	-	-	-	314,057
Noncurrent liabilities:							
Due in more than one year- compensated absences	108,474	17,458	-	-	-	-	125,932
Due in more than one year- term loan	-	142,591	-	-	-	350,000	492,591
Due in more than one year- net OPEB liability	39,293	-	-	-	-	-	39,293
Total liabilities	498,390	186,690	-	2,400	-	375,976	1,063,456
Deferred Inflows of Resources:							
Pension and OPEB deferrals	561,342	144,852	-	-	-	-	706,194
Net Position:							
Investment in capital assets	305,634	567,953	-	-	-	360,372	1,233,959
Restricted	904,734	560,425	-	-	-	-	1,465,159
Unrestricted	710,520	604,359	46,378	119,182	96,459	22,060	1,598,958
Total net position	\$ 1,920,888	\$ 1,732,737	\$ 46,378	\$ 119,182	\$ 96,459	\$ 382,432	\$ 4,298,076

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, 2022

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	\$ 88,801	\$ 1,007,780	\$ -	\$ -	\$ -	\$ -	\$ 1,096,581
Use of property	42,000	106,753	-	-	-	5,209	153,962
Recovered costs	-	-	-	-	-	309	309
Charges for services	1,538,504	4,680	20,489	78,247	34,800	-	1,676,720
Miscellaneous	-	20,233	-	-	-	-	20,233
Total operating revenues	1,669,305	1,139,446	20,489	78,247	34,800	5,518	2,947,805
Operating expenses:							
General and administration	52,792	-	11,879	391	4,268	2,394	71,724
Contractual services	-	233,952	-	20,400	-	3,792	258,144
Personnel	52,871	599,410	-	-	-	-	652,281
Materials and supplies	-	184,893	-	36,953	-	-	221,846
Other operating expenses	-	-	580	-	1,899	-	2,479
Project expenses	1,567,155	-	-	-	-	-	1,567,155
Depreciation	22,029	28,409	-	-	-	7,976	58,414
Total operating expenses	1,694,847	1,046,664	12,459	57,744	6,167	14,162	2,832,043
Operating income (loss)	(25,542)	92,782	8,030	20,503	28,633	(8,644)	115,762
Nonoperating revenues (expenses):							
Contributions from local government	105,724	720,534	-	-	-	7,500	833,758
Investment earnings	-	-	3	-	71	4	78
Interest and fees on loans	7,014	(4,747)	-	-	-	(12,948)	(10,681)
Total nonoperating revenues (expenses)	112,738	715,787	3	-	71	(5,444)	823,155
Changes in net position	87,196	808,569	8,033	20,503	28,704	(14,088)	938,917
Total net position, beginning of year	1,833,692	924,168	38,345	98,679	67,755	396,520	3,359,159
Total net position, end of year	\$ 1,920,888	\$ 1,732,737	\$ 46,378	\$ 119,182	\$ 96,459	\$ 382,432	\$ 4,298,076

**COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF CASH FLOWS
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2022**

Exhibit 44

	Economic Development Authority
Cash flows from operating activities:	
Payments to suppliers	\$ (4,910)
Other receipts	5,518
Net cash provided by (used for) operating activities	608
Cash flows from noncapital financing activities:	
Operating subsidy from Primary Government	7,500
Net cash provided by (used for) noncapital financing activities	7,500
Cash flows from capital and related financing activities:	
Purchase of capital assets	(444,923)
Proceeds from issuance of debt	372,700
Interest payments on debt	(12,948)
Net cash provided by (used for) capital and related financing activities	(85,171)
Cash flows from investing activities:	
Interest income	4
Net increase (decrease) in cash and cash equivalents	(77,059)
Cash and cash equivalents at beginning of the year	102,395
Cash and cash equivalents at end of year	\$ 25,336
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:	
Operating income (loss)	(8,644)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:	
Depreciation	7,976
Changes in assets and liabilities:	
Increase (decrease) in accounts payable	1,276
Total adjustments	1,276
Net cash provided by (used for) operating activities	\$ 608

Supporting Schedules

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

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	\$ 14,539,631	\$ 14,539,631	\$ 15,535,759	\$ 996,128
Real and personal public service taxes	1,730,060	1,730,060	1,546,221	(183,839)
Personal property taxes	6,900,373	6,900,373	9,092,858	2,192,485
Machinery and tools taxes	2,277,836	2,277,836	2,365,539	87,703
Penalties - all taxes	330,000	330,000	457,964	127,964
Interest - all taxes	330,000	330,000	391,049	61,049
Total general property taxes	26,107,900	26,107,900	29,389,390	3,281,490
Other local taxes:				
Local sales and use taxes	4,697,996	4,697,996	5,135,747	437,751
Consumers' utility and consumption taxes	1,155,000	1,155,000	1,200,126	45,126
Public service corporation license taxes	58,500	58,500	51,761	(6,739)
Communications tax	800,000	800,000	734,691	(65,309)
Motor vehicle licenses	551,578	551,578	723,023	171,445
Bank stock taxes	25,000	25,000	48,511	23,511
Taxes on recordation and wills	450,000	450,000	644,067	194,067
Hotel and motel room taxes	650,000	650,000	960,636	310,636
Business, professional and occupational license taxes	59,000	59,000	66,555	7,555
Meals tax	-	-	357,770	357,770
Other local taxes	23,800	23,800	16,589	(7,211)
Total other local taxes	8,470,874	8,470,874	9,939,476	1,468,602
Permits, Privilege Fees and Licenses:				
Animal licenses	6,000	6,000	4,146	(1,854)
Boating fees	-	-	16,577	16,577
Building and zoning permits	288,000	288,000	371,405	83,405
Health department permits	27,000	27,000	18,850	(8,150)
Land use application fees	45,000	45,000	19,500	(25,500)
Erosion & sediment control	12,000	12,000	10,375	(1,625)
Wetlands fees	5,000	5,000	25,332	20,332
Other licenses and permits	14,300	14,300	1,954	(12,346)
Total permits, privilege fees and licenses	397,300	397,300	468,139	70,839
Fines and forfeitures	140,000	140,000	91,655	(48,345)
Revenue from use of money and property:				
From use of money	60,000	60,000	(256,418)	(316,418)
From use of property	467,066	467,066	486,520	19,454
Total revenue from use of money and property	527,066	527,066	230,102	(296,964)
Charges for services:				
General government administration charges	213,633	213,633	295,957	82,324
Judicial administration charges	3,000	3,000	2,189	(811)
Public safety charges	67,155	188,590	230,926	42,336
Public works charges	70,000	70,000	79,300	9,300
Total charges for services	353,788	475,223	608,372	133,149
Miscellaneous revenue	30,000	30,000	102,422	72,422

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022 (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	\$ 212,452	\$ 212,748	\$ 296
Judicial administration	19,842	19,842	21,579	1,737
Public safety	35,288	35,288	24,190	(11,098)
Public works	3,000	88,072	169,096	81,024
Health and welfare	-	-	68,924	68,924
Nondepartmental (Insurance recoveries)	-	105,484	784	(104,700)
Total recovered costs	144,230	461,138	497,321	36,183
Total revenue from local sources	36,171,158	36,609,501	41,326,877	4,717,376
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Motor vehicle carrier's tax	30,000	30,000	39,578	9,578
Rolling stock tax	2,000	2,000	-	(2,000)
Mobile home titling tax	52,000	52,000	113,893	61,893
Tax on deeds (grantor)	84,000	84,000	-	(84,000)
Games of skill	-	-	4,608	4,608
Personal Property Tax Relief Act	2,866,680	2,866,680	2,865,418	(1,262)
Total noncategorical aid	3,034,680	3,034,680	3,023,497	(11,183)
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	406,589	406,589	368,057	(38,532)
Sheriff	2,895,441	2,895,441	2,988,439	92,998
Commissioner of the revenue	122,009	122,009	119,030	(2,979)
Treasurer	133,225	133,225	133,637	412
Registrar / electoral board	63,102	63,102	72,133	9,031
Clerk of circuit court	313,169	313,169	342,844	29,675
Jail	206,756	206,756	198,100	(8,656)
Total shared expenses	4,140,291	4,140,291	4,222,240	81,949
Other categorical aid:				
Litter control	-	35,428	26,832	(8,596)
"Four for Life" program	-	69,776	30,779	(38,997)
Juvenile crime control act	36,268	36,268	36,269	1
Victim / witness assistance grant	93,233	31,975	19,772	(12,203)
Community corrections grant	96,452	302,224	278,104	(24,120)
Hazardous materials response grants	30,000	30,000	31,400	1,400
Other	4,000	24,563	18,757	(5,806)
Total other categorical aid	259,953	530,234	441,913	(88,321)
Total revenue from the Commonwealth	7,434,924	7,705,205	7,687,650	(17,555)
Revenue from the Federal Government:				
Payments in lieu of taxes	28,750	28,750	30,736	1,986

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022 (continued)

Schedule 1
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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	\$ 74,770	\$ (16,230)
Indirect costs	54,000	54,000	124,215	70,215
Total noncategorical aid	<u>145,000</u>	<u>145,000</u>	<u>198,985</u>	<u>53,985</u>
Categorical aid:				
State Homeland security grant	-	141,402	28,011	(113,391)
Emergency management grants	-	7,500	48,152	40,652
CARES Act	-	1,491,168	1,112,141	(379,027)
American Rescue Plan Act	-	2,923,009	3,138,502	215,493
Selective enforcement grant	-	-	17,627	17,627
Victim / witness assistance grant	-	74,609	38,474	(36,135)
Other	-	84,443	5,100	(79,343)
Total categorical aid	<u>-</u>	<u>4,722,131</u>	<u>4,388,007</u>	<u>(334,124)</u>
Total revenue from the Federal Government	<u>173,750</u>	<u>4,895,881</u>	<u>4,617,728</u>	<u>(278,153)</u>
Total General Fund	<u>43,779,832</u>	<u>49,210,587</u>	<u>53,632,255</u>	<u>4,421,668</u>
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Welfare	1,552,127	1,761,679	1,249,029	(512,650)
COVID19 Relief	-	-	11,306	11,306
Total	<u>1,552,127</u>	<u>1,761,679</u>	<u>1,260,335</u>	<u>(501,344)</u>
Revenue from the Federal Government:				
Categorical aid:				
Welfare	2,064,910	2,495,860	2,235,315	(260,545)
Total Virginia Public Assistance Fund	<u>3,617,037</u>	<u>4,257,539</u>	<u>3,495,650</u>	<u>(761,889)</u>
Comprehensive Youth Services Fund:				
Revenue from local sources:				
Miscellaneous revenue:				
From Northampton County	100,274	100,274	87,627	(12,647)
Total miscellaneous revenue	<u>100,274</u>	<u>100,274</u>	<u>87,627</u>	<u>(12,647)</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Comprehensive Services Act pooled services grants	759,205	759,205	488,404	(270,801)
Comprehensive Services Act Trust Fund grant	19,621	19,621	21,574	1,953
Total categorical aid from the Commonwealth	<u>778,826</u>	<u>778,826</u>	<u>509,978</u>	<u>(268,848)</u>
Total Comprehensive Youth Services Fund	<u>879,100</u>	<u>879,100</u>	<u>597,605</u>	<u>(281,495)</u>

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022 (continued)

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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	\$ 5,125	\$ (1,875)
Stormwater Ordinance Fund:				
Revenue from local sources:				
Permits, Privilege Fees and Licenses:				
Stormwater permits	30,903	30,903	23,141	(7,762)
Drug Seizures Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	4	4
Miscellaneous revenue:				
From sale of property	-	-	726	726
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	730	(1,270)
Courthouse Security Fund:				
Revenue from local sources:				
Other local taxes:				
Court security fees	150,000	150,000	108,086	(41,914)
Fire Programs Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	4	4
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	164,436	98,786	(65,650)
Training center grant	-	50,000	50,000	-
Total categorical aid from the Commonwealth	59,000	214,436	148,786	(65,650)
Total Fire Programs Fund	72,700	228,136	162,490	(65,646)
Rehabilitation Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	19	19
Recovered costs:				
Grant project income	2,500	2,500	1,448	(1,052)
Total revenue from local sources	2,500	2,500	1,467	(1,033)
Intergovernmental:				
Revenue from the Federal Government:				
Categorical aid:				
Neighborhood planning and rehab grants	-	1,331,802	530,272	(801,530)
Total revenue from the Federal Government	-	1,331,802	530,272	(801,530)
Total Rehabilitation Projects Fund	2,500	1,334,302	531,739	(802,563)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022 (continued)

