



# Comprehensive Annual Financial Report



County of Accomack, Virginia  
Fiscal Year Ended June 30, 2020



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**COUNTY OF ACCOMACK, VIRGINIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2020**

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Prepared by:

Accomack County Finance Department  
Accomack County, Virginia



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**County of Accomack, Virginia  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2020**

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# **Introductory Section**



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# COUNTY OF ACCOMACK COUNTY ADMINISTRATOR'S OFFICE

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Michael T Mason, CPA  
County Administrator

March 5, 2021

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, 2020. 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 CAFR 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 Robinson Farmer Cox Associates, 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.

Robinson Farmer Cox Associates 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, 2020, 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.

## Report Organization

### 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.

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.

The County of Accomack's 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 Cover Mosquito Control Commission

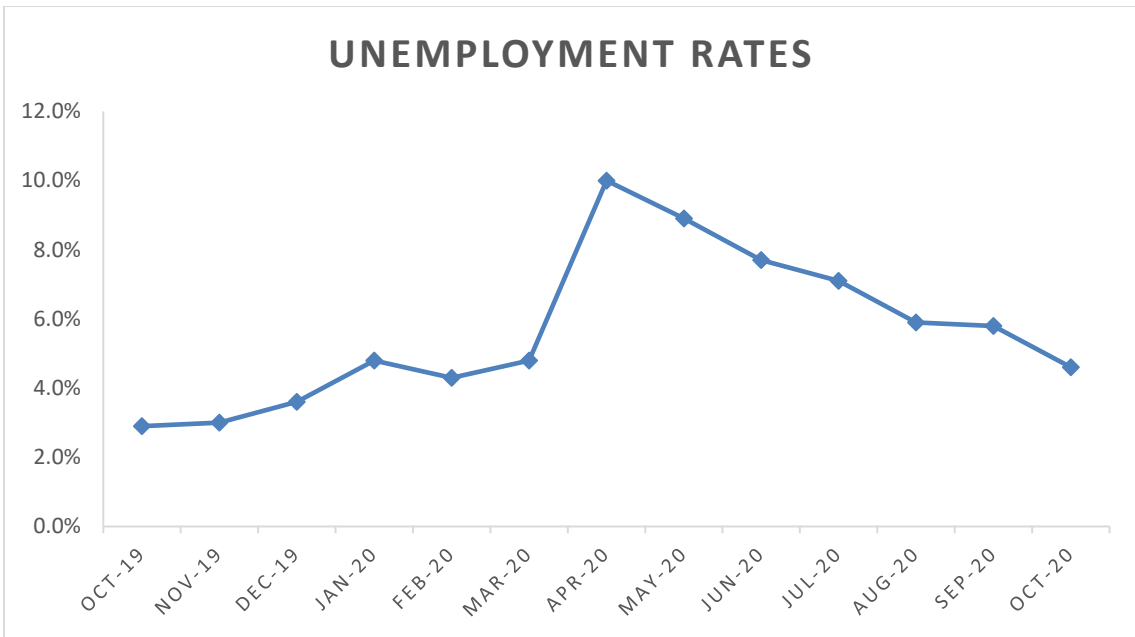
These component units are included in the reporting entity because of the County's financial accountability for these organizations. The Accomack County School Board is by far the most significant of these component units. The School Board is made up of nine elected members and is charged with overseeing 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.

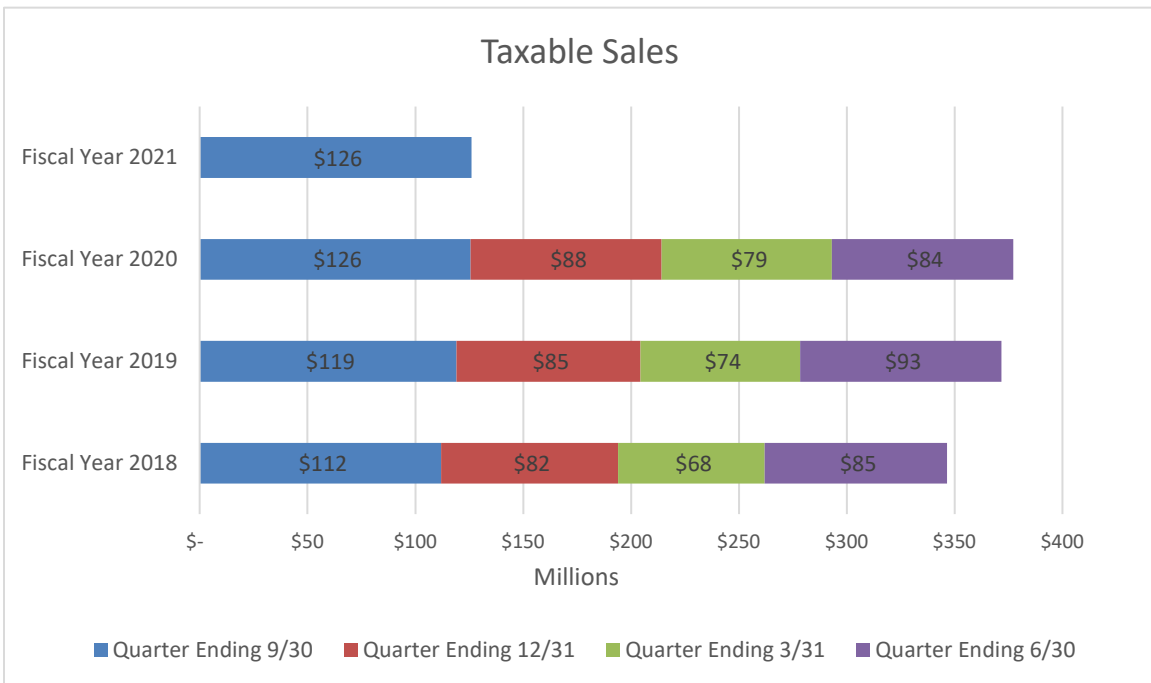
## **Local Economy**

The COVID-19 pandemic was, by far, the most significant driver of the local economy in fiscal year 2020. Accomack County has traditionally maintained a steady unemployment rate that compares favorably to that of the United States but lags behind the Commonwealth as a whole. The calendar year 2019 unemployment rates for Accomack County, United States and Commonwealth were 3.5%, 3.7% and 2.8% respectively. The pandemic along with the executive actions taken by the Governor in March 2020 to control the spread of the virus heavily impacted the County's unemployment rate during 2020. Executive Order 53, issued March 23, 2020 by the Governor, placed temporary restrictions on restaurants, recreational, 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 pushed the County's unemployment rate to a fiscal year high of 10% in April 2020. Since this peak, the rate has consistently declined aided in part by direct Federal assistance to businesses struggling from the impact of the pandemic via the PPP program but more significantly by the easing of Commonwealth restrictions in June 2020.



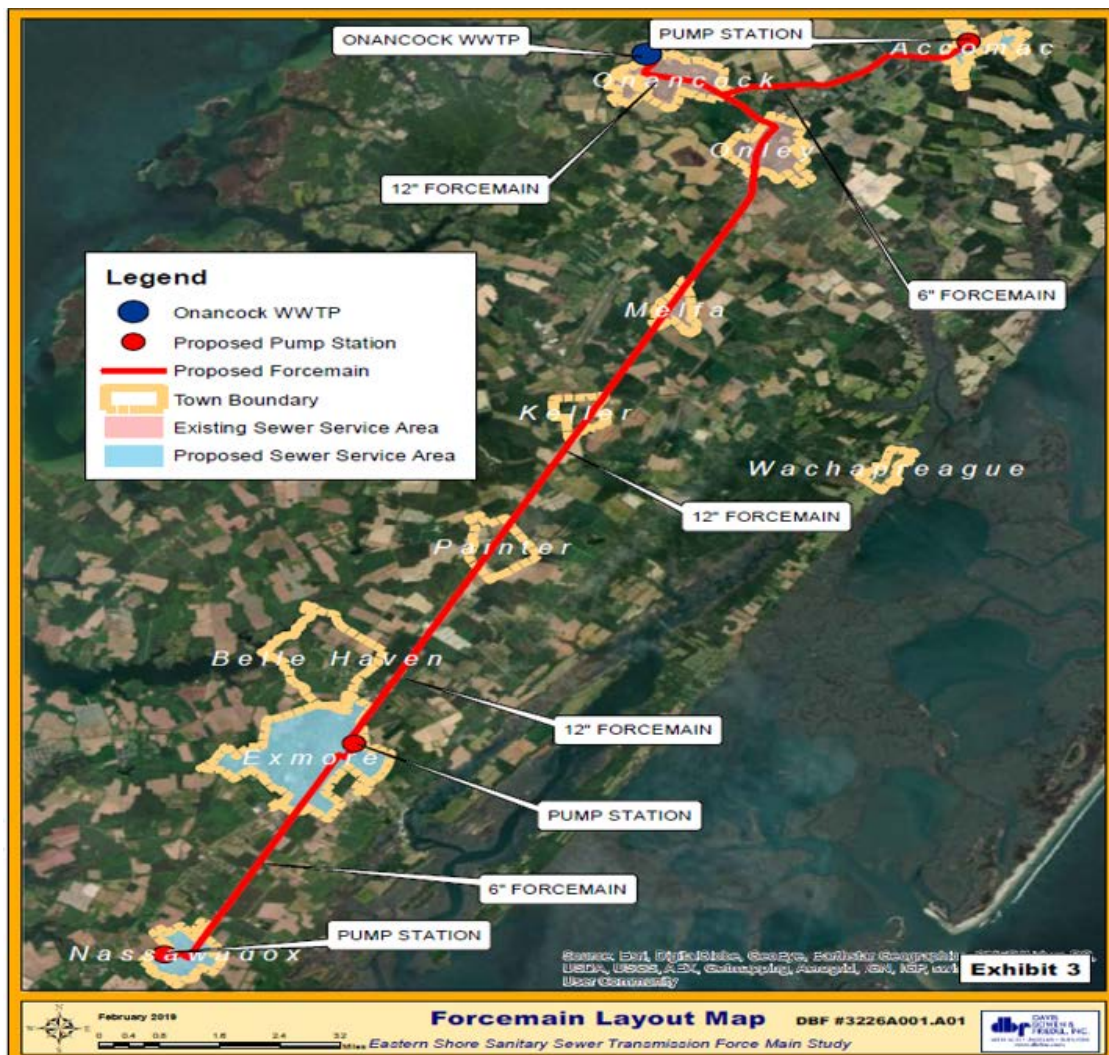
The County was the recipient of \$2.8M in federal CARES Act money on June 1 and subsequently used a large significant portion of these funds to provide direct assistance to those businesses that were either forced to temporarily close or substantially restrict their operations to meet Executive Order No. 55 but these efforts did not occur until early in Fiscal Year 2021.