Schedule 1
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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	\$ 46,814	\$ 46,814	\$ 71,131	\$ 24,317
Personal property taxes	-	-	22	22
Penalties - all taxes	500	500	576	76
Interest - all taxes	500	500	659	159
Total Greenbackville Mosquito Control Fund	<u>47,814</u>	<u>47,814</u>	<u>72,388</u>	<u>24,574</u>
Consolidated Emergency Medical Services Fund				
Revenue from local sources:				
General property taxes:				
Real property taxes	3,464,766	3,464,766	3,875,229	410,463
Public service taxes	547,526	547,526	481,547	(65,979)
Personal property taxes	175,962	175,962	151,217	(24,745)
Machinery and tools taxes	50,773	50,773	54,432	3,659
Penalties - all taxes	31,000	31,000	55,733	24,733
Interest - all taxes	39,000	39,000	54,762	15,762
Total general property taxes	<u>4,309,027</u>	<u>4,309,027</u>	<u>4,672,920</u>	<u>363,893</u>
Recovered costs:				
Insurance recoveries	-	4,958	4,957	(1)
Total recovered costs	<u>-</u>	<u>4,958</u>	<u>4,957</u>	<u>(1)</u>
Total revenue from local sources	<u>4,309,027</u>	<u>4,313,985</u>	<u>4,677,877</u>	<u>363,892</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	64,964	64,964	65,279	315
Total revenue from the Commonwealth	<u>64,964</u>	<u>64,964</u>	<u>65,279</u>	<u>315</u>
Total Consolidated Emergency Medical Services Fund	<u>4,373,991</u>	<u>4,378,949</u>	<u>4,743,156</u>	<u>364,207</u>
Consolidated Fire and Rescue Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	1,306,155	1,306,155	1,418,793	112,638
Public service taxes	152,347	152,347	134,666	(17,681)
Personal property taxes	108,336	108,336	84,984	(23,352)
Machinery and tools taxes	31,420	31,420	34,002	2,582
Penalties - all taxes	12,000	12,000	21,224	9,224
Interest - all taxes	20,000	20,000	20,013	13
Total revenue from local sources	<u>1,630,258</u>	<u>1,630,258</u>	<u>1,713,682</u>	<u>83,424</u>

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022 (continued)

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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	\$ 41,504	\$ 316
Total Consolidated Fire and Rescue Fund	1,671,446	1,671,446	1,755,186	83,740
Total Special Revenue Funds	10,854,491	12,987,189	11,495,296	(1,491,893)
Capital Projects Funds:				
County Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	-	-	140	140
Recovered costs:				
From Hazard mitigation grant homeowners	-	-	11,356	11,356
Miscellaneous revenue:				
From other local governments	-	-	-	-
Total revenue from local sources	-	-	11,496	11,496
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Harbor improvement grants	-	311,843	138,900	(172,943)
Waterway grants	-	79,956	137,665	57,709
Hazard mitigation funds	-	302,012	45,428	(256,584)
Total revenue from the Commonwealth	-	693,811	321,993	(371,818)
Revenue from the Federal Government:				
Categorical aid:				
American Rescue Plan Act	-	215,493	-	(215,493)
Hazard mitigation funds	-	1,132,547	170,354	(962,193)
Total revenue from the Federal Government	-	1,348,040	170,354	(1,177,686)
Total County Capital Projects Fund	-	2,041,851	503,843	(1,538,008)
Debt Service Funds:				
County Debt Service Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	2,297,663	2,297,663	2,248,373	(49,290)
Public service taxes	283,086	283,086	210,534	(72,552)
Personal property taxes	215,618	215,618	165,669	(49,949)
Machinery and tools taxes	62,640	62,640	67,989	5,349
Penalties - all taxes	33,158	33,158	37,490	4,332
Interest - all taxes	39,474	39,474	42,362	2,888
Total general property taxes	2,931,639	2,931,639	2,772,417	(159,222)
Miscellaneous Revenue:				
Other	83,357	83,357	89,193	5,836
Total revenue from local sources	3,014,996	3,014,996	2,861,610	(153,386)
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	82,376	82,376	83,008	632
Total revenue from the Commonwealth	82,376	82,376	83,008	632
Total County Debt Service Fund	3,097,372	3,097,372	2,944,618	(152,754)
Total revenue-Primary Government	57,731,695	67,336,999	68,576,012	1,239,013

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022 (continued)

Schedule 1
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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	\$ 13,782	\$ 12,782
Driver education	8,872	8,872	24,500	15,628
Medicaid	100,000	100,000	49,786	(50,214)
Total charges for services	109,872	109,872	88,068	(21,804)
Miscellaneous revenue:				
E-rate	101,484	101,484	109,978	8,494
Miscellaneous	45,000	45,000	654,760	609,760
Total miscellaneous revenue	146,484	146,484	764,738	618,254
Recovered costs:				
Miscellaneous	190,000	190,000	92,331	(97,669)
Revenue from local government:				
Contribution from Accomack County, Virginia	19,607,736	19,607,736	16,465,148	(3,142,588)
Total revenue from local sources	20,054,092	20,054,092	17,410,285	(2,643,807)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Sales tax contribution	5,287,716	5,287,716	7,354,295	2,066,579
Basic school aid	16,370,192	16,370,192	15,739,014	(631,178)
Education of the gifted	183,615	183,615	157,912	(25,703)
Remedial education	1,048,922	1,048,922	908,879	(140,043)
Special education	2,181,225	2,181,225	1,904,054	(277,171)
Textbooks	340,227	340,227	326,362	(13,865)
Vocational education	389,391	389,391	340,118	(49,273)
Social Security	1,136,516	1,136,516	989,987	(146,529)
Retirement	2,646,595	2,646,595	2,310,981	(335,614)
Group life insurance	79,145	79,145	69,846	(9,299)
No loss funding	1,585,194	1,585,194	1,780,517	195,323
Governor's School	7,101	7,101	7,101	-
Special Education - homebound	13,596	13,596	-	(13,596)
Special Education - private tuition	241,382	241,382	266,664	25,282
Vocational education-occupational	62,296	62,296	45,963	(16,333)
Industry based certification	5,000	5,000	6,008	1,008
At risk	2,484,666	2,484,666	2,260,425	(224,241)
Trans courses	16,772	16,772	16,466	(306)
SOL remediation	1,207,035	1,207,035	-	(1,207,035)
Four year old preschool program	426,065	426,065	486,557	60,492
Mentor teacher program	6,754	6,754	10,555	3,801
English as a second language	702,207	702,207	678,018	(24,189)
Cost of competing adjustment	-	1,637,851	1,637,851	-
Compensation supplement	-	922,469	1,103,792	181,323
K-3 initiative	-	-	474,585	474,585
Lottery	-	-	1,234,154	1,234,154
Educational technology grant SOL web base	-	-	47,870	47,870
Reading intervention	142,281	142,281	114,631	(27,650)
Career prep academy	-	-	112,965	112,965
SOL algebra readiness	-	-	102,071	102,071
Other	431,927	431,927	55,385	(376,542)
Total revenue from the Commonwealth	36,995,820	39,556,140	40,543,026	986,886

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022 (continued)

Schedule 1
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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	\$ 148,405	\$ 18,464
Title I	-	-	2,062,890	2,062,890
Title I C-Migrant education	-	-	221,541	221,541
Title II	-	-	268,873	268,873
Title III	-	-	68,622	68,622
Title IV	-	-	265,678	265,678
Title VI	-	-	178,685	178,685
Title VI-B Special Education	-	-	1,268,651	1,268,651
CARES Act	-	-	7,084,098	7,084,098
Total revenue from the Federal Government	129,941	129,941	11,567,443	11,437,502
Total School Operating Fund	57,179,853	59,740,173	69,520,754	9,780,581
Special Revenue Funds:				
School Cafeteria Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From the use of money	-	-	49	49
Charges for services:				
Meal charges	250,000	250,000	35,139	(214,861)
Miscellaneous:				
Total revenue from local sources	250,000	250,000	35,188	(214,812)
Intergovernmental				
Revenue from the Commonwealth:				
Categorical aid:				
School food payments	47,226	47,226	50,053	2,827
Revenue from the Federal Government:				
Categorical aid:				
School food payments	2,902,774	2,902,774	3,513,825	611,051
CARES Act	-	-	66,571	66,571
Total revenue from the Federal Government	2,902,774	2,902,774	3,580,396	677,622
Total School Cafeteria Fund	3,200,000	3,200,000	3,665,637	465,637
Total Special Revenue Funds	3,200,000	3,200,000	3,665,637	465,637
Total revenue-School Board Component Unit	60,379,853	62,940,173	73,186,391	10,246,218
Grand total revenue-Primary Government and School Board Component Unit	\$ 118,111,548	\$ 130,277,172	\$ 141,762,403	\$ 11,485,231

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENED JUNE 30, 2022**

**Schedule 2
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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	\$ 140,783	\$ 140,783	\$ 114,022	\$ 26,761
General and financial administration:				
County administrator	350,329	389,808	329,059	60,749
Human Resources	274,454	260,889	243,237	17,652
Legal services	216,702	216,702	197,210	19,492
Commissioner of the revenue	317,799	322,643	283,777	38,866
County assessor	692,718	699,159	546,846	152,313
Treasurer	591,346	725,628	689,212	36,416
Finance	690,107	837,808	697,205	140,603
Information technology	1,203,803	1,240,057	1,125,977	114,080
Risk management	328,746	328,746	312,893	15,853
Total general and financial administration	4,666,004	5,021,440	4,425,416	596,024
Board of elections:				
Electoral board	62,504	111,504	52,124	59,380
Registrar	201,044	203,648	227,727	(24,079)
Total board of elections	263,548	315,152	279,851	35,301
Total general government administration	5,070,335	5,477,375	4,819,289	658,086
Judicial administration:				
Courts:				
Circuit court	96,334	96,334	87,870	8,464
General district court	11,471	11,471	8,287	3,184
Chief magistrate	16,938	16,938	4,457	12,481
Juvenile and domestic relations court	13,650	13,650	8,204	5,446
Clerk of the circuit court	517,149	542,726	505,670	37,056
Sheriff court services	639,660	644,860	400,130	244,730
Commissioner of accounts	214	214	-	214
Victim and witness assistance	100,816	116,836	90,483	26,353
Total courts	1,396,232	1,443,029	1,105,101	337,928
Commonwealth's attorney	441,243	467,094	449,958	17,136
Total judicial administration	1,837,475	1,910,123	1,555,059	355,064
Public safety:				
Law enforcement and traffic control:				
Sheriff law enforcement	2,787,554	3,149,801	3,142,982	6,819
Fire and rescue services:				
Volunteer fire and rescue	265,110	994,951	915,242	79,709
Emergency medical services	-	69,776	30,779	38,997
Payments to 911 commission	1,002,350	1,167,300	1,042,025	125,275
Total fire and rescue services	1,267,460	2,232,027	1,988,046	243,981
Correction and detention:				
Jail	2,887,831	2,679,946	2,613,311	66,635
Juvenile probation	148,622	255,237	255,127	110
Community correction	98,668	310,178	255,459	54,719
Total correction and detention	3,135,121	3,245,361	3,123,897	121,464

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022 (Continued)