Despite the impact of the pandemic, taxable sales in the County increased by 1.5% over the prior year fueled significantly by increased internet sales transactions. Business restrictions and stay at home orders caused taxable sales to decrease by 9.9% in the final quarter of fiscal year 2020 but sales rebounded in the following quarter increasing by 1.5% over the prior fiscal year. Overall taxable sales have performed better than expected given the circumstances



## Major initiatives looking forward for Accomack County

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



This force main would connect the existing wastewater treatment facilities located along its path to the Town of Onancock's wastewater treatment plant, a modern, well-maintained plant operating at significantly under its designed treatment capacity. This phase of the project is expected to cost approximately \$24 million.

The HRSD, a political subdivision of the Commonwealth, agreed to partner on this proposed project at the request of Accomack County and Northampton County and the concurrence of other major project stakeholders. HRSD agreed in principal to fund and construct this force main conditioned upon Accomack and Northampton becoming part of the HRSD's service area and HRSD obtaining ownership of the Town of Onancock's wastewater treatment plan. The process for becoming part of HRSD required HRSD to petition Accomack and Northampton Circuit Courts to grant inclusion of each county's territory into the District. This step was completed in October of 2020 when, after a public hearing was held, the Circuit Courts approved HRSD's request. The project is now expected to begin in fiscal year 2021. As part of this project, the County expects to transfer ownership of its Central Accomack Sewer System to HRSD. This County system is already connected to the Town of Onancock's wastewater collection system and will provide HRSD with established infrastructure path from the County's Industrial Park outside of the Town of Melfa to the Town of Onancock.

- Continue to market Wallops Research Park – The Wallops Research Park (WRP) is a prime location for aerospace and aviation operations offering 200+ acres specifically for Unmanned Aircraft



Systems and medium class space launch vehicles, particularly those seeking to leverage and enhance capabilities of the Mid-Atlantic Spaceport and NASA Wallops Flight Facility. During FY 2020, the first tenant of the WRP, Rocket Lab, completed construction of its Integration and Control Facility. Rocket Lab plans to launch its Electron rocket from its newly constructed Launch Complex 2 on Wallops Island in 2021. It will be the company's first rocket launch from US soil.



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

fabrication, and testing facilities. In total, the Wallops Research Park represents over \$8M in County and Commonwealth investment.

- Complete construction of the new Eastern Shore Public Library & Heritage Center -This new 20,110 square foot facility will be located in Parksley, Virginia. It is currently under construction and is expected to open in 2021. 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.



Assist the local community as it navigates the impact of the COVID-19 outbreak – The County received \$5.6M in federal assistance from the U.S. Department of Treasury towards the end of fiscal year 2020 and the beginning of fiscal year 2021. A portions of these funds were distributed to Accomack’s fourteen incorporated towns based on their per capita share. The remainder is being strategically invested in grants to small businesses, broadband expansion, utility and rent assistance and other initiatives designed to help the County and its citizens recover from financial impact of the pandemic.

Fiscal Year 2021 Adopted Budget - For the 2021 Fiscal Year, the Board of Supervisors adopted a Primary Government total operating and capital budget of \$64,327,276, which is 10.0% increase from the previous year. This large increase is attributable to several one-time capital spending initiatives including the construction of a new landfill cell to accept waste (\$3,000,000) and improvements to various County recreational boating facilities (\$944,000). In addition, the Board approved a \$1,043,196 (5%) increase in local funding for the Accomack County Public School System to assist them with teacher salary increases. The County’s property tax rates remained unchanged. The County’s real estate tax rate continues to be among the lowest of Virginia’s 95 counties. The Fiscal Year 2021 property tax rates are detailed in the *Management Discussion and Analysis* section. The development of the Fiscal Year 2021 budget was driven by the following priorities:

- 1. Keep property tax rates at or below their current levels**
- 2. Continue to attract and retain a high-performing workforce**
- 3. Maintain the County’s investment in its infrastructure and prepare for future capital replacement**
- 4. Make Teacher salaries more competitive with surrounding areas**
- 5. Maintain or improve customer service & employee/customer safety**
- 6. Continue to strengthen “Rainy Day” fund to a “best practice” level**

The County did reduce its fiscal year 2021 adopted revenue projections due to COVID19 with the most significant reduction being projected sales and use tax which was decreased by 5%. Several budget reductions on the expenditure side were also made including canceling several planned capital projects and deferring planned employee compensation increases until the following year.

None of these adjustments reduced the County's ability to maintain its service level. The County did not make any withdrawals from its "Rainy Day" committed fund balance.

The County is committed to maintaining adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates. After the Great Recession well over a decade ago, the County established a goal of increasing its "Rainy Day" Fund to 16.7% of total budgeted governmental funds net operating revenue by the end of fiscal year 2021. Every single year since this commitment was set the annual required contribution to the Rainy Day Fund has been met by the Board of Supervisors until fiscal year 2020. In fiscal year 2020, the deposit was reduced to approximately 50% of the required amount. The County has since reset its expectation as to when it will achieve its goal to fiscal year 2024 but further timeline revisions may be necessary due to the financial impact of COVID-19; nevertheless, another \$500,000 has been committed to the Rainy Day Fund in FY21 bringing the total to 14.6% of budgeted revenue.

### **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, 2019. 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, 2019. This program recognizes that the budget document meets program criteria as a policy document, operations guide, financial plan, and as a communications device. We believe the fiscal year 2021 budget conforms to program requirements and submitted it to GFOA to determine its eligibility for another award. This is the highest form of recognition for excellence in government budgeting.

The County received an achievement award from the Virginia Association of Counties (VACo) for the County's development of Sawmill Park, which previous to the County's investment, was an abandoned industrial lumberyard which had set dormant for many years and had fallen into a state of disrepair. The County converted this property to a recreational park complete with a baseball field, playground, walking trail, concession stand and picnic area. VACo in 2003 established its achievement award program to recognize counties' efforts to adopt innovative approaches to providing public services, in particular projects that may serve as a model for other localities.

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 2020 despite COVID-19. When the pandemic set in, the County's I.T. department was able to quickly outfit County staff to be able to effectively telecommute and successfully configured the County's new Emergency Operations Center to serve as secondary work site for many departments desiring to separate their staff as a precautionary measure against the virus. The Human Resources Department pivoted from traditional in person recruiting and on-boarding to a virtual platform. Our Building, Planning and Zoning Office was able to leverage their permitting software to allow customer to initiate service requests and track their progress from the comfort of their home. The Public Works Department's employees and several other departments and/or

divisions altered their work schedules and in some instances their work location in order to ensure the continuity of services to the public. These are just some of the changes to County operations that were initiated and embraced by the County workforce and demonstrate their commitment to providing the County and its residents with exceptional services no matter what obstacles present themselves.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael T. Mason". The signature is fluid and cursive, with a prominent initial "M".