Schedule 2
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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	\$ 581,923	\$ 582,968	\$ 517,638	\$ 65,330
Ordinance Enforcement	85,593	85,593	79,487	6,106
Animal control	137,387	137,387	136,864	523
Regional animal control facility	111,573	111,573	80,642	30,931
S.P.C.A. supplement	5,921	6,946	6,946	-
Emergency management	122,666	273,462	153,042	120,420
CARES Act	-	313,254	286,508	26,746
COVID19 Urgent Needs	-	1,177,914	788,628	389,286
American Rescue Plan Act	-	3,138,502	3,138,502	-
Medical examiner	5,000	5,000	(1,826)	6,826
E.S. Coalition Against Domestic Violence supplement	20,000	20,000	20,000	-
Cleanup/disposal of hazardous materials	30,000	78,173	17,738	60,435
Total other protection	<u>1,100,063</u>	<u>5,930,772</u>	<u>5,224,169</u>	<u>706,603</u>
Total public safety	<u>8,290,198</u>	<u>14,557,961</u>	<u>13,479,094</u>	<u>1,078,867</u>
Public works:				
Maintenance of streets, bridges and sidewalks:				
Ditch maintenance	316,303	711,341	169,516	541,825
Total maintenance of streets, bridges and sidewalks	<u>316,303</u>	<u>711,341</u>	<u>169,516</u>	<u>541,825</u>
Sanitation and waste removal:				
General operations	242,567	242,567	347,129	(104,562)
Refuse disposal	1,047,195	1,047,195	1,179,810	(132,615)
Refuse collection	946,951	1,014,911	837,164	177,747
Maintenance garage	198,277	371,930	333,266	38,664
Litter control	300,273	342,449	312,978	29,471
Total sanitation and waste removal	<u>2,735,263</u>	<u>3,019,052</u>	<u>3,010,347</u>	<u>8,705</u>
Maintenance of buildings and grounds:				
Buildings and grounds	1,584,567	1,652,573	1,415,189	237,384
Total public works	<u>4,636,133</u>	<u>5,382,966</u>	<u>4,595,052</u>	<u>787,914</u>
Health and welfare:				
Health:				
Local health department supplement	707,079	709,079	707,079	2,000
Rural health dental program supplement	30,971	30,971	30,971	-
Total health	<u>738,050</u>	<u>740,050</u>	<u>738,050</u>	<u>2,000</u>
Mental health and mental retardation:				
Community services board supplement	204,037	204,037	204,037	-
Welfare:				
Property tax relief for seniors, disabled and veterans	178,825	178,825	184,089	(5,264)
Area agency on aging supplement	23,430	23,430	23,430	-
Total welfare	<u>202,255</u>	<u>202,255</u>	<u>207,519</u>	<u>(5,264)</u>
Total health and welfare	<u>1,144,342</u>	<u>1,146,342</u>	<u>1,149,606</u>	<u>(3,264)</u>
Education:				
Contribution to School Board component unit	19,607,736	19,607,736	15,239,512	4,368,224
Community College supplement	41,028	41,028	20,514	20,514
Total education	<u>19,648,764</u>	<u>19,648,764</u>	<u>15,260,026</u>	<u>4,388,738</u>

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022 (Continued)

Schedule 2
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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	\$ 280,881	\$ 260,914	\$ 232,482	\$ 28,432
Summer food program	-	-	1,029	(1,029)
Boating facilities	98,344	48,844	47,288	1,556
Total parks and recreation	379,225	309,758	280,799	28,959
Cultural enrichment:				
Translator television	104,457	159,971	45,334	114,637
Contribution to Public Library component unit	444,844	456,916	456,916	-
Total cultural enrichment	549,301	616,887	502,250	114,637
Total parks, recreation and cultural	928,526	926,645	783,049	143,596
Community development:				
Planning and community development:				
Contribution to Planning Dist. Commission component unit	75,703	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	86,010	89,575	173,185	(83,610)
Planning	507,427	594,351	419,801	174,550
Enterprise Zone incentives	-	23,017	-	23,017
Tourism Commission supplement	129,438	129,438	129,438	-
Wallops Research Park	94,551	94,551	669	93,882
Qualified childcare contributions	-	600,000	250,000	350,000
Star Transit public transportation supplement	219,600	219,600	219,600	-
Transportation District Commission supplement	6,704	6,704	6,704	-
Chincoteague Chamber of Commerce supplement	25,000	25,000	25,000	-
ES of VA Broadband Authority supplement	-	1,473,745	2,267,150	(793,405)
Town of Chincoteague supplement	-	-	5,500	(5,500)
Small Business Development Center supplement	4,607	4,607	4,607	-
Total planning and community development	1,165,755	3,353,006	3,594,072	(241,066)
Environmental management:				
Johnsongrass/gypsy moth control program	13,370	13,370	-	13,370
Chincoteague water study grant match	50,000	200,000	-	200,000
Soil and Water Conservation District supplement	21,154	21,154	15,866	5,288
Contribution to Planning Dist. Commission component unit	30,021	30,021	30,021	-
Resource Conservation and Dev. Council supplement	9,999	9,999	9,999	-
Total environmental management	124,544	274,544	55,886	218,658
Cooperative extension program	98,883	98,883	82,890	15,993
Total community development	1,389,182	3,726,433	3,732,848	(6,415)
Nondepartmental:				
Contingency	216,441	29,525	30,046	(521)
Total nondepartmental	216,441	29,525	30,046	(521)
Debt service:				
Principal	238,300	238,300	280,388	(42,088)
Interest, including leases, and fiscal charges	49,791	49,791	70,374	(20,583)
Total debt service	288,091	288,091	350,762	(62,671)
Total General Fund	43,449,487	53,094,225	45,754,831	7,339,394

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022 (Continued)**

**Schedule 2
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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	\$ 3,548,121	\$ 3,088,509	\$ 459,612
Public assistance	675,265	857,622	632,090	225,532
Fuel administration	39,057	60,000	-	60,000
Local only administration	79,731	105,622	76,738	28,884
Nonlocal only administration	-	76,425	23,577	52,848
FSET program	-	11,120	12,166	(1,046)
CSA coordinator	-	70,017	57,641	12,376
Local staff and operations	-	94,751	94,174	577
Pass-through	150,293	136,012	-	136,012
Debt service - leased item	-	-	230,714	(230,714)
Total welfare/social services	<u>4,270,944</u>	<u>4,959,690</u>	<u>4,215,609</u>	<u>744,081</u>
Comprehensive Youth Services Fund:				
Health and welfare:				
Welfare:				
CSA administration	25,000	25,000	27,504	(2,504)
CSA pooled services for youth and families	1,057,016	1,057,016	640,777	416,239
Total welfare	<u>1,082,016</u>	<u>1,082,016</u>	<u>668,281</u>	<u>413,735</u>
Law Library Fund:				
Judicial administration:				
Courts:				
Law library books	7,000	73,328	3,522	69,806
Stormwater Ordinance Fund:				
Community development:				
Environmental management:				
Stormwater ordinance	191,824	191,824	144,507	47,317
Drug Seizures Fund:				
Judicial administration:				
Commonwealth's attorney	-	11,670	-	11,670
Public safety:				
Law enforcement and traffic control:				
Sheriff	2,000	13,298	-	13,298
Total drug seizures fund	<u>2,000</u>	<u>24,968</u>	<u>-</u>	<u>24,968</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	247,123	123,870	123,253
Total fire and rescue services	<u>88,700</u>	<u>277,123</u>	<u>168,870</u>	<u>108,253</u>
Rehabilitation Projects Fund:				
Community development:				
Planning and community development:				
CDBG program income costs	-	1,492,837	5,421	1,487,416
CDBG Neighborhood grants	-	6,145	544,922	(538,777)
Total planning and community development	<u>-</u>	<u>1,498,982</u>	<u>550,343</u>	<u>948,639</u>
Captains Cove/Greenbackville Mosquito Control				
Health and welfare:				
Health:				
Contribution to mosquito control commission	46,650	52,509	78,247	(25,738)
Consolidated Emergency Medical Services:				
Public safety:				
Fire and Rescue Services:				
Emergency Medical Services	4,613,738	2,224,433	1,364,899	859,534

**COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022 (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	\$ 1,671,446	\$ 2,173,780	\$ 1,817,011	\$ 356,769
Courthouse Security Fund:				
Judicial administration:				
Courts:				
Court security	150,000	192,258	141,506	50,752
Total Special Revenue Funds	12,124,318	12,750,911	9,152,795	3,598,116
Capital Project Funds:				
County Capital Projects Fund:				
General government administration:				
Financial software	60,000	333,221	65,000	268,221
Equipment replacement	-	12,330	-	12,330
Total general government administration	60,000	345,551	65,000	280,551
Judicial administration:				
General District Courthouse improvements	500,000	500,000	-	500,000
Public safety:				
E911 building improvements	-	8,000	6,000	2,000
Emergency operations center	-	52,768	-	52,768
Total public safety	-	60,768	6,000	54,768
Public works:				
Solid waste machinery and equipment	366,000	366,000	-	366,000
Convenience center equipment	-	-	123,546	(123,546)
Building improvements	284,000	488,357	33,876	454,481
Dump truck	-	68,900	68,709	191
Total public works	650,000	923,257	226,131	697,126
Parks, recreation and cultural:				
Quinby Harbor improvements	-	346,844	125,370	221,474
Greenbackville Harbor improvements	83,625	104,992	5,030	99,962
Schooner Bay ramp replacement	-	239,668	234,460	5,208
Queen Sound ramp replacement	-	293,885	1,839	292,046
Harborton dock replacement	-	390,000	88,394	301,606
Hacks Neck dock improvements	-	88,434	14,805	73,629
Regional Library	-	1,977,425	894,064	1,083,361
Total parks, recreation and cultural	83,625	3,441,248	1,363,962	2,077,286
Community development:				
Derelict building removal program	150,000	163,255	7,270	155,985
Wachapreague dredging project	-	9,655	30,074	(20,419)
Folly Creek dredging project	-	70,301	59,022	11,279
Hazard mitigation grant	-	1,509,400	226,476	1,282,924
Total community development	150,000	1,752,611	322,842	1,429,769
Total County capital projects fund	1,443,625	7,023,435	1,983,935	5,039,500
Debt Service Funds:				
County Debt Service Fund:				
Debt Service:				
Principal	2,067,566	1,983,423	2,165,476	(182,053)
Interest and fiscal charges	833,660	917,803	776,937	140,866
Total County Debt Service Fund	2,901,226	2,901,226	2,942,413	(41,187)
Total expenditures-Primary Government	59,918,656	75,769,797	59,833,974	15,935,823

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022 (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	\$ 32,695,612	\$ 32,669,699	\$ 35,846,656	\$ (3,176,957)
Guidance services	1,297,311	1,432,120	1,219,530	212,590
Homebound instruction	53,928	53,928	20,684	33,244
Improvement of instruction	1,047,375	1,153,571	2,270,490	(1,116,919)
Media services	898,609	943,938	893,098	50,840
Office of the principal	3,717,246	3,911,130	3,667,053	244,077
Other	96,730	104,182	78,185	25,997
Total instruction costs	39,806,811	40,268,568	43,995,696	(3,727,128)
Administration of schools:				
Board services	52,238	52,238	73,520	(21,282)
Executive administration services	413,721	415,279	411,060	4,219
Personnel services	286,498	287,334	325,642	(38,308)
Fiscal services	486,209	488,299	577,326	(89,027)
Total administration of schools	1,238,666	1,243,150	1,387,548	(144,398)
Attendance and health services:				
Attendance services	108,603	109,173	113,476	(4,303)
Health services	749,095	752,154	1,083,214	(331,060)
Psychological services	413,662	428,437	604,885	(176,448)
Speech/audiology services	584,602	122,433	-	122,433
Total attendance and health services	1,855,962	1,412,197	1,801,575	(389,378)
Operation and maintenance services:				
Management and direction	237,959	239,004	205,905	33,099
Building services	5,850,491	7,805,757	12,301,996	(4,496,239)
Grounds services	231,540	231,825	156,569	75,256
Vehicle services (other than pupil transportation)	136,975	136,975	445,767	(308,792)
Total operation and maintenance services	6,456,965	8,413,561	13,110,237	(4,696,676)
Pupil transportation services:				
Management and direction	178,010	178,770	180,780	(2,010)
Vehicle operation services	3,038,252	3,395,586	3,408,356	(12,770)
Transportation monitoring	173,537	174,430	180,345	(5,915)
Vehicle maintenance services	644,386	696,172	659,566	36,606
Total pupil transportation services	4,034,185	4,444,958	4,429,047	15,911
Food Services:				
Food services	7,997	107,997	250,167	(142,170)
Technology services:				
Classroom instruction	2,101,594	2,155,076	3,050,359	(895,283)
Instructional support	1,170,030	1,187,023	1,122,647	64,376
Administration	127,995	127,995	121,289	6,706
Pupil transportation	9,640	9,640	5,289	4,351
Attendance and health	3,500	3,500	50,001	(46,501)
Operations and maintenance	70,000	70,000	265,755	(195,755)
Total technology services	3,482,759	3,553,234	4,615,340	(1,062,106)
Capital outlay	-	-	429,820	(429,820)
Debt service:				
Principal	-	-	10,655	(10,655)
Interest, including leases, and fiscal charges	-	-	84,613	(84,613)
Total debt service	-	-	95,268	(95,268)
Total school operating fund	56,883,345	59,443,665	70,114,698	(10,241,213)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022 (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	\$ 3,676,848	\$ (476,848)
School Capital Projects Fund:				
Education:				
Capital outlay:				
School construction/renovation	-	-	20	(20)
Total expenditures-School Board Component Unit	60,083,345	62,643,665	73,791,566	(10,718,081)
Grand total expenditures-Primary Government and School Board Component Unit	\$ 120,002,001	\$ 138,413,462	\$ 133,625,540	\$ 5,217,742