Michael T. Mason, CPA  
County Administrator



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**County of Accomack  
Virginia**

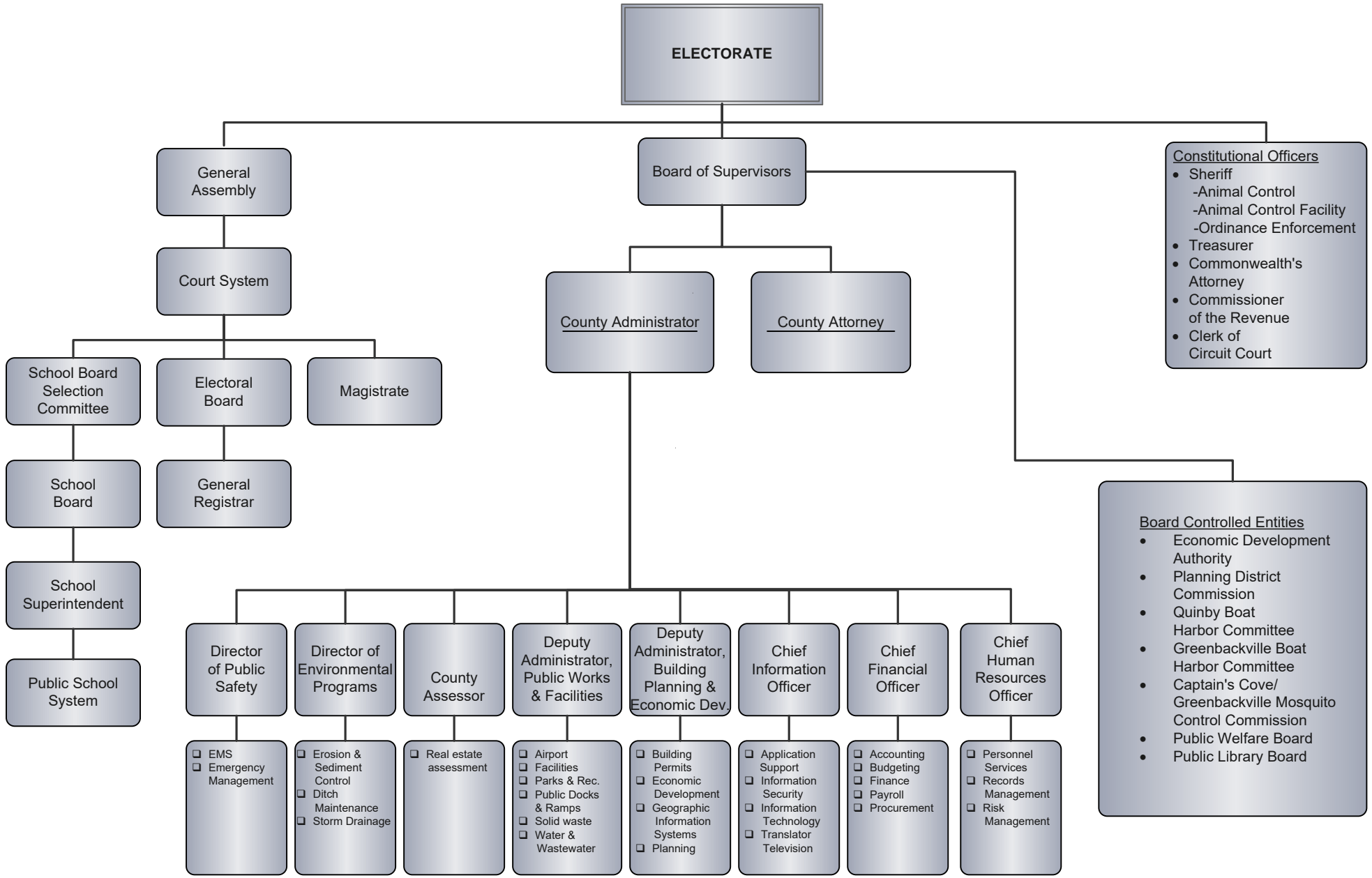
For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO

# COUNTY OF ACCOMACK, VIRGINIA ORGANIZATION CHART



# County of Accomack, Virginia

## Principal Officials

### Board of Supervisors

C. Renata Major, Chairperson	Election District 9
Ronald S. Wolff Vice-Chairperson	Election District 2
William J. Tarr	Election District 1
Vanessa K. Johnson	Election District 3
Paul E. J. Muhly	Election District 4
Harrison W. Phillips, III	Election District 5
Robert D. Crockett	Election District 6
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
Vacant	County Attorney
Kathleen A. Carmody	Chief Human Resources Officer
Ben T. Fox	Chief Information Officer
Richard L. Morrison	Deputy Administrator, Building , Planning & Economic Development
Stewart M. Hall	Deputy Administrator, Public Works & Facilities
Brent A. Hurdle	Director of Assessment
G. Chris Guvernator	Director of Environmental Programs
Margaret A. Lindsey, CPA	Director of Finance
Charles R. Pruitt	Director of Public Safety

**County of Accomack, Virginia**  
**Principal Officials**  
(continued)

**School Board**

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

**School Board Administrative Officers**

Warren C. Holland	Superintendent
Dr. Rhonda Hall	Assistant Superintendent of Instruction
Vacant	Chief of Operations and Management
Beth L. Onley, CPA	Director of Finance



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# **Financial Section**



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**Independent Auditors' Report**

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

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Accomack, Virginia, as of and for the year ended Financial June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Accomack-Northampton Planning District Commission and Eastern Shore Public Library which represent 7 percent, (115) percent, and 3 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those financial 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 is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## ***Opinions***

In our opinion, based on our audit and the report of other auditors, 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, 2020, 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.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedules related to pension and OPEB funding on pages 22-32, 144-149, and 130-142 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors 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. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

### ***Supplementary and Other 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 introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2021, on our consideration of the County of Accomack, Virginia'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 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 County of Accomack, Virginia's internal control over financial reporting and compliance.

*Robinson, Farnell, Cox Associates*

Charlottesville, Virginia  
March 5, 2021



**County of Accomack**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2020**

**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 Comprehensive Annual Financial Report (Annual Report) this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2020. 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 \$54,878,185 (net position). Of this amount, \$16,348,252 (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 \$6,241,280 (13%). Net position of the governmental-type activities increased \$5,393,558 (13%) and net position of the business-type activities increased \$847,722 (11%).
- The County's unrestricted net position increased by \$3,023,576 (23%). Unrestricted net position of the governmental-type activities increased \$1,957,585 (10%) and unrestricted net position of the business-type activities increased \$1,065,991 (20%).
- Program expenses of the County's business-type activities decreased by 52% to \$3,743,638 due to completion of work in fiscal year 2019 funded by grants for the Airport while revenues of \$ 3,972,348 declined by 55%. An additional factor in revenue decline was closure in the spring of virtually all parks and recreation programming.
- The General fund reported an ending fund balance of \$21,788,248, an increase of \$510,885 (2%). Of the ending fund balance, \$140,910 was nonspendable or restricted, \$11,802,717 was committed pursuant to the County's "Rainy Day"/Revenue Stabilization policy, \$7,484,909 was assigned to various projects and \$2,359,712 was unassigned.
  - The amount of General Fund ending fund balance committed pursuant to the County's "Rainy Day"/Revenue Stabilization Policy was equal to 14.1% 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 \$21,647,338 or 55% of total general fund expenditures.
- The County's outstanding debt decreased by \$610,351 or 2.4% during the current fiscal year.

### 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 focus is on both the County as a whole (government-wide) and the fund financial statements. The government-wide financial statements provide both short-term 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 and condition of the County's infrastructure.

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, 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.

**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 nonmajor 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 nonmajor 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 landfills, 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, War Memorial and Sheriff Canteen) 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 \$54,878,185 at year-end.

The largest portion of the County's net position (60%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are 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 (30%) is unrestricted meaning it may be used to meet the government's ongoing obligations.

County of Accomack, Virginia						
Net Position						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 55,902,853	\$ 49,656,564	\$ 2,501,082	\$ 1,765,676	\$ 58,403,935	\$ 51,422,240
Capital assets	43,100,779	41,390,754	14,467,715	14,962,690	57,568,494	56,353,444
Total assets	99,003,632	91,047,318	16,968,797	16,728,366	115,972,429	107,775,684
Deferred Outflows of Resources	2,942,453	1,777,999	138,126	90,531	3,080,579	1,868,530
Current liabilities	8,523,975	7,977,577	709,322	849,467	-	8,827,044
Long-term liabilities	27,226,936	25,823,266	7,627,181	8,014,186	34,854,117	33,837,452
Total liabilities	35,750,911	33,800,843	8,336,503	8,863,653	34,854,117	42,664,496
Deferred Inflows of Resources	20,044,186	18,267,046	43,223	75,769	20,087,409	18,342,815
Net Position:						
Net investment in capital assets	18,979,478	17,160,190	14,043,997	14,262,266	33,023,475	31,422,456
Restricted	5,506,458	3,889,773	-	-	-	3,889,773
Unrestricted	21,665,052	19,707,467	(5,316,800)	(6,382,791)	16,348,252	13,324,676
Total net position	\$ 46,150,988	\$ 40,757,430	\$ 8,727,197	\$ 7,879,475	\$ 49,371,727	\$ 48,636,905



A portion of the County's net position (10%) represents resources that are subject to restrictions (external and internal) on how they may be used.

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 \$6,241,280 or 13% during the fiscal year. Governmental activities accounted for 86% of the total increase while business-type activities accounted for 14%.

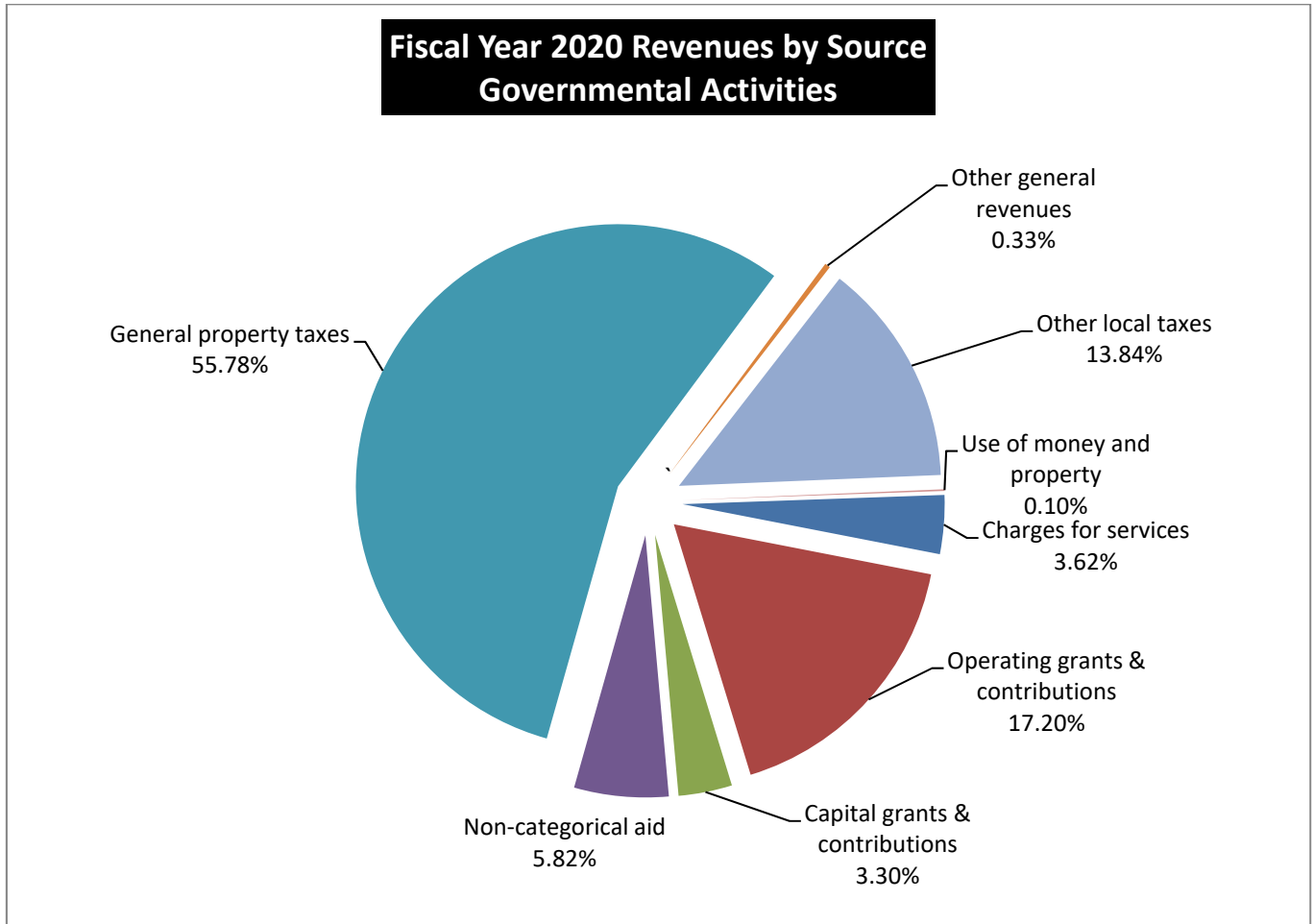
**Governmental Activities** – Governmental activities increased the County's net position by \$5,393,558 or 13% during the fiscal year. Key elements of this increase are as follows:

<b>Accomack County, Virginia</b>						
<b>Change in Net Position</b>						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenues:						
Charges for services	\$ 2,144,337	\$ 2,000,676	\$ 3,790,820	\$ 3,881,614	\$ 5,935,157	\$ 5,882,290
Operating grants & contributions	10,195,625	8,623,343	23,451	26,435	10,219,076	8,649,778
Capital grants & contributions	1,958,574	1,364,751	158,077	3,260,031	2,116,651	4,624,782
General Revenues:						
General property taxes	33,053,958	32,888,029	-	-	33,053,958	32,888,029
Other local taxes	8,203,154	8,295,396	-	-	8,203,154	8,295,396
Investment earnings	62,170	5,907	-	-	62,170	5,907
Non-categorical aid	3,446,703	3,433,736	-	-	3,446,703	3,433,736
Other general revenues	197,348	70,010	-	-	197,348	70,010
Total revenues	<u>59,261,869</u>	<u>56,681,848</u>	<u>3,972,348</u>	<u>7,168,080</u>	<u>63,234,217</u>	<u>63,849,928</u>
Expenses:						
General government administration	4,297,569	3,869,051	-	-	4,297,569	3,869,051
Judicial administration	2,006,203	1,847,818	-	-	2,006,203	1,847,818
Public safety	13,191,818	12,521,804	-	-	13,191,818	12,521,804
Public works	5,103,434	4,295,730	-	-	5,103,434	4,295,730
Health and welfare	5,978,222	5,772,749	-	-	5,978,222	5,772,749
Education	19,035,647	17,990,881	-	-	19,035,647	17,990,881
Parks, recreation and cultural	484,488	1,301,533	-	-	484,488	1,301,533
Community development	2,042,957	2,034,036	-	-	2,042,957	2,034,036
Interest on long-term debt	1,108,961	1,082,502	-	-	1,108,961	1,082,502
Business-type	-	-	3,743,638	5,255,563	3,743,638	5,255,563
Total expenses	<u>53,249,299</u>	<u>50,716,104</u>	<u>3,743,638</u>	<u>5,255,563</u>	<u>56,992,937</u>	<u>55,971,667</u>
Increase (decrease) in net position before transfers	6,012,570	5,965,744	228,710	1,912,517	6,241,280	7,878,261
Transfers	(619,012)	(360,064)	619,012	360,064	-	-
Increase (decrease) in net position	<u>5,393,558</u>	<u>5,605,680</u>	<u>847,722</u>	<u>2,272,581</u>	<u>6,241,280</u>	<u>7,878,261</u>
Net position-Beginning as restated	40,757,430	35,151,750	7,879,475	5,606,894	48,636,905	40,758,644
Net position, June 30	<u>\$ 46,150,988</u>	<u>\$ 40,757,430</u>	<u>\$ 8,727,197</u>	<u>\$ 7,879,475</u>	<u>\$ 54,878,185</u>	<u>\$ 48,636,905</u>