Statistical Section

Statistical Section

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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.	183
Revenue Capacity These schedules contain information to help the reader assess the county's most significant local revenue source, the property tax.	187
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.	194
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.	197
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.	199

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 POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

Table 1

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Net investment in capital assets	\$ 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	20,203,148
Restricted	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	12,102,423
Unrestricted	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	37,435,646
Total governmental activities net position	\$ 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	69,741,217
Business-type activities:										
Net investment in capital assets	\$ 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	14,206,177
Restricted	-	-	-	-	-	-	-	-	-	230,109
Unrestricted	(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)	(4,246,997)
Total business-type activities net position	\$ 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	10,189,289
Primary government:										
Net investment in capital assets	\$ 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	34,409,325
Restricted	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	12,332,532
Unrestricted	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	33,188,649
Total primary government net position	\$ 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	79,930,506

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:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government administration	\$ 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	4,664,443
Judicial administration	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	1,763,173
Public safety	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	16,311,952
Public works	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	4,989,366
Health and welfare	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	6,192,116
Education	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	16,588,415
Parks, recreation and cultural	1,014,589	961,633	894,436	1,048,256	1,271,895	1,239,140	1,301,533	484,488	1,129,852	1,080,262
Community development	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	5,121,034
Interest on long-term debt	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	831,228
Total governmental activities expenses	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	57,541,989
Business-type activities:										
Landfill	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	954,018
Airport	375,864	825,992	731,287	670,222	700,391	691,014	739,944	950,832	618,396	751,128
Water and Sewer	153,116	596,534	243,334	203,169	314,703	504,664	389,764	429,097	405,532	516,929
Parks and Recreation	81,476	56,470	48,959	69,436	54,955	39,181	45,253	22,340	9,038	7,355
Total business-type activities expenses	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	2,229,430
expenses	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	59,771,419
Program Revenues										
Governmental activities:										
Charges for services:										
General government administration	303,205	455,246	429,272	464,325	396,076	340,487	575,757	511,896	343,926	613,307
Judicial administration	94,495	100,293	89,168	76,993	108,135	81,468	117,902	89,391	72,637	123,073
Public safety	601,672	417,064	452,767	470,058	508,284	490,759	549,903	637,054	667,714	676,852
Public works	157,961	248,997	207,649	330,896	269,613	242,352	206,417	222,129	337,550	260,361
Health and welfare	296,399	300,016	433,837	406,018	398,651	455,688	450,225	483,752	444,629	87,774
Education	-	-	-	-	-	-	-	66,981	-	-
Parks, recreation and cultural	96,514	227,902	72,419	63,915	72,873	72,873	61,009	66,839	66,425	-
Community development	64,579	66,137	129,832	201,284	120,274	33,380	39,463	66,295	52,437	60,294
Interest on long term debt	-	-	-	-	-	-	-	-	82,984	89,193
Operating grants and contributions	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	14,323,517
Capital grants and contributions	271,414	785,074	4,143,748	91,253	39,520	335,000	1,364,751	1,958,574	289,812	-
revenues	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	16,234,371
Business-type activities:										
Charges for services:										
Landfill	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	3,741,688
Airport	143,170	319,374	288,003	242,236	253,556	295,816	251,371	245,010	231,671	324,765
Water and Sewer	218,395	215,641	270,507	200,897	217,078	278,763	305,519	337,309	399,279	354,650
Parks and recreation	55,165	63,196	53,942	49,740	53,444	38,385	35,092	28,814	3,571	4,356
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	194,371
revenues	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	4,619,830
Total primary government program revenues	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	20,854,201

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

Table 2

Page 2 of 2

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Primary Government:										
Net (Expense)/Revenue¹										
Governmental activities	(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)	(41,307,618)
Business-type activities	458,716	(886,935)	538,298	(1,990)	(656,975)	(818,656)	1,912,517	228,710	(1,137,896)	2,390,400
Total primary government net expense	(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)	(38,917,218)
General Revenues and Other										
Changes in Net Position										
Governmental activities:										
Taxes:										
General property taxes	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	38,066,876
Local sales and use taxes	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	5,135,745
Consumer utility taxes	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	734,693
Communication taxes	1,052,114	1,034,212	1,025,176	994,827	970,374	940,038	1,042,562	852,193	1,158,761	1,200,126
Other local taxes	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	2,976,998
Grants and contributions not restricted to specific programs	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	3,443,008
Investment earnings	10,954	22,857	13,120	9,583	8,463	46,368	5,907	62,170	27,226	230,270
Other revenue	189,259	845,326	291,288	378,396	61,481	329,248	70,010	197,348	139,715	-
Transfers	(1,134,135)	(1,900,590)	(164,935)	(199,509)	(193,732)	(758,393)	(360,064)	(619,012)	(160,275)	19,715
Total governmental activities	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	51,807,431
Business-type activities:										
Investment earnings	9,985	4,311	3,446	11,347	20,285	11,662	-	-	-	4,326
Gain on sale of capital assets	-	-	-	1,533	190,000	-	-	-	-	-
Other revenue	2,770,557	298	3,457	73	-	-	-	-	52,000	12,703
Transfers	1,134,135	1,900,590	164,937	199,509	193,732	758,393	360,064	619,012	160,275	(19,715)
Total business-type activities	3,914,677	1,905,199	171,840	212,462	404,017	770,055	360,064	619,012	212,275	(2,686)
Total primary government	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	51,804,745
Change in Net Position										
Governmental activities	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	10,499,813
Business-type activities	4,373,393	1,018,264	710,138	210,472	(252,958)	(48,601)	2,272,581	847,722	(925,621)	2,387,714
Total primary government	\$ 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	\$ 12,887,527

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Nonspendable	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ -
Restricted	24,890	30,326	31,047	32,053	32,053	33,123	36,196	36,210	6,210	6,214
Committed	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	12,367,051
Assigned	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	21,770,155
Unassigned	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	10,040,481
Total general fund	13,929,877	12,823,680	13,070,806	14,372,875	16,971,671	18,495,855	21,277,363	21,788,248	34,740,986	44,183,901
All Other Governmental Funds:										
Restricted	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	6,558,142
Assigned	17,810	874,755	1,034,644	5,050,567	3,305,886	739,763	1,791,432	4,125,945	2,118,179	1,527,949
Total other governmental funds	2,503,101	6,350,675	4,066,780	7,875,517	6,364,341	3,969,816	5,645,009	9,554,698	8,572,321	8,086,091
Total governmental funds	\$16,432,978	\$19,174,355	\$17,137,586	\$22,248,392	\$23,336,012	\$22,465,671	\$26,922,372	\$ 31,342,946	\$ 43,313,307	\$ 52,269,992

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

Table 4

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
General property taxes	\$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	\$38,620,798
Other local taxes	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	10,047,562
Permits, fees and licenses	345,459	429,010	474,442	463,126	364,692	372,036	414,763	348,652	400,674	491,280
Fines and forfeitures	71,617	76,395	65,622	54,318	84,220	57,413	85,100	57,685	40,094	91,655
Revenue from the use of money and property	361,817	368,898	339,413	327,381	336,728	361,763	479,705	521,072	512,664	230,270
Charges for services	410,393	450,270	406,926	509,555	440,922	500,255	577,701	713,285	652,189	613,497
Miscellaneous	349,418	973,391	381,084	474,631	189,950	4,651,616	1,172,085	217,785	625,318	293,668
Recovered costs	404,211	482,952	354,927	530,191	513,209	304,507	420,779	471,617	388,955	515,081
Intergovernmental	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	17,672,201
Total revenues	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	68,576,012
Expenditures										
General government administration	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	4,884,289
Judicial administration	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	1,700,087
Public safety	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	16,834,792
Public works	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	4,821,183
Health and welfare	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	6,111,743
Education	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	15,260,026
Parks, recreation and cultural	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	2,147,011
Community development	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	4,750,540
Nondepartmental	-	-	-	-	-	-	-	-	-	30,046
Debt service:										
Principal	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	2,389,022
Interest	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	905,235
Total expenditures	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	59,833,974
Excess of revenues over (under) expenditures	745,758	539,521	(1,871,834)	960,315	1,281,352	(111,948)	4,816,766	2,953,586	12,102,180	8,742,038
Other Financing Sources (Uses)										
Refunding bonds issued	-	-	-	-	-	-	-	-	-	2,470,000
Premium on bonds issued	-	-	-	-	-	-	-	-	-	209,360
Payments to refunded bond escrow agents	-	(6,802,527)	-	-	-	-	-	-	-	(2,591,629)
Proceeds from leases	-	-	-	-	-	-	-	-	-	107,201
Transfers in	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	5,011,479
Transfers out	(2,485,797)	(3,932,811)	(2,269,210)	(1,926,852)	(2,621,494)	1,948,596	(3,346,289)	(4,689,297)	(1,912,318)	(4,991,764)
Total other financing sources (uses)	(1,134,135)	2,201,856	(164,935)	4,150,491	(193,732)	3,897,192	(360,065)	1,466,988	(160,275)	214,647
Net change in fund balances	\$ (388,377)	\$ 2,741,377	\$ (2,036,769)	\$ 5,110,806	\$ 1,087,620	\$ 3,785,244	\$ 4,456,701	\$ 4,420,574	\$ 11,941,905	\$ 8,956,685
Debt service as a % of noncapital expenditures	10.43%	10.50%	10.23%	10.15%	10.35%	9.26%	6.91%	6.63%	6.54%	5.71%

**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
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%
2022	3,255,410,300	854,321,010	591,025,900	101,461,900	4,599,295,310	0.635	4,700,757,210	97.84%

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.

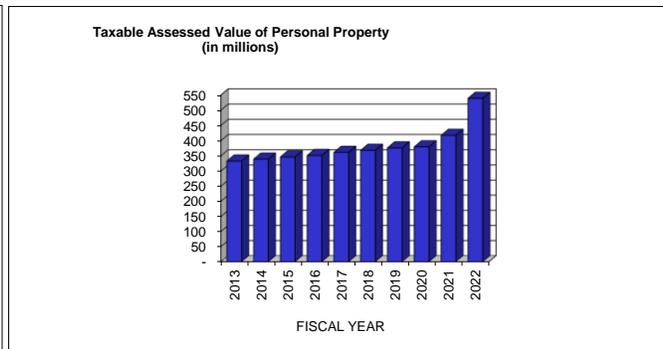
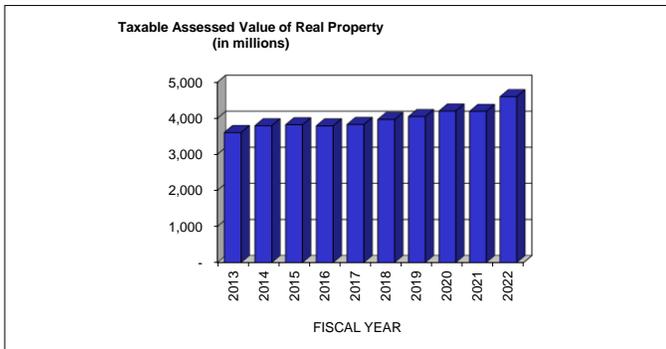
**COUNTY OF ACCOMACK, VIRGINIA
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PERSONAL PROPERTY
 LAST TEN FISCAL YEARS**