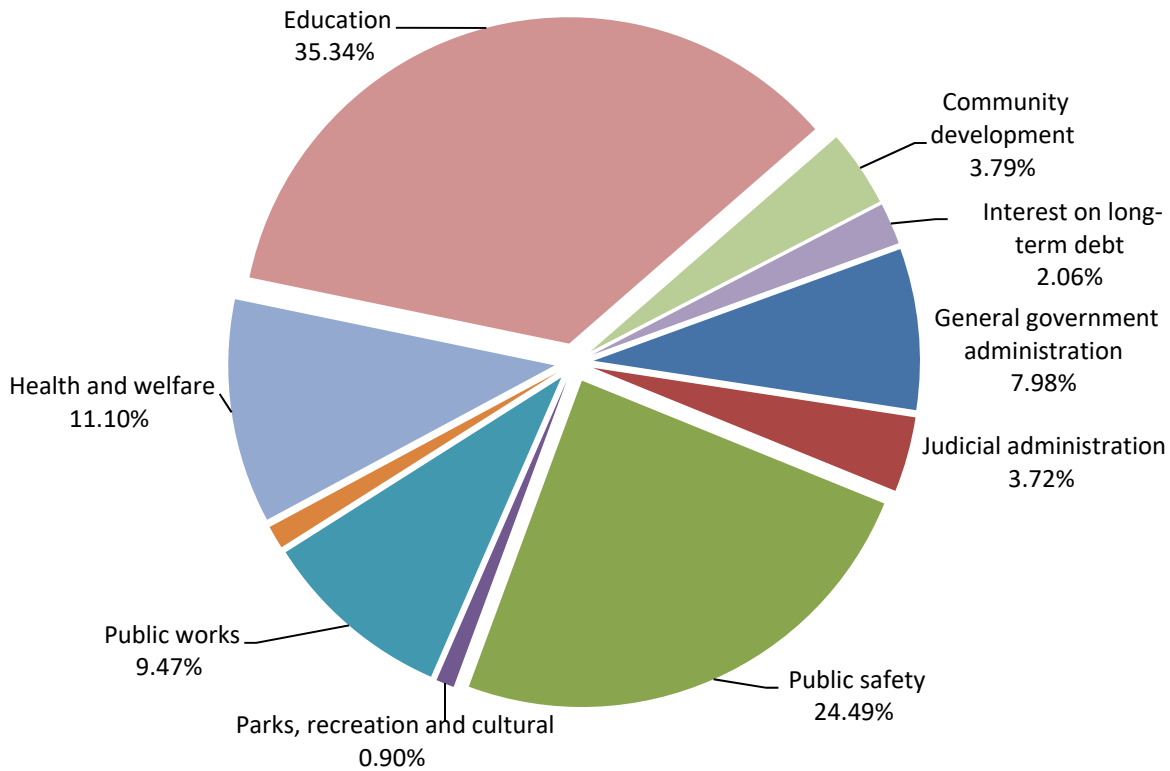
Property taxes are the largest single revenue source comprising 56% of total governmental revenues. Property taxes increased by \$165,929 or less than 1% during the fiscal year due to real estate reassessment and in spite of an extended deadline to pay the property tax installment normally due on June 5<sup>th</sup>. This installment pay by date was extended to August 3, 2020. The extension did have an impact on penalty and interest collections in FY 20.

- Operating grants for governmental activities is the second largest revenue source comprising 17% of governmental revenues. This revenue source increased by \$1,572,282 or 18% during the fiscal year. The primary driver of this increase was the CARES Act funding received from the Commonwealth of Virginia.

- Other local taxes decreased by \$92,242 or 1% primarily due to a decrease in state sales tax with the various closure orders related to the pandemic. Communications tax also an “other local tax” continues a decline as land line telephone service continues to fall away.
- Education expense is the largest single category comprising 35% of total governmental expenses. Expenses for this category increased by \$1,044,766 or 6% from the previous year.
- Public safety expense is the second largest category comprising 25% of governmental expenses. Expenses for this category increased \$670,014 or 5% as compared to the previous year.
- Health & Welfare expense is the third largest category comprising 11% of governmental expenses. Expenses for this category decreased \$205,473 or 4% as compared to the previous year.

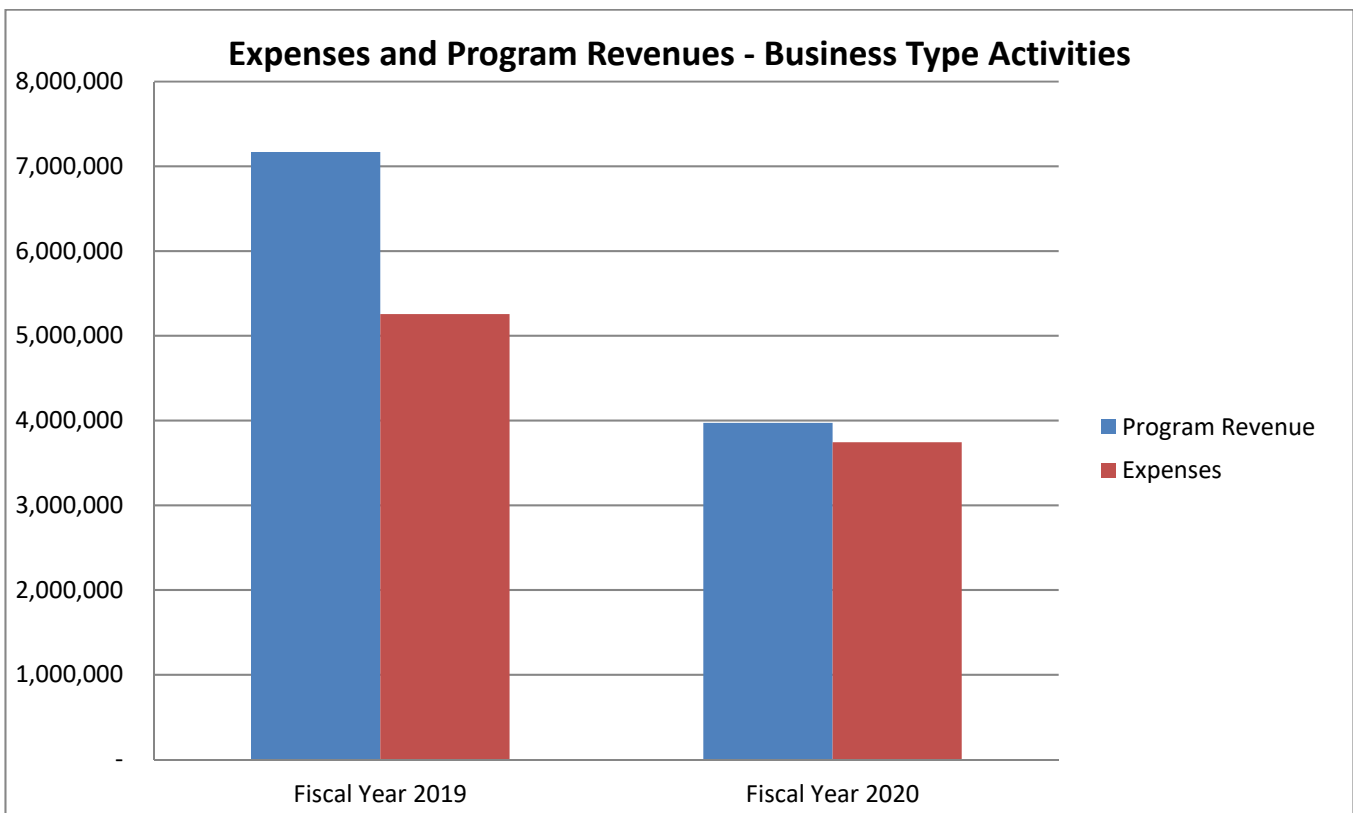


## Fiscal Year 2020 Expenses by Function Governmental Activities



**Business-type Activities** – Business-type activities increased the County’s net position by \$847,722 or 14% during the fiscal year.

Business-type program revenues decreased by \$3,195,732 or 45%. Grants awarded in the amount of almost \$3 million for capital improvements for the County’s airport account for the majority of the decrease as they were not replicated in fiscal year 2020. Additionally, with the outbreak of the pandemic, business type revenue at both the airport and parks and recreation programming were significantly affected. The Landfill had no fee increase in FY 2020 and showed a slight reduction in the amount of \$ 109,945 in program revenues. Staff attribute this reduction also to business closures and slow economic activity at the advent of the pandemic in the fourth quarter of the fiscal year. All business-type expenses decreased by 29% or \$1,511,925 as compared to the prior fiscal year. Parks and Recreation and Landfill expenses decreased by 51% and 43% respectively or \$22,913 and \$1,739,233 while the Water and Sewer and Airport funds had an increase in expenses of \$114,900 and \$210,888 respectively or 10% and 29%. Water and Sewer usage increased so an increase in payments to the wastewater treatment plant, not owned by the County caused the majority of increased costs. There was also some additional meter work incurred during fiscal year 2020. Airport expense increased in due to some design fees that had been incurred and were sitting in construction in progress that were determined to be not a capital item and were expensed in fiscal year 2020.



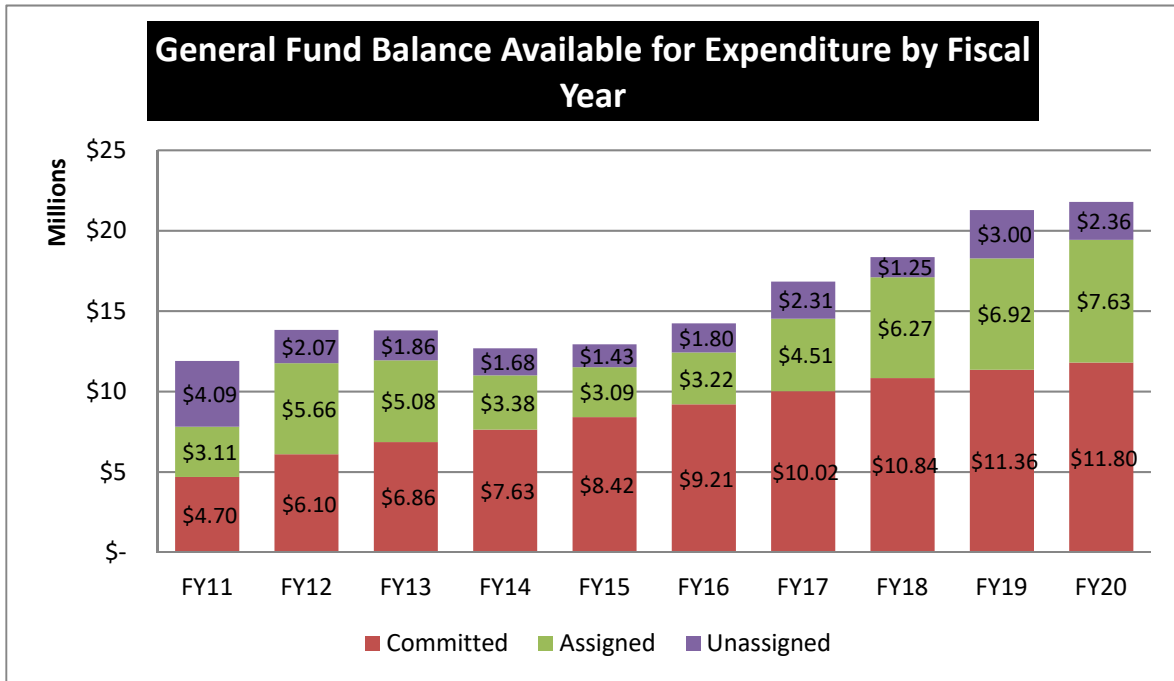
## Financial Analysis of the County's Funds

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 \$31,342,949. Details are as follows:

- The General Fund accounted for 70% percent or \$21,788,248 of the combined ending governmental fund balance.
  - Approximately \$2,359,712 or 11% 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.
  - Approximately \$11,802,717 or 54% is committed for a "Rainy Day" or Revenue Stabilization. This amount represents 14.0% 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.
  - Approximately \$7,484,909 or 34% is assigned to various projects yet to be completed.
  - Approximately \$104,700 or less than 1% of this balance is due to noncurrent advances/receivables and is therefore nonspendable.
  - The remainder, \$36,210, of general fund balance is restricted to specific uses by entities external to County government.



- The General Fund reported an increase in fund balance of \$510,885 or 2%. General Fund Committed Fund Balance increased by \$447,231 or 2%. The entire amount of committed fund balance, \$11,802,717, is associated with the County’s “Rainy Day”/Revenue Stabilization Policy. The General Fund unassigned fund balance decreased by \$638,894 or 21% primarily resulting from increased public safety costs. The decrease in unassigned fund balance as compared to the prior year primarily resulted from a decrease in general property taxes given collections are down attributable to job loss and economic uncertainty of the COVID 19 pandemic.
- The Consolidated Emergency Services Fund accounted for 15% or \$4,658,412 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 \$6,933,497 12.8%. The majority of the variance was due to budget amendments made to recognize other state and federal grant funds awarded to the County during the fiscal year.

Expenditures:

The difference between the Primary Government General Fund original budget and the final amended budget (schedule 2) was \$16,068,693 or 29%. Significant individual adjustments making up this difference are explained as follows:

- County Capital Projects – The following budget increases were made to reflect:
  - Amendments include funding for construction of the new regional library in the amount of \$4,974,552 was made in early fall with a combination of funds from bonds issued, grant funding from the Commonwealth of Virginia and Library Foundation funding
  - An amendment of \$1,106,176 to fund the continued work in providing updated HVAC equipment

and associated costs for the Circuit Court building along with roof work and some asbestos and lead abatement was made.

- Various smaller capital projects totaling amendments of \$ 1,902,980 for docks and ramp upgrade, addition for and creation of the Emergency Operations Center including a stand alone generator, E911 Center improvements, and additional derelict building removals.
  - An amendment in the amount of \$ 1,510,062 for hazard mitigation for structures deemed flood prone (so as to raise the housing or demolish) was made after grant funding was awarded.
- Public Safety related amendments – The original budget for Public Safety was amended to increase by \$628,645. The increase included \$294,577 for acceptance of grant awards including for Community Corrections, CARES Act, Emergency Management and Four for Life grants. The increase also included \$142,209 for Sheriff additional services and \$43,549 for Sheriff insurance recoveries.
  - Public Works related amendments – The original budget was amended to increase by \$960,413, including \$328,166 to reflect the carryover of funds used for storm drainage control, \$173,021 for ADA and other project carryovers, \$86,888 to record various new projects, \$122,956 to record increased services, and \$177,759 to capture Garage service recoveries.
  - Parks, Recreation and Cultural amendments – The original budget was increased by \$217,242 to recognize the carryover of translator television projects and \$62,901 for acceptance of a grant award for the Summer Food/Playground Program.
  - Community Development amendments – The original budget was increased by \$70,000 to recognize the carryover of projects and \$59,775 for an increased allocation to the Tourism Commission.
  - Education amendments – The original budget was increased by \$2,398,730 to carryover previous year funds for encumbrances of Accomack County Schools.

**General Fund Budget Variances:**

The Primary Government General Fund reported a positive variance between actual revenue and the final budget of \$3,000,755 and a positive variance between actual expenditures and the final budget of \$3,660,670.

**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, 2020 amounts to \$57,555,249 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and machinery and equipment and construction in progress.

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

**Long-term debt** – At the end of the fiscal year, the County had total debt outstanding, including unamortized bond premiums, of \$25,219,721. Of this amount, \$13,902,876 represents debt backed by the full faith and credit of the County. The remainder of the County's debt is secured by property or specific revenue sources.

Legislation enacted during fiscal year ended June 30, 2002 required the Primary Government to assume debt historically reported by the School Board. The legislation resulted in an additional \$11,081,720 in debt reported on the County's Statement of Net position and an expense increase of \$1,148,309 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.

Additional information on the County's long-term debt 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 2021 are forecast to increase by 2.1% from those of FY20. This percentage change is comparing adopted FY 21 budget before any amendments that may occur during the fiscal year to total general fund budget as amended on schedule 2. Total General Fund expenditures, including capital expenditures, are forecast to increase 2.7%.

## **Property Tax Rates/Fees**

Below are the adopted property tax rates for calendar year 2019 (fiscal year 2020) and calendar year 2020 (fiscal year 2021). They were set as part of the budget process which included 4.9% of real estate tax revenue growth resulting from our biennial reassessment.

### 2020 Real Estate Tax Rates:

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

### 2019 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 2020.

## **Operating Expenditures**

Fiscal year 2021 operating expenditures are initially budgeted to increase slightly to provide a 2% wage increase for County and state-supported local positions that goes into effect July 1, 2020. With the pandemic only beginning at the time of budget development and adoption, the Board of Supervisors chose to freeze in place a number of spending initiatives including any pay increase to be reconsidered at mid-year. The 2021 operating budget also provides an additional \$844,333 to the School Division based on the County's traditional revenue sharing formula as well as \$198,863 for improving teacher compensation. The County shares "new" revenue with the School Division based on this formula which calls for 53% of the annual growth from general fund property taxes, other local taxes and non-categorical aid to appropriated to the School Division.

## **Capital Expenditures**

The County's adopted capital budget (before revisions) for 2021 totals just over \$1.5 million. This entire capital budget is cash funded using unassigned fund balance and a portion of 2021 projected operating revenues to pay for infrastructure improvements. The capital plan includes funding that will address a variety of County buildings that have long needed improvements, such as a fire suppression system in the Clerk of Circuit Court's office suite, improvements at various harbors, IT infrastructure and several vehicles.

## **Other Initiatives**

The fiscal year 2021 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 2024. Next year's budget sets aside an additional \$500,000 for this purpose. With this increase, the amount committed is expected to reach 14.7% of General Fund Revenue combined with School Operating Fund Revenue (less revenue from the Primary Government).

## **Employment and Population**

The local unemployment rate increased from June 2019 to June 2020 as shown below. The County's 7.7% unemployment rate falls below the unemployment rate for the Commonwealth and the country as of June 30, 2020.

Unemployment Rates			
	June 2018	June 2019	June 2020
Accomack County	3.8%	3.2%	7.7%
Commonwealth of Virginia	3.3%	2.9%	8.2%
USA	4.2%	3.7%	11.2%

According to the Virginia Employment Commission, the number of persons employed in the County increased from 16,072 in June, 2018 to 16,947 in June, 2019 and decreased to 16,807 in June, 2020. This equates to a decrease of 140 or approximately 1%.

The County's population has neither increased nor decreased substantially over the last decade and no significant change is anticipated in the next fiscal year. Final Census results from the 2020 count have not been provided at the time of this report writing.

## 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. 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](mailto:finance@co.accomack.va.us) or P.O. Box 620, Accomac, Virginia 23301.