Table 5B

Fiscal Year Ending June 30,	Motor Vehicles & Other	Mobile Homes	Machinery & Tools	Total Taxable Assessed Value	Total Direct Personal Property Tax Rate
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
2022	490,241,772	28,578,586	20,340,667	539,161,025	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	2013					2014					2015					2016					2017				
	District Number					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	2	3	4	5	6
Real Property																									
County Direct Rates:																									
General	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	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	0.095	0.095	0.095	0.095	0.095	0.095	0.095	0.095	0.095	0.095	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	-	0.090	0.090	0.090	0.090	-	0.090	0.090	0.090	0.090	-	0.120	0.120	0.120	0.120	-	0.120	0.120	0.120	0.120	-
Fire and Rescue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mosquito Control ²	0.02	-	-	-	-	0.025	-	-	-	-	0.025	-	-	-	-	0.025	-	-	-	-	0.025	-	-	-	-
Total real property direct rates	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	0.635	0.610	0.610	0.610	0.490	0.635	0.610	0.610	0.610	0.490
Overlapping Governments:																									
Town of Chincoteague	-	-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.07
Town of Saxis	-	0.17	-	-	-	-	0.17	-	-	-	-	0.17	-	-	-	-	0.17	-	-	-	-	0.17	-	-	-
Town of Hallwood	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-
Town of Bloxom	-	0.16	-	-	-	-	0.16	-	-	-	-	0.16	-	-	-	-	0.16	-	-	-	-	0.16	-	-	-
Town of Parksley	-	0.25	-	-	-	-	0.25	-	-	-	-	0.29	-	-	-	-	0.29	-	-	-	-	0.32	-	-	-
Town of Tangier	-	-	0.35	-	-	-	-	0.35	-	-	-	-	0.35	-	-	-	-	0.35	-	-	-	-	0.40	-	-
Town of Accomac	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.09	-	-	-	-	0.09	-	-	-	-	0.09	-	-
Town of Onley	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-
Town of Onancock	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.32	-	-
Town of Melfa	-	-	-	0.05	-	-	-	-	0.05	-	-	-	-	0.06	-	-	-	-	0.09	-	-	-	-	0.09	-
Town of Wachapreague	-	-	-	0.16	-	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.13	-
Town of Keller	-	-	-	0.12	-	-	-	-	0.12	-	-	-	-	0.12	-	-	-	-	0.12	-	-	-	-	0.12	-
Town of Painter	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-
Town of Belle Haven	-	-	-	0.085	-	-	-	-	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	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	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	-	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	3.72	3.72	3.72	3.72	3.63
Overlapping Governments:																									
Town of Chincoteague	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85
Town of Saxis	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-
Town of Hallwood	0.48	-	-	-	-	0.48	-	-	-	-	0.48	-	-	-	-	0.48	-	-	-	-	0.48	-	-	-	-
Town of Bloxom	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-
Town of Parksley	-	1.30	-	-	-	-	1.30	-	-	-	-	1.30	-	-	-	-	1.30	-	-	-	-	1.30	-	-	-
Town of Tangier	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town of Accomac	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-
Town of Onley	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-
Town of Onancock	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-
Town of Melfa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town of Wachapreague	-	-	-	0.16	-	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.13	-
Town of Keller	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-
Town of Painter	-	-	-	0.30	-	-	-	-	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=Metompkin 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	2022			2013		
	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	3.19%	\$ -	-	-
A&N Electric Cooperative	92,004,764	2	1.79%	76,292,833	2	1.69%
Commonwealth Chesapeake Corp	73,331,992	3	1.43%	165,787,804	1	3.67%
Delmarva Power & Light Company	28,672,208	4	0.56%	19,445,987	6	0.43%
Perdue	23,653,674	5	0.46%	32,275,378	4	0.72%
Old Dominion Electric Cooperative	22,374,885	6	0.44%	10,856,222	10	0.24%
Verizon Virginia LLC	14,627,125	7	0.28%	32,733,655	3	0.73%
Chincoteague Hotel LLC	12,122,745	8	0.24%	-	-	0.00%
Tyson's Farms, Inc	11,680,400	9	0.23%	29,235,904	5	0.65%
Wal-Mart Stores	9,890,700	10	0.19%	14,639,188	7	0.32%
Captains Cove Group LLC	-	-	-	11,784,600	8	0.26%
Madonia, Batista or Evelyn Madonia	-	-	-	11,502,608	9	0.25%

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
2022	Personal Property-Public Svc. Corp.	12/2021	\$ 48,917	\$ -	48,917	48,917	100.0%	-	\$ 48,917	100.0%
2022	Personal Property-Regular	12/2021	5,895,104	-	5,895,104	5,390,930	91.4%	-	\$ 5,390,930	91.4%
2022	Real Estate-Public Svc. Corp.	12/2021	1,293,907	-	1,293,907	1,293,907	100.0%	-	\$ 1,293,907	100.0%
2022	Real Estate-Regular	12/2021	10,852,408	-	10,852,408	10,533,281	97.1%	-	\$ 10,533,281	97.1%
2022	Real Estate-Special Assess.	12/2021	15,509	200	15,709	2,734	17.4%	-	\$ 2,734	17.4%
2022	Personal Property-Regular Supp	4/2022	221,081	-	221,081	155,974	70.6%	-	\$ 155,974	70.6%
2022	Personal Property-Regular	6/2022	6,969,627	-	6,969,627	5,191,317	74.5%	-	\$ 5,191,317	74.5%
2022	Real Estate-Public Svc. Corp. ⁴	6/2022	1,205,120	-	1,205,120	1,205,120	100.0%	-	\$ 1,205,120	100.0%
2022	Personal Property-Public Svc. Corp. ⁴	6/2022	48,901	-	48,901	48,901	100.0%	-	\$ 48,901	100.0%
2022	Real Estate-Regular	6/2022	11,643,396	-	11,643,396	10,498,820	90.2%	-	\$ 10,498,820	90.2%
			\$ 38,193,971	\$ 200	\$ 38,194,171	\$ 34,369,901	90.0%	\$ -	\$ 34,369,901	90.0%
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	(38,006)	5,304,298	4,653,591	87.7%	338,610	4,992,202	94.1%
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	(1,484)	10,751,458	10,393,321	96.7%	204,907	10,598,228	98.6%
2021	Real Estate-Special Assess.	12/2020	15,310	133	15,443	13,289	86.1%	528	13,817	89.5%
2021	Personal Property-Regular Supp	4/2021	250,340	10,318	260,658	183,650	70.5%	38,962	222,612	85.4%
2021	Personal Property-Regular	6/2021	6,090,022	(194,918)	5,895,104	4,351,240	73.8%	1,229,209	5,580,449	94.7%
2021	Real Estate-Public Svc. Corp. ⁴	6/2021	1,394,226	(216,715)	1,177,511	1,177,511	100.0%	-	1,177,511	100.0%
2021	Personal Property-Public Svc. Corp. ⁴	6/2021	50,791	(1,907)	48,884	48,884	100.0%	-	48,884	100.0%
2021	Real Estate-Regular	6/2021	10,856,163	(6,036)	10,850,127	9,768,151	90.0%	839,896	10,608,047	97.8%
	total		\$ 36,248,267	\$ (448,614)	\$ 35,799,652	\$ 32,085,807	89.6%	\$ 2,652,112	\$ 34,737,919	97.0%
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	(49,753)	5,259,091	4,495,390	85.5%	335,683	4,831,073	91.9%
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	(6,148)	10,268,652	9,729,810	94.8%	439,686	10,169,496	99.0%
2020	Real Estate-Special Assess.	12/2019	15,443	-	15,443	7,174	46.5%	7,331	14,505	93.9%
2020	Personal Property-Regular Supp	04/2020	179,517	(17,399)	162,118	83,351	51.4%	67,969	151,320	93.3%
2020	Personal Property-Regular	08/2020	5,753,556	(184,363)	5,569,194	1,421,647	25.5%	3,837,386	5,259,033	94.4%
2020	Real Estate-Public Svc. Corp. ⁴	08/2020	1,394,183	37,081	1,431,265	122,658	8.6%	1,234,444	1,357,102	94.8%
2020	Personal Property-Public Svc. Corp. ⁴	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	(7,194)	10,749,171	4,184,953	38.9%	6,438,061	10,623,014	98.8%
	total		\$ 35,210,063	\$ (282,446)	\$ 34,935,248	\$ 21,490,293	61.5%	17,156,270	86,275,096	247.0%
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	(438,761)	4,998,645	4,421,421	88.5%	356,853	4,778,274	95.6%
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	(14,364)	10,046,409	9,558,100	95.1%	436,038	9,994,138	99.5%
2019	Real Estate-Special Assess.	12/2018	15,443	-	15,443	11,176	72.4%	3,462	14,637	94.8%
2019	Personal Property-Regular	03/2019	138,142	(3,772)	134,370	84,200	62.7%	42,485	126,685	94.3%
2019	Personal Property-Regular	06/2019	5,649,938	(230,513)	5,419,426	4,084,096	75.4%	1,074,794	5,158,890	95.2%
2019	Real Estate-Public Svc. Corp. ⁴	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. ⁴	06/2019	39,752	(2,332)	37,420	37,419	100.0%	-	37,419	100.0%
2019	Real Estate-Regular	06/2019	10,262,597	(11,983)	10,250,614	9,092,713	88.7%	1,087,352	10,180,065	99.3%
	total		\$ 34,611,389	\$ (787,230)	\$ 33,824,160	\$ 29,715,101	87.9%	\$ 3,496,841	\$ 33,211,942	98.2%
2018	Personal Property-Public Svc. Corp.	12/2017	42,988	(6,028)	36,960	36,960	100.0%	0	36,960	100.0%
2018	Personal Property-Regular	12/2017	5,362,590	(508,816)	4,853,774	4,178,908	86.1%	406,945	4,585,853	94.5%
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	(13,113)	10,171,743	9,652,025	94.9%	474,595	10,126,620	99.6%
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	(3,019)	166,675	128,749	77.2%	34,249	162,998	97.8%
2018	Personal Property-Regular	06/2018	5,504,655	(306,330)	5,198,325	3,917,067	75.4%	442,347	4,359,414	83.9%
2018	Real Estate-Public Svc. Corp. ⁴	06/2018	1,410,673	(29,031)	1,381,642	1,074,116	77.7%	307,525	1,381,641	100.0%
2018	Personal Property-Public Svc. Corp. ⁴	06/2018	37,506	(519)	36,987	36,986	100.0%	-	36,986	100.0%
2018	Real Estate-Regular	06/2018	10,058,743	(17,587)	10,041,156	8,989,582	89.5%	1,004,172	9,993,754	99.5%
	total		\$ 34,563,502	\$ (696,742)	\$ 33,866,759	\$ 29,991,887	88.6%	\$ 2,671,032	\$ 32,662,919	96.4%
2017	Personal Property-Public Svc. Corp.	12/2016	43,800	-	43,800	43,800	100.0%	-	43,800	100.0%
2017	Real Estate-Roll Back Taxes	12/2016	49,037	-	49,037	49,037	100.0%	-	49,037	100.0%
2017	Personal Property-Regular	12/2016	5,164,557	(437,735)	4,726,822	4,127,858	87.3%	598,453	4,726,310	100.0%
2017	Real Estate-Public Svc. Corp.	12/2016	923,300	29,816	953,116	953,116	100.0%	-	953,116	100.0%
2017	Real Estate-Regular	12/2016	10,174,102	(86,984)	10,087,119	9,611,265	95.3%	445,899	10,057,164	99.7%
2017	Real Estate-Special Assess.	12/2016	4,172	-	4,172	2,268	54.4%	1,099	3,367	80.7%
2017	Personal Property-Regular	03/2017	222,105	(24,971)	197,134	141,387	71.7%	55,747	197,134	100.0%
2017	Personal Property-Regular	06/2017	5,298,320	(339,381)	4,958,939	3,797,030	76.6%	955,107	4,752,137	95.8%
2017	Real Estate-Public Svc. Corp. ⁴	06/2017	893,813	(46,543)	847,270	847,270	100.0%	-	847,270	100.0%
2017	Personal Property-Public Svc. Corp. ⁴	06/2017	42,988	(6,028)	36,960	36,960	100.0%	-	36,960	100.0%
2017	Real Estate-Regular	06/2017	10,185,171	(11,402)	10,173,769	9,096,150	89.4%	1,035,968.85	10,132,119	99.6%
	total		\$ 33,001,364	\$ (923,227)	\$ 32,078,137	\$ 28,706,139	89.5%	\$ 3,092,274	\$ 31,798,413	99.1%
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	(427,926)	4,449,728	3,905,489	87.8%	544,140	4,449,629	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%	536,321	9,722,259	99.8%
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	(5,784)	159,164	129,016	81.1%	30,147	159,163	100.0%
2016	Personal Property-Regular	06/2016	5,114,678	(295,005)	4,819,674	3,686,183	76.5%	1,133,195	4,819,379	100.0%
2016	Real Estate-Public Svc. Corp. ⁴	06/2016	863,998	(29,487)	834,511	834,511	100.0%	-	834,511	100.0%
2016	Personal Property-Public Svc. Corp. ⁴	06/2016	46,964	(4,789)	42,175	42,174	100.0%	-	42,174	100.0%
2016	Real Estate-Regular	06/2016	10,174,102	(87,998)	10,086,105	9,006,032	89.3%	1,055,037	10,061,069	99.8%
	total		\$ 32,862,663	\$ (935,816)	\$ 31,926,847	\$ 28,579,309	89.5%	\$ 3,299,409	\$ 31,878,718	99.8%