# **Basic Financial Statements**



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**COUNTY OF ACCOMACK, VIRGINIA  
STATEMENT OF NET POSITION  
AT JUNE 30, 2020**

**Exhibit 1**

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	School Board	Other
<b>Assets:</b>					
Cash and investments	\$ 24,530,540	\$ 2,258,274	\$ 26,788,814	\$ 879,191	\$ 2,198,804
Taxes receivable, net	28,456,139	-	28,456,139	-	-
Special assessments receivable, net	17,920	-	17,920	-	-
Accounts receivable, net	303,395	171,434	474,829	170,186	159,106
Loans receivable	-	-	-	-	59,950
Due from other governmental entities	2,594,859	24,099	2,618,958	2,462,852	39,844
Inventory	-	47,276	47,276	-	187,400
Prepaid items	-	-	-	-	32,016
Receivable from fiduciary funds	26,100	-	26,100	-	-
Internal balances	3,977	(3,977)	-	-	-
Notes receivable	-	-	-	-	291,803
Restricted assets:					
Cash and cash equivalents	-	-	-	-	440,050
Capital assets (net of accumulated depreciation):					
Land	2,473,639	1,642,774	4,116,413	974,862	460,172
Buildings	20,707,692	629,522	21,337,214	35,367,415	412,787
Improvements other than buildings	12,901,210	9,156,903	22,058,113	2,205,976	133,542
Machinery and equipment	2,599,458	1,912,834	4,512,292	5,887,683	47,776
Intangibles	268,816	-	268,816	-	-
Construction in progress	4,149,964	1,125,682	5,275,646	-	-
Net pension asset	-	-	-	716,919	146,389
Total assets	<u>99,033,709</u>	<u>16,964,821</u>	<u>115,998,530</u>	<u>48,665,084</u>	<u>4,609,639</u>
<b>Deferred Outflows of Resources:</b>					
Deferred amount on refunding	233,038	-	233,038	-	-
Pension related items	2,323,491	125,158	2,448,649	9,396,831	199,815
OPEB related items	385,924	12,968	398,892	1,379,469	-
Total deferred outflows of resources	<u>2,942,453</u>	<u>138,126</u>	<u>3,080,579</u>	<u>10,776,300</u>	<u>199,815</u>
<b>Liabilities:</b>					
Accounts payable	1,761,581	270,766	2,032,347	2,235,712	47,646
Wages and benefits payable	229,118	2,479	231,597	40,888	13,735
Retainage payable	123,646	26,471	150,117	-	-
Due to other governmental entities	166,642	-	166,642	-	-
Accrued interest payable	438,309	-	438,309	-	-
Unearned revenue	989,032	5,137	994,169	675,781	505,132
Customer deposits	454,034	31,458	485,492	-	-
Long-term liabilities:					
Due within one year	4,391,690	227,801	4,619,491	1,593,983	-
Due in more than one year	27,226,936	7,768,416	34,995,352	54,657,897	1,041,882
Total liabilities	<u>35,780,988</u>	<u>8,332,528</u>	<u>44,113,516</u>	<u>59,204,261</u>	<u>1,608,395</u>
<b>Deferred Inflows of Resources:</b>					
Deferred property tax revenue	18,880,887	-	18,880,887	-	-
Pension related items	626,550	39,017	665,567	5,160,469	74,299
OPEB related items	536,749	4,206	540,955	465,976	-
Total deferred inflows of resources	<u>20,044,186</u>	<u>43,223</u>	<u>20,087,409</u>	<u>5,626,445</u>	<u>74,299</u>
<b>Net Position:</b>					
Net investment in capital assets	18,979,478	14,043,997	33,023,475	44,435,936	1,054,278
Restricted:					
Future debt service	426,739	-	426,739	-	500,000
Grant purposes	265,326	-	265,326	-	-
Public safety	4,691,624	-	4,691,624	-	-
Health and welfare	24,450	-	24,450	-	-
Parks Recreation and Culture	-	-	-	-	263,726
Judicial administration	62,109	-	62,109	-	-
Community development	36,210	-	36,210	-	-
Unrestricted	21,665,052	(5,316,801)	16,348,251	(49,825,258)	1,308,756
Total net position	<u>\$ 46,150,988</u>	<u>\$ 8,727,196</u>	<u>\$ 54,878,184</u>	<u>\$ (5,389,322)</u>	<u>\$ 3,126,760</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 2020**

**Exhibit 2**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units	
	Expenses	Charges for Services	Operating	Capital	Primary Government			School	Other
			Grants and Contributions	Grants and Contributions	Governmental	Business-type	Total	Board	-
<b>Primary government:</b>									
Governmental activities:									
General government administration	\$ 4,297,569	\$ 511,896	\$ 306,054	\$ -	\$ (3,479,619)	\$ -	\$ (3,479,619)	\$ -	\$ -
Judicial administration	2,006,203	89,391	1,180,946	-	(735,866)	-	(735,866)	-	-
Public safety	13,191,818	637,054	4,869,379	-	(7,685,385)	-	(7,685,385)	-	-
Public works	5,103,434	222,129	17,080	-	(4,864,225)	-	(4,864,225)	-	-
Health and welfare	5,978,222	483,752	3,833,091	-	(1,661,379)	-	(1,661,379)	-	-
Education	19,035,647	66,981	-	-	(18,968,666)	-	(18,968,666)	-	-
Parks, recreation and cultural	484,488	66,839	(27,513)	1,873,574	1,428,412	-	1,428,412	-	-
Community development	2,042,957	66,295	16,588	85,000	(1,875,074)	-	(1,875,074)	-	-
Interest on long-term debt	1,108,961	-	-	-	(1,108,961)	-	(1,108,961)	-	-
<b>Total governmental activities</b>	<b>53,249,299</b>	<b>2,144,337</b>	<b>10,195,625</b>	<b>1,958,574</b>	<b>(38,950,763)</b>	<b>-</b>	<b>(38,950,763)</b>	<b>-</b>	<b>-</b>
Business-type activities:									
Landfill	2,341,370	3,179,687	-	-	-	838,317	838,317	-	-
Airport	950,832	245,010	23,451	158,077	-	(524,294)	(524,294)	-	-
Water and sewer	429,097	337,309	-	-	-	(91,788)	(91,788)	-	-
Parks and recreation	22,340	28,814	-	-	-	6,474	6,474	-	-
<b>Total business-type activities</b>	<b>3,743,639</b>	<b>3,790,820</b>	<b>23,451</b>	<b>158,077</b>	<b>-</b>	<b>228,709</b>	<b>228,709</b>	<b>-</b>	<b>-</b>
<b>Total primary government</b>	<b>56,992,938</b>	<b>5,935,157</b>	<b>10,219,076</b>	<b>2,116,651</b>	<b>(38,950,763)</b>	<b>228,709</b>	<b>(38,722,054)</b>	<b>-</b>	<b>-</b>
<b>Component Units:</b>									
School Board	57,887,355	269,088	41,243,031	-	-	-	-	(16,375,236)	-
Economic Development Authority	26,588	-	-	-	-	-	-	-	(26,588)
Public Library	913,070	14,505	482,258	500,000	-	-	-	-	83,693
Planning District Commission	1,421,797	1,236,187	180,525	-	-	-	-	-	(5,085)
Quinby Harbor Committee	11,860	21,838	-	-	-	-	-	-	9,978
Greenbackville Harbor Committee	33,046	20,500	-	-	-	-	-	-	(12,546)
Captain's Cove/Greenbackville Mosquito Control Commiss	52,497	63,239	-	-	-	-	-	-	10,742
<b>Total component units</b>	<b>\$60,346,213</b>	<b>\$ 1,625,357</b>	<b>\$41,905,814</b>	<b>\$ 500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16,375,236)</b>	<b>60,194</b>
<b>General Revenues:</b>									
Taxes:									
General property taxes					33,053,958	-	33,053,958	-	-
Local sales and use taxes					4,398,807	-	4,398,807	-	-
Communication taxes					852,193	-	852,193	-	-
Consumer utility taxes					1,008,870	-	1,008,870	-	-
Other local taxes					1,943,284	-	1,943,284	-	-
Contributions from Accomack County					-	-	-	17,555,890	(588,287)
Grants and contributions not restricted to specific program:					3,446,703	-	3,446,703	-	-
Investment earnings					62,170	-	62,170	2,411	16,855
Other revenue					197,348	-	197,348	260,733	41,109
Transfers					(619,012)	619,012	-	-	-
<b>Total general revenue and transfers</b>					<b>44,344,321</b>	<b>619,012</b>	<b>44,963,333</b>	<b>17,819,034</b>	<b>(530,323)</b>
<b>Change in net position</b>					<b>5,393,558</b>	<b>847,721</b>	<b>6,241,279</b>	<b>1,443,798</b>	<b>(470,129)</b>
<b>Net position-beginning</b>					<b>40,757,430</b>	<b>7,879,475</b>	<b>48,636,905</b>	<b>(6,833,120)</b>	<b>3,596,889</b>
<b>Net position-ending</b>					<b>\$46,150,988</b>	<b>\$ 8,727,196</b>	<b>\$54,878,184</b>	<b>\$ (5,389,322)</b>	<b>\$ 3,126,760</b>