**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			Total Collections	
						Amount	Levy	Subsequent	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	(391,073)	4,194,985	3,613,511	86.1%	581,474	4,194,984	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	(88,032)	9,665,780	9,086,273	94.0%	561,834	9,648,107	99.8%
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	(34,953)	130,016	92,254	71.0%	37,762	130,016	100.0%
2015	Personal Property-Regular	06/2015	5,015,816	(286,450)	4,729,367	3,426,729	72.5%	1,302,505	4,729,235	100.0%
2015	Real Estate-Regular	06/2015	9,828,979	(86,012)	9,742,967	8,279,637	85.0%	1,444,094	9,723,732	99.8%
2015	Total		\$ 31,141,309	\$ (886,609)	\$ 30,254,700	\$ 26,270,465	86.8%	\$ 3,946,571	\$ 30,217,035	99.9%
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	(396,748)	4,185,259	3,631,896	86.8%	553,363	4,185,259	100.0%
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	(89,268)	9,211,783	8,671,064	94.1%	525,366	9,196,430	99.8%
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	(8,436)	154,515	110,950	71.8%	43,565	154,515	100.0%
2014	Personal Property-Regular	06/2014	4,751,142	(273,034)	4,478,108	3,398,176	75.9%	1,079,932	4,478,108	100.0%
2014	Real Estate-Regular	06/2014	9,753,812	(89,300)	9,664,512	8,566,104	88.6%	1,081,876	9,647,981	99.8%
2014	Total		\$ 30,213,495	\$ (856,876)	\$ 29,356,619	\$ 26,023,025	88.6%	\$ 3,301,087	\$ 29,324,111	99.9%
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	(113,839)	9,167,088	8,557,067	93.3%	597,216	9,154,283	99.9%
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	(15,186)	215,513	157,646	73.1%	57,867	215,513	100.0%
2013	Personal Property-Regular	06/2013	4,723,284	(280,366)	4,442,917	3,198,351	72.0%	1,244,566	4,442,917	100.0%
2013	Real Estate-Regular	06/2013	9,301,052	(87,674)	9,213,378	8,052,980	87.4%	1,145,838	9,198,818	99.8%
2013	Total		\$ 29,657,411	\$ (915,940)	\$ 28,741,471	\$ 25,141,673	87.5%	\$ 3,572,143	\$ 28,713,816	99.9%

⁽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							Per Capita ¹	Percentage of Personal Income ¹
	General Obligation Bonds							Leases	Lease Revenue Bond	Bond Premiums and Discounts	Right to Use Lease Liabilities	Total Primary Government				
	Literary Fund Loans	Va. Public School Authority Bonds	Zone Academy Bonds	Bond Premiums and Discounts	Lease Revenue Bonds	Right to Use Lease Liabilities	General Obligation Bonds ²									
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%		
2022	-	10,902,980	-	488,621	8,844,664	846,141	-	-	3,750,000	645,391	9,956	25,487,753	767	1.33%		

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
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
2022	10,902,980	10,902,980	896,604	10,006,376	0.20%	301

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
PLEGGED REVENUE COVERAGE SEWER
LAST TEN FISCAL YEARS**

TABLE 11

	Fiscal Year
	2022
Landfill Fund Operating Income	\$ 3,741,688
Plus:	
Depreciation & amortization	766,923
Interest income received	4,326
Capital contributions from members	
Regional Sewerage Treatment Plant	-
Governmental grants & miscellaneous income	-
Intergovernmental transfer (2))	16,943
	<u>16,943</u>
Net Revenue per Indenture (1)	<u><u>\$ 4,529,880</u></u>
Debt Service	
Lease Revenue Bonds	
Principal (3)	\$ -
Interest	232,441
Total	232,441
Revenue bonds	
Total Debt Service Principal and Interest	<u><u>\$ 232,441</u></u>
Debt Coverage	<u><u>19.49</u></u>

1. In August, 2021, Accomack County closed on a new revenue lease bond issue that will provide funds for expansion of our North landfill, specifically cell 7. As a result, the above information is required to be presented and will accumulate year over year. FY 22 is the first year.

2. The Landfill fund received \$16,943 from the Emergency Management Fund which had expenditures covered by ARPA funding that are included in expenditures of the Landfill fund.

3. The bond schedule for repayment doesn't have a principal payment until FY 23, thus there were none for FY 22. See footnote 10 for debt payment schedules for both principal and interest. This is the only lease revenue debt for the Landfill fund.

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

Table 12

Year	Population ¹	Personal Income (expressed in thousands) ^{2a}	Per Capita Personal Income ^{2b}	Unemployment Rate ⁴	School Enrollment ³
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	\$1,912,316	\$57,520	4.50%	4,867
2022	33,246	N/A	N/A	3.00%	4,836

N/A - Not available

¹ Source: U.S. Census Bureau Population Estimates/July 1, 2021 - <https://www.census.gov/quickfacts/fact/table/accomackcountyvirginia>

^{2a} Source: U.S. Bureau of Economic Analysis - <https://fred.stlouisfed.org/series/PI51001> (November 16, 2021 (2020) next release November 16, 2022

^{2b} Source: U.S. Bureau of Economic Analysis - <https://www.bea.gov/sites/default/files/2021-11/lapi1121.pdf> (November 16, 2021 (2018-2020) next release November 16, 2022

³ Source: Accomack County School Board

⁴ Source: Virginia Employment Commission/2021 unemployment rate as of June 2022 - [Accomack County, VA Unemployment Rate \(ycharts.com\)](https://www.ycharts.com/chart?id=3848444)

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

Table 13

Employer	2022			2013		
	Employees	Rank	Percentage of Total County Employment ¹	Employees	Rank	Percentage of Total County Employment ¹
Perdue Products	1000+	1	8.64%	1000+	1	5.90%
Tyson Farms	1000+	2	8.64%	1000+	2	5.90%
Accomack County School Board	1000+	3	8.64%	1000+	3	5.90%
Riverside Regional Medical Center	250-499	4	2.16%	100-249	9	0.59%
County of Accomack	250-499	5	2.16%	250-499	4	1.47%
National Aeronautics & Space Administration	250-499	6	2.16%	250-499	5	1.47%
Walmart	100-249	7	0.86%	250-499	6	1.47%
Eastern Shore Rural Health System	100-249	8	0.86%	-	-	0.00%
LJT Associates Inc.	100-249	9	0.86%	100-249	8	0.59%
Eastern Shore Community Services	100-249	10	0.86%	100-249	7	0.59%
The Cube Corporation	-	-	0.00%	100-249	10	0.59%
			35.84%			24.47%

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 14

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government administration										
Commonwealth of Virginia)	10.0	10.0	9.0	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	30.0	32.0	32.0	30.0	29.0	30.0	30.0	30.0	31.0	33.6
Judicial administration										
Commonwealth of Virginia)	17.8	15.8	15.8	15.8	15.8	15.8	15.8	16.0	16.5	16.5
Other	2.5	2.5	2.5	2.5	2.5	2.5	2.5	3.0	3.0	4.0
Public Safety										
Commonwealth of Virginia)	63.7	63.7	63.7	63.7	63.7	64.7	64.7	64.7	64.7	64.7
Firefighters and emergency medical personnel	35.0	38.0	41.5	43.5	52.5	52.5	58.5	60.0	60.0	71.0
Other	13.0	13.0	13.0	12.5	11.5	11.5	11.5	9.0	9.0	10.0
Public Works										
Refuse collection and litter control	20.9	24.4	24.4	25.2	25.2	25.2	25.2	25.2	27.0	28.0
Refuse disposal	13.5	13.5	13.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5
Building and grounds	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	15.3	16.3
Wastewater treatment	1.0	0.0	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	2.0	2.0	3.0	3.0
Health and welfare										
Social services and welfare	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	56.0	56.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	-	1.0	0.0	0.0
Parks, recreation and cultural	4.5	4.8	4.8	5.3	5.3	5.3	5.3	5.3	3.8	2.9
Community development⁴	11.0	12.0	12.0	13.5	13.5	13.5	13.5	13.5	13.5	13.5
Total primary government	<u>295.2</u>	<u>302.0</u>	<u>304.5</u>	<u>307.7</u>	<u>314.7</u>	<u>316.7</u>	<u>323.8</u>	<u>324.5</u>	<u>328.2</u>	<u>345.0</u>

Source: Accomack County Finance Office

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

² The 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 15

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Assessor										
Taxable real estate number of parcels	39,800	39,844	39,847	39,895	39,851	39,854	39,911	39,959	39,962	39,927
Tax-exempt real estate number of parcels	941	943	955	962	968	972	970	982	988	987
Number of parcels enrolled in land use program	1,977	1,873	1,837	1,462	1,427	1,301	1,308	1,411	1,407	1,399
Commissioner of Revenue										
Mobile homes	3,169	3,152	3,139	3,092	3,949	3,912	4,034	3,927	3,790	3,706
vehicles	23,808	24,846	25,330	24,572	38,174	37,749	26,664	37,240	38,974	38,776
PPTRA tax credit percentages (vehicle value <\$1,000;\$1,000-\$20,000)	100%;49%	100%;49%	100%;46%	100%;46%	100%;44%	100%;44%	100%;42%	100%, 40%	100%, 40%	
Finance										
Vendor checks issued	9,555	9,844	8,234	8,681	8,987	9,716	8,778	7,634	7,982	9,359
Annual County payroll checks/direct deposits	9,072	9,133	8,725	8,675	8,746	8,097	9,052	8,656	10,571	8,987
Annual School Board payroll checks/direct deposits	28,271	26,728	26,060	28,856	27,605	27,346	27,017	26,487	24,200	27,902
Treasurer										
Real estate bills created	79,092	79,152	79,042	79,184	79,180	79,138	79,250	79,146	79,183	79,265
Personal property bills created	66,378	68,132	68,579	68,710	68,621	66,022	65,966	66,394	67,164	67,245
Judicial Administration										
Clerk of Court										
Deed book recordings	5,374	5,203	4,497	6,159	4,997	4,946	4,803	5,124	5,631	7,134
Judgments	2,706	2,420	2,705	2,032	1,450	1,818	1,771	2,830	2,237	2,350
Public Safety										
Fire and Emergency Services										
Emergency responses ¹	4,751	5,542	5,887	4,635	5,860	6,498	7,443	7,901	7,950	8,296
Patients transported ¹	2,724	2,882	3,350	2,428	2,521	3,003	3,060	2,866	2,979	3,107
Fire responses ¹	406	247	281	216	327	355	457	512	1,185	1,389
Fire investigations	N/A	N/A	N/A							
Fire inspections			N/A							
EMS turn-out time when fully staffed ¹	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	3.08
EMS drive time when fully staffed ¹	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	7.27
EMS response time when fully staffed ¹	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	10.35
Jail										
Average daily inmate population	104	104	104	106	100	105	105	100	107	87
Sheriff's Office										
Physical arrests	1,673	1,262	1,450	1,563	1,830	1,917	2,587	1,360	1,123	1,057
Traffic violations	577	637	500	356	910	639	1,240	1,552	1,193	907
Health and Welfare										
Comprehensive Services Act										
Youth receiving services	21	23	45	32	29	32	30	21	12	13
Social Services										
Medicaid Recipients	5,244	5,279	5,412	5,483	5,110	5,331	6,168	6,806	7,196	n/a
Food Stamp Recipients	4,419	4,404	4,081	3,754	3,482	3,191	3,160	3,121	3,310	n/a
Households receiving Heating Assistance	1,949	1,818	1,821	1,680	1,505	1,440	1,399	1,340	1,314	n/a
Households receiving Cooling Assistance	593	548	586	528	513	533	533	505	518	n/a
Community Development										
Building permits issued	729	663	631	692	753	727	754	752	901	1,447
Other Funds										
Landfills										
Billable tons of refuse disposed	39,614	35,484	43,474	42,289	44,905	40,721	41,748	37,218	41,406	46,298
Tons of recycled materials ^c	12,346	5,828	16,617	23,274	40,620	47,592	N/A	2,733	3,704	3,250

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

Table 16

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function										
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol units ¹	48	48	52	51	51	52	53	56	60	55
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	39	39	40	45	44	47	47	47	47
Square foot in buildings	153,049	161,549	162,797	164,297	167,094	169,316	195,800	197,455	197,455	197,455
Refuse collection sites (staffed) ²	6	6	6	7	7	7	7	2	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		5	5	8
Parks, Recreation and Cultural										
Athletic fields	18	18	18	18	18	20	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	17	17	17
Low impact water access site	9	9	9	9	9	9	9	5	5	5
Pier or bulkhead only	3	3	3	3	3	3	3	5	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'	5,000
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	111	111	119	110	112	92	83	87
Component Units										
Industrial Development Park										
Acreage available for sale	261.28	259.28	259.28	259.28	247.21	247.21	247.21	240.12	240.12	240.12

Sources: Various County departments.

¹Includes process server vehicles.

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

Compliance Section

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
Accomack, 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, 2022, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements, and have issued our report thereon dated March 7, 2023.

Report on 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.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. **We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs, as item IC-2022-001, that we consider to be a material weakness.**

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Report on 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 in the accompanying schedule of findings and questioned costs, as VA-2022-001, VA-2022-002, VA-2022-003, and VA-2022-004.**

County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response (Corrective Action Plan and Client's Status of Prior Year Findings) to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response (Corrective Action Plan and Client's Status of Prior Year Findings) was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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
March 7, 2023

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

Opinion on Compliance for Each Major 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, 2022. 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.

In our opinion, the 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, 2022.

Basis for Opinion on Each Major Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

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Report on Compliance for Each Major Federal Program (Continued)

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. **We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Item FA-2022-001 to be a material weakness.**

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

Government Auditing Standards requires the auditor to perform limited procedures on the County's response (Corrective Action Plan and Client's Status of Prior Year Findings) to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response (Corrective Action Plan and Client's Status of Prior Year Findings) was not subjected to the other auditing procedures applied in the audit of compliance 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
March 7, 2023

COUNTY OF ACCOMACK, VIRGINIA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT
 FOR THE YEAR ENDED JUNE 30, 2022

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 AND COMPONENT UNIT-SCHOOL BOARD:				
Department of Justice:				
Inmate Social Security Boundy	N/A	16.000	-	\$ 5,100
<u>Pass Through Payments:</u>				
Department of Justice Crime Victim Assistance	21-X9568VG19	16.575	-	51,481
Total Department of Justice			-	56,581
Department of Transportation:				
<u>Direct Payments:</u>				
Airport Improvement Program	N/A	20.106	-	2,087
Airport Improvement Program - American Rescue Plan Act 2021	N/A	20.106	-	32,000
Airport Improvement Program - CS003328	N/A	20.106	-	113,176
Total Airport Improvement Program			-	147,263
Department of Transportation:				
<u>Pass Through Payments:</u>				
State and Community Highway Safety (Highway Safety Cluster)	FOP 2021-51279-21279	20.600	-	17,627
Total Department of Transportation			-	164,890
Department of Homeland Security:				
<u>Pass Through Payments:</u>				
Virginia Department of Emergency Services: Hazard Mitigation Grant	FEMA-DR-4291-VA-009	97.039	-	170,354
Homeland Security Grant Program	N/A	97.067	-	28,011
Local Emergency Management Performance Grant (LEMPG)	N/A	97.042	-	48,152
Total Virginia Department of Emergency Services			-	246,517
Total Department of Homeland Security			-	246,517
Department of Agriculture:				
<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	-	640,795
Total Department of Agriculture			-	640,795
Department of Health and Human Services:				
<u>Pass Through Payments:</u>				
Department of Social Services:				
IV-E Prevention Services	1140122	93.472	-	4,691
Guardianship Assistance (KinGap)	1110122	93.090	-	357
MaryLee Allen Promoting Safe and Stable Families	950112	93.556	-	19,395
Temporary Assistance for Needy Families (TANF Cluster)	0400111/0400112	93.558	-	363,788
Refugee and Entrant Assistance - State/Replacement Designee Administered Programs	0500110/0500111	93.566	-	1,759
Low-Income Home Energy Assistance	0600411/0600412	93.568	-	67,060
Child Care Mandatory and Matching Funds of the Child Care and Development Fund (Child Care and Development Fund Cluster)	0760111/0760112	93.596	-	81,700
Chafee Education and Training Vouchers Program	9160109	93.599	-	442
Stephanie Tubbs Jones Child Welfare Services Program	0900111/0900112	93.645	-	897
Foster Care-Title IV-E	1100111/1100112	93.658	-	170,714
Adoption Assistance	1120111/1120112	93.659	-	219,261
Social Services Block Grant	1000110/1000111	93.667	-	323,064
John H. Chafee Foster Care Program for Successful Transition to Adulthood	9150111/9150112	93.674	-	4,077
Children's Health Insurance Program	0540111/0540112	93.767	-	3,442
Medical Assistance Program (Medicaid Cluster)	1200111/1200112	93.778	-	333,874
Total Department of Social Services			-	1,594,521
Total Department of Health and Human Services			-	1,594,521
Department of the Interior:				
<u>Direct Payments:</u>				
Chincoteague Wildlife Refuge	N/A	15.000	-	74,770
Total Department of the Interior			-	74,770
Department of Treasury:				
<u>Pass Through Payments:</u>				
Coronavirus State and Local Fiscal Recovery Funds	N/A	21.027	-	3,138,502
COVID-19-Coronavirus Relief Fund (ARP CSLFRF HVAC Replacement and Improvement)	SLRFP1026	21.027	-	333,420
Subtotal 21,027			-	3,471,922
Virginia Department of Accounts: COVID-19-Coronavirus Relief Fund	N/A	21.019	194,411	284,244

COUNTY OF ACCOMACK, VIRGINIA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT
 FOR THE YEAR ENDED JUNE 30, 2022

PRIMARY GOVERNMENT - 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 Treasury (continued):				
Virginia Department of Criminal Justice Services: CESF General District & Circuit Courts	N/A	16.034	-	2,059
Total Department of the Treasury			194,411	3,758,225
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	86-0162-0-1-451	14.228	-	129,760
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	86-0162-0-1-451	14.228	-	400,512
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	86-0162-0-1-451	14.228	546,239	788,258
Subtotal 14.228			546,239	1,318,530
Total Department of Housing and Urban Development			546,239	1,318,530
Department of Agriculture:				
<u>Pass Through Payments:</u>				
Virginia Department of Agriculture and Consumer Services:				
Food Distribution (Child Nutrition Cluster)	10.555/2020/2021	10.555	-	267,917
USDA COVID Emergency Funds	202121H17034	10.555	-	223,281
SCA Funds	202221N89034	10.555	-	78,856
National School Lunch Programs (NSLP)	202121N11994	10.555	-	2,199,341
Subtotal 10.555			-	2,769,395
Federal School Breakfast Program	202121N11994	10.553	-	962,500
COVID-19-Summer Food Service Program for Children (Child Nutrition Cluster)	10.559/2019/2020	10.559	-	44,033
Total Child Nutrition Cluster			-	3,775,928
Pandemic Electronic Benefit Transfer (P-EBT)	202121S900941	10.649	-	5,814
Total Department of Agriculture			-	3,781,742
Department of Treasury:				
<u>Pass Through Payments:</u>				
Emergency Connectivity Fund	SLFRP1026	32.009	-	95,458
Total Department of Treasury			-	95,458
Department of Education:				
<u>Pass Through Payments:</u>				
Department of Education:				
Title I Grants to Local Educational Agencies	S010A120046/S011A130046	84.010	-	2,062,894
Migrant Education - State Grant Program	S011A120047/S011A130047	84.011	-	221,541
Special Education - Grants to States	H027A120107/H027A130107	84.027	-	1,178,907
Special Education - IDEA - Part B 611 ARP Flowthrough	H027X210107	84.027	-	52,545
Subtotal 84.027			-	1,231,452
Special Education - Preschool Grants	H173A120112/H173A130112	84.173	-	37,199
Total special education cluster			-	1,268,651
Career and Technical Education - Basic Grants to States	V048A120046/V048A130046	84.048	-	148,405
Rural Education	S358B190046/S358B200046	84.358	-	178,685
English Language Acquisition Grants	S365A200046	84.365	-	68,622
Supporting Effective Instruction State Grants (Formerly Improving Teacher Quality State Grants)	S367A19044/S367A200044	84.367	-	268,873
Student Support and Academic Enrichment Program	S424A200048	84.424	-	265,678
COVID-19-Education Stabilization Fund (CARES Act ESSERF LEA Activities)	S425D210008	84.425D	-	434,141
COVID-19-Education Stabilization Fund (CRRSA ESSER II)	S425D210008	84.425D	-	3,477,749
COVID-19-Education Stabilization Fund (CARES ACT ESSER I - Assessment)	S425U210008	84.425D	-	17,800
COVID-19-Education Stabilization Fund (ESSER - SPED Student Support)	S425U210008	84.425D	-	30,024
COVID-19-Education Stabilization Fund (ESSER - School-based Mental Health)	S425U210008	84.425D	-	14,906
Subtotal 84.425D			-	3,974,620
COVID-19-Education Stabilization Fund (ARP ESSER III State Set Aside for Before and After School)	S425U210008	84.425U	-	29,280
COVID-19-Education Stabilization Fund (ARP ESSER III State Set Aside for Summer Learning)	S425U210008	84.425U	-	33,733
COVID-19-Education Stabilization Fund (ESSER III Division Allocations)	S425U210008	84.425U	-	2,679,223
Subtotal 84.425U			-	2,742,236
COVID-19-Education Stabilization Fund (CRRSA ESSER II & GEER II: School Bus Driver Recruitment and Retention Incentive)	S425C210042	84.425	-	4,946
Total COVID-19 cluster			-	6,721,802
Total Department of Education			-	11,205,151
TOTAL EXPENDITURES OF FEDERAL AWARDS - REPORTING ENTITY			\$ 740,650	\$ 22,937,180

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF ACCOMACK, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

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, 2022. 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

No awards were passed through to subrecipients.

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	\$ 4,617,728
Virginia Public Assistance Fund	2,235,315
Hazard Mitigation Fund	170,354
Rehabilitation Projects Fund	530,272
Airport	147,263
Total primary government	<u>7,700,932</u>
Component Unit School Board:	
School Operating Fund	11,567,443
School Cafeteria Fund	3,580,396
Total component unit school board	<u>15,147,839</u>
Total federal expenditures per basic financial statements	<u>22,848,771</u>
Payments in lieu of taxes	(30,736)
Court Community Corrections CARES expenditure not reimbursed	79
CARES Municipal Utility	126
Federal Indirect Costs charged to DSS	(124,215)
Urgent Needs - COVID 19 award not accrued in FY 21	(37,769)
Victim Witness repayment for FY 21	13,007
Non-cash expenditures - value of donated commodities	<u>267,917</u>
Total federal expenditures per the Schedule of Expenditures of Federal Awards	\$ <u>22,937,180</u>

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2022

A. SUMMARY OF AUDITOR’S RESULTS

1. The auditor’s report expresses an **unmodified opinion** on the financial statements.
2. **One material weakness** relating to the audit of the financial statements was 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. **Four instances of noncompliance** material to the financial statements were disclosed.
4. **One material weakness** relating to the audit of the major federal award programs was 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 no audit compliance findings relating to the major programs.
7. The programs tested as major were:

Name of Program	Assistance Listing Number
Community Development Block Grant/State’s Program and Non-Entitlement Grants in Hawaii	14.228
Special Education Cluster	84.027, 84.173
Coronavirus State and Local Fiscal Recovery Funds	21.027
Education Stabilization Fund Cluster	84.425, 84.425D, 84.425U

8. The threshold for distinguishing Type A and B programs was **\$750,000**.
9. The County was **not** determined to be a **low-risk auditee**.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2022

B. FINDINGS - FINANCIAL STATEMENT AUDIT

IC-2022-001: 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 and School Board 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 Client's Corrective Action Plan.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2022

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT

FA-2022-001: Procurement (Material Weakness)

Condition:

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 School Board do not include the policies stated above, required by Uniform Guidance.

Effect:

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 Client's Corrective Action Plan.

COUNTY OF ACCOMACK, VIRGINIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2022

D. FINDINGS - COMMONWEALTH OF VIRGINIA

VA-2022-001: Unclaimed Property

Condition:

A total of approximately \$1,400 in outstanding checks of amounts greater than \$100 per check as of June 30, 2022, were over a year old as of 06/30/20. These checks are from the County Accounts Payable and County 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 Finance Department agree with this finding and will work together to come up with processes and/or procedures to correct these issues going forward. See Client's Corrective Action Plan.

VA-2022-002: 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. See Client's Corrective Action Plan.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2022

D. FINDINGS - COMMONWEALTH OF VIRGINIA (Continued)

VA-2022-003: Conflicts of Interest

Condition:

Two out of fifty-eight conflict of interest forms were not filed by the February 1, 2022 deadline.

Criteria:

All conflict of interest forms should be completed and filed by the February 1, 2022 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. See Client's Corrective Action Plan.

VA-2022-004: Security for Public Deposits Act (SPDA)

Condition:

Two 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. See Client's Corrective Action Plan.

COUNTY OF ACCOMACK, VIRGINIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS - Financial Statements
June 30, 2022

E. STATUS OF PRIOR YEAR FINDINGS

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.

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.

Current Status

Finding was resolved in the current year. See Client's Status of Prior Year Findings.

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.

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.

Current Status

Finding was resolved in the current year. See Client's Status of Prior Year Findings.

COUNTY OF ACCOMACK, VIRGINIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS - Financial Statements
June 30, 2022

E. STATUS OF PRIOR YEAR FINDINGS (Continued)

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.

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.

Current Status

Finding was resolved in the current year. See Client's Status of Prior Year Findings.

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.

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.

Current Status

Finding was resolved in the current year. See Client's Status of Prior Year Findings.

COUNTY OF ACCOMACK, VIRGINIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS - Financial Statements
June 30, 2022

E. STATUS OF PRIOR YEAR FINDINGS (Continued)

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.

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.

Current Status

Finding was resolved in the current year. See Client's Status of Prior Year Findings.

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.

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.

Current Status

Finding was resolved in the current year. See Client's Status of Prior Year Findings.

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.

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.

Current Status

Finding was resolved in the current year. See Client's Status of Prior Year Findings.

COUNTY OF ACCOMACK, VIRGINIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS – Federal Awards
June 30, 2022

E. STATUS OF PRIOR YEAR FINDINGS (Continued)

IC-2021-008: Financial Reporting (Material Weakness)

Condition:

Material misstatements within the financial statements were identified throughout the audit.

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.

Current Status

See current year Finding IC-2022-01. See Client's Status of Prior Year Findings.

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.

Recommendation:

The County Administrator should review the CRF reports before they get submitted to the DOA and such review should be documented.

Current Status

Finding was resolved in the current year. See Client's Status of Prior Year Findings.

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.

Recommendation:

Those in positions of oversight and monitoring of federal awards should ensure they have a clear and comprehensive understanding of grant requirements.

Current Status

Finding was resolved in the current year. See Client's Status of Prior Year Findings.

COUNTY OF ACCOMACK, VIRGINIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS – Federal Awards
June 30, 2022

E. STATUS OF PRIOR YEAR FINDINGS (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.

Recommendation:

Procurement policies should be reviewed and updated to be in compliance with the requirements identified in 2 CFR Part 200.

Current Status

See current year Finding FA-2022-01. See Client's Status of Prior Year Findings.

COUNTY OF ACCOMACK, VIRGINIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS – Commonwealth of Virginia
June 30, 2022

E. STATUS OF PRIOR YEAR FINDINGS (Continued)

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.

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.

Current Status

See current year Finding VA-2022-01. See Client's Status of Prior Year Findings.

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.

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*.

Current Status

See current year Finding VA-2022-02. See Client's Status of Prior Year Findings.

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.

Recommendation:

We recommend that applicable board members be contacted prior to the deadline to ensure forms are filed in a timely manner.

Current Status

See current year Finding VA-2022-03. See Client's Status of Prior Year Findings.

COUNTY OF ACCOMACK, VIRGINIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS – Commonwealth of Virginia
June 30, 2022

E. STATUS OF PRIOR YEAR FINDINGS (Continued)

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.

Recommendation:

We recommend that these two accounts be reported to Truist Bank as public funds.

Current Status

See current year Finding VA-2022-04. See Client's Status of Prior Year Findings.

VA-2021-005: Special Welfare

Condition:

The County Treasurer is being reimbursed quarterly for program expenditures.

Recommendation:

We recommend that the County Treasurer be reimbursed on a monthly basis for program expenditures.

Current Status

Finding was resolved in the current year. See Client's Status of Prior Year Findings.



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Michael T. Mason, CPA
County Administrator

Corrective Action Plan for Finding IC2022-001: Financial Reporting

Accomack County understands the repeat finding regarding financial reporting. In our response in FY 21 to this comment we stated “through the addition of one FTE in the 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 (ACFR) properly and timely”. As an update, we have not been able to make a hire at this time, and have chosen to reformat the position to non-entry level and re-advertise in the spring of 2023. While an additional resource will be helpful, existing staff understanding of timing, and year-end financial reporting will continue to be both ongoing, and a priority. Accomack County Finance continues to consider financial reporting, including the year-end annual financial report a core competency and are open to suggestions in processes or protocols that will advance our capacity and capability in this area from Brown Edwards.

As part of this response, County finance recognizes we are responsible for timely and accurate reporting which includes Accomack County Public Schools (ACPS) financial information and all other component units in the ACFR. As we are currently staffed, we do not have capacity for review of ACPS financial work through the year and have previously relied on their finance department. Unfortunately, that has caused delays, findings and revisions to financial exhibits several times at year end for corrections noted by the auditors. The County will explore options for reducing the aforementioned problems and thereby improving this issue as relates the ACPS financial information.

Lastly, a component of the delay in FY 22 was the Landfill Closure/Post-closure liability in conjunction with Department of Environmental Quality. We have begun a specific time-line in coordination with the Deputy Director for Public Works, who has responsibility over the landfill and south transfer station so that finance has complete and approved cost information (through the DEQ process) prior to year-end each year, or just after year-end (timely).

Responsible Official: Michael T. Mason, CPA, County Administrator
mmason@co.accomack.va.us (757-787-5716); estimated completion date of not later than July 1, 2023 for the new hire.

Corrective Action Plan for Finding FA-2022-001: Procurement

Accomack County Public Schools concurs with the need to maintain its Procurement Policy in concurrence with 2 CFR Part 200. The schools will review and update procurement policies to be in compliance.

Responsible Official: Chris Holland, Accomack County Public Schools Superintendent,
chris.holland@accomack.k12.va.us, (757)787-5759; Estimated completion date is not later than the May, 2023 School Board meeting.



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County Administrator

Corrective Action Plan for Finding VA-2022-001: Unclaimed Property

Accomack County concurs with this finding and has worked with staff on a refresh of what Treasurer's staff need to do in order to facilitate proper and timely reporting for unclaimed property. Throughout fiscal year 2023, 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 Finance staff as needed to also research any older items so that the FY 23 report will be both accurate and report as the Commonwealth of Virginia designates.

Responsible Official: James Lilliston, County Treasurer jilliston@co.accomack.va.us (757-787-5740); Estimated completion date is not later than the timely filing for FY 23 of the unclaimed property report.

Corrective Action Plan for Finding VA-2022-002: Special Welfare

The Office of Social Services concurs with this finding (and Accomack County concurs). With the lateness of the FY 21 audit findings, the Special Welfare Accounts could not be closed until the following October (2022), due to the County only submitting unclaimed property once a year. This issue was resolved in the October, 2022 unclaimed property filing. Going forward, cases will be tracked at closure to ensure Special Welfare accounts are closed at the same time the case is closed.

Responsible Official: Vicki Weakley, Director, Accomack County Department of Social Services vicki.j.weakley@dss.virginia.gov (757-787-1530); Estimated completion date was October, 2022.

Corrective Action Plan for Finding VA-2022-003: Conflicts of Interest

Accomack County management agrees that two out of the fifty-eight conflict of interest forms were not filed by the February 1, 2022 deadline despite numerous communications from management reminding the appointed persons of this statutory due date. The County noted the same due diligence by multiple County staff in the FY 21 Corrective Action Plan responses. These two forms were eventually filed by the officers with the County Administrator on February 8, 2022. 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 mmason@co.accomack.va.us (757-787-5716); Estimated completion date is not later than the next required filing, February 1, 2024.



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Michael T. Mason, CPA
County Administrator

Corrective Action Plan for Finding VA-2022-004: Security for Public Deposits Act (SPDA)

Accomack County concurs with this finding and has taken the necessary steps to have the accounts listed appropriately with Truist Bank. As of January 18, 2023 Truist has added the two bank accounts and the documentation of such is maintained in the Treasurer's office.

Responsible Official: James Lilliston, County Treasurer jlilliston@co.accomack.va.us (757-787-5740; Completion date was January 18, 2023.



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Michael T. Mason, CPA
County Administrator

STATUS OF PRIOR YEAR FINDINGS

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.

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.

Current Status

Finding was resolved in the current year.

Management's Response

Management concurs the finding was resolved during fiscal year 2022.



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County Administrator

STATUS OF PRIOR YEAR FINDINGS (Continued)

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.

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.

Current Status

Finding was resolved in the current year.

Management's Response

Management concurs the finding was resolved during fiscal year 2022.

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.

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.



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STATUS OF PRIOR YEAR FINDINGS (Continued)

Current Status

Finding was resolved in the current year.

Management's Response

Management concurs the finding was resolved during fiscal year 2022.

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.

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.

Current Status

Finding was resolved in the current year.

Management's Response

Management concurs the finding was resolved during fiscal year 2022.



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STATUS OF PRIOR YEAR FINDINGS (Continued)

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.

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.

Current Status

Finding was resolved in the current year.

Management's Response

Management concurs the finding was resolved during fiscal year 2022.

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.

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.

Current Status

Finding was resolved in the current year.

Management's Response

Management concurs the finding was resolved during fiscal year 2022.



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STATUS OF PRIOR YEAR FINDINGS (Continued)

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.

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.

Current Status

Finding was resolved in the current year.

Management's Response

Management concurs the finding was resolved during fiscal year 2022.

IC-2021-008: Financial Reporting (Material Weakness)

Condition:

Material misstatements within the financial statements were identified throughout the audit.

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.

Current Status

See current year Finding IC-2022-01.

Management's Response

Please see current year response as written.



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STATUS OF PRIOR YEAR FINDINGS (Continued)

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.

Recommendation:

The County Administrator should review the CRF reports before they get submitted to the DOA and such review should be documented.

Current Status

Finding was resolved in the current year.

Management's Response

Management concurs the finding was resolved during fiscal year 2022, in that when this matter was brought to the County's attention, we altered our review process to include documentation by the County Administrator notating his review. Previously, the reporting had been discussed between the Finance Director who prepared the reports and the County Administrator. All reports are reviewed and have appropriate documentation of same.

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.

Recommendation:

Those in positions of oversight and monitoring of federal awards should ensure they have a clear and comprehensive understanding of grant requirements.



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County Administrator

STATUS OF PRIOR YEAR FINDINGS (Continued)

Current Status

Finding was resolved in the current year.

Management's Response

Management concurs the finding was resolved during fiscal year 2022 in that the required FFATA report was filed by the Schools finance staff meeting the required filing deadline.

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.

Recommendation:

Procurement policies should be reviewed and updated to be in compliance with the requirements identified in 2 CFR Part 200.

Current Status

See current year Finding FA-2022-01.

Management's Response

Please see current year corrective action plan for the Schools procurement policies . For Accomack County, we have no current year finding for this as we added §200.318i, §200.319b, and §200.324b on January 19, 2022 at the Board of Supervisors meeting to the County's procurement policy. §200.318f, §200.319c and §200,322 were adopted into the County's procurement policy as part of the consent agenda, item 4.11 at the July 20, 2022 Board of Supervisor's meeting.



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STATUS OF PRIOR YEAR FINDINGS (Continued)

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.

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.

Current Status

See current year Finding VA-2022-01.

Management's Response

Please see current year response as written

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.

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.

Current Status

See current year Finding VA-2022-02.



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STATUS OF PRIOR YEAR FINDINGS (Continued)

Management's Response

Please see current year response as written.

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.

Recommendation:

We recommend that applicable board members be contacted prior to the deadline to ensure forms are filed in a timely manner.

Current Status

See current year Finding VA-2022-03.

Management's Response

Please see current year response as written

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.

Recommendation:

We recommend that these two accounts be reported to Truist Bank as public funds.

Current Status

See current year Finding VA-2022-04



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STATUS OF PRIOR YEAR FINDINGS (Continued)

Management's Response

Please see current year response as written

VA-2021-005: Special Welfare

Condition:

The County Treasurer is being reimbursed quarterly for program expenditures.

Recommendation:

We recommend that the County Treasurer be reimbursed on a monthly basis for program expenditures.

Current Status

Finding was resolved in the current year.

Management's Response

Management concurs the finding was resolved during fiscal year 2022.