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

**COUNTY OF ACCOMACK, VIRGINIA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AT JUNE 30, 2020**

**Exhibit 3**

	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	
<b>Assets:</b>							
Cash and investments	\$ 15,745,770	\$ -	\$ 3,643,224	\$3,928,355	\$ -	\$ 1,213,191	\$ 24,530,540
Taxes receivable, net	21,902,749	-	3,391,328	-	1,942,467	1,219,595	28,456,139
Special assessments receivable, net	17,920	-	-	-	-	-	17,920
Accounts receivable, net	297,392	104	-	-	-	5,899	303,395
Due from other governmental entities	1,989,614	225,685	-	239,958	-	139,602	2,594,859
Interfund receivables	907,863	-	-	-	-	-	907,863
Total assets	<u>40,861,308</u>	<u>225,789</u>	<u>7,034,552</u>	<u>4,168,313</u>	<u>1,942,467</u>	<u>2,578,287</u>	<u>56,810,716</u>
<b>Liabilities:</b>							
Accounts payable	814,847	12,769	3,158	591,693	-	339,114	1,761,581
Wages and benefits payable	204,448	9,665	7,938	-	-	7,067	229,118
Due to other governmental entities	70,028	-	-	-	-	96,614	166,642
Retainage payable	-	-	-	123,646	-	-	123,646
Customer deposits	454,034	-	-	-	-	-	454,034
Interfund payables	226,007	203,355	-	146,902	231,784	69,738	877,786
Unearned revenue	943,206	-	-	-	-	45,826	989,032
Total liabilities	<u>2,712,570</u>	<u>225,789</u>	<u>11,096</u>	<u>862,241</u>	<u>231,784</u>	<u>558,359</u>	<u>4,601,839</u>
<b>Deferred Inflows of Resources:</b>							
Deferred property tax revenue	14,784,168	-	2,143,977	-	1,174,218	778,524	18,880,887
Unavailable revenue-property taxes	1,558,402	-	221,067	-	109,726	77,929	1,967,124
Unavailable revenue-special assessment	17,920	-	-	-	-	-	17,920
Total deferred inflows of resources	<u>16,360,490</u>	<u>-</u>	<u>2,365,044</u>	<u>-</u>	<u>1,283,944</u>	<u>856,453</u>	<u>20,865,931</u>
<b>Fund Balances:</b>							
Nonspendable: Noncurrent advances	104,700	-	-	-	-	-	104,700
Restricted:							
Debt service	-	-	-	-	426,739	-	426,739
Fire and rescue	-	-	4,658,412	-	-	27,636	4,686,048
Captain's Cove mosquito control	-	-	-	-	-	24,450	24,450
Law library	-	-	-	-	-	62,109	62,109
Drug seizures	-	-	-	-	-	20,579	20,579
Courthouse security	-	-	-	-	-	5,576	5,576
Rehabilitation projects	-	-	-	-	-	203,252	203,252
Wetlands mitigation	36,210	-	-	-	-	-	36,210
Committed to Rainy Day/Stabilization	11,802,717	-	-	-	-	-	11,802,717
Assigned:							
Storm drainage	322,835	-	-	-	-	-	322,835
Fire and rescue	-	-	-	-	-	819,873	819,873
Public boating facility improvement or re	56,368	-	-	-	-	-	56,368
Subsequent year's expenditures	2,561,648	-	-	-	-	-	2,561,648
Information technology projects	121,651	-	-	-	-	-	121,651
County projects (Series 15 Bonds)	-	-	-	3,242,047	-	-	3,242,047
Hazardous materials response	51,674	-	-	-	-	-	51,674
School Board	2,939,002	-	-	-	-	-	2,939,002
County grants	(837)	-	-	-	-	-	(837)
Other purposes	1,432,568	-	-	64,025	-	-	1,496,593
Unassigned	2,359,712	-	-	-	-	-	2,359,712
Total fund balances resources and fund balances	<u>\$ 21,788,248</u>	<u>\$ -</u>	<u>\$ 4,658,412</u>	<u>\$ 3,306,072</u>	<u>\$ 426,739</u>	<u>\$ 1,163,475</u>	<u>\$ 31,342,946</u>
	<u>\$ 40,861,308</u>	<u>\$ 225,789</u>	<u>\$ 7,034,552</u>	<u>\$ 4,168,313</u>	<u>\$ 1,942,467</u>	<u>\$ 2,578,287</u>	<u>\$ 56,810,716</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, 2020**

**Exhibit 4**

Total fund balances - governmental funds (Exhibit 3)		\$ 31,342,946
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. Those assets consist of:		
Land	2,473,639	
Buildings, net of depreciation	9,625,972	
Improvements other than buildings, net of depreciation	12,901,210	
Machinery and equipment, net of depreciation	2,599,458	
Intangibles, net of amortization	268,816	
Construction in progress	4,149,964	
School Board capital assets, net of depreciation	<u>11,081,720</u>	
Total capital assets		43,100,779
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
		1,985,043
Deferred inflows of resources are not due in the current period and, therefore, are not reported in the funds.		
Deferred inflows related to pensions	(626,550)	
Deferred inflows related to OPEB	<u>(536,749)</u>	
Total deferred inflows of resources		(1,163,299)
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	2,323,491	
Deferred outflows related to OPEB	<u>385,924</u>	
Total deferred outflows of resources		2,709,415
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	(13,861,216)	
Qualified zone academy bonds	(41,660)	
Lease revenue bonds	(10,327,817)	
Accrued interest on debt	(438,310)	
Bond premiums and discounts, net of amortization	(565,310)	
Bond deferred charge on refunding	233,038	
Compensated absences	(2,319,287)	
Net OPEB liability	(2,683,284)	
Net pension liability	<u>(1,820,052)</u>	
Net adjustment		<u>(31,823,898)</u>
Total net position - governmental activities (Exhibit 1)		<u>\$ 46,150,988</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, 2020**

**Exhibit 5**

	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
<b>Revenues:</b>							
General property taxes	\$ 24,855,852	\$ -	\$ 4,389,674	\$ -	\$ 3,038,752	\$ 1,659,161	\$ 33,943,439
Other local taxes	8,135,798	-	-	-	-	67,356	8,203,154
Permits, fees and licenses	337,076	-	-	-	-	11,576	348,652
Fines and forfeitures	57,685	-	-	-	-	-	57,685
Revenue from the use of money & property	513,922	-	-	26,919	-	67	540,908
Charges for services	645,594	-	-	-	-	47,855	693,449
Miscellaneous	126,608	5,690	9,443	775,000	66,981	74,570	1,058,292
Recovered costs	460,856	-	5,025	2,500	-	9,936	478,317
Intergovernmental	9,452,532	3,280,787	74,243	1,183,574	82,359	680,199	14,753,694
<b>Total revenues</b>	<b>44,585,923</b>	<b>3,286,477</b>	<b>4,478,385</b>	<b>1,987,993</b>	<b>3,188,092</b>	<b>2,550,720</b>	<b>60,077,590</b>
<b>Expenditures:</b>							
General government administration	4,249,420	-	-	275,070	-	-	4,524,490
Judicial administration	1,528,085	-	-	1,542,256	-	117,695	3,188,036
Public safety	8,556,574	-	2,834,584	551,176	-	1,529,753	13,472,087
Public works	4,245,251	-	-	53,801	-	-	4,299,052
Health and welfare	1,078,365	3,974,471	-	10,000	-	681,213	5,744,049
Education	17,596,918	-	-	-	-	-	17,596,918
Parks, recreation and cultural	1,029,107	-	-	2,499,806	-	-	3,528,913
Community development	1,069,895	-	-	133,693	-	140,643	1,344,231
<b>Debt service:</b>							
Principal Retirement	224,000	-	-	-	2,125,305	-	2,349,305
Interest and Other Charges	66,646	-	-	-	1,010,277	-	1,076,923
<b>Total expenditures</b>	<b>39,644,261</b>	<b>3,974,471</b>	<b>2,834,584</b>	<b>5,065,802</b>	<b>3,135,582</b>	<b>2,469,304</b>	<b>57,124,004</b>
Revenues over (under) expenditures	4,941,662	(687,994)	1,643,801	(3,077,809)	52,510	81,416	2,953,586
<b>Other financing sources (uses):</b>							
Lease revenue bonds issued	-	-	-	2,086,000	-	-	2,086,000
Transfers in	128,760	687,994	-	3,025,028	-	228,503	4,070,285
Transfers out	(4,559,537)	-	(129,760)	-	-	-	(4,689,297)
<b>Total other financing sources (uses)</b>	<b>(4,430,777)</b>	<b>687,994</b>	<b>(129,760)</b>	<b>5,111,028</b>	<b>-</b>	<b>228,503</b>	<b>1,466,988</b>
Net changes in fund balance	510,885	-	1,514,041	2,033,219	52,510	309,919	4,420,574
Fund balance, beginning of year	21,277,363	-	3,144,371	1,272,853	374,229	853,556	26,922,372
<b>Fund balance, end of year</b>	<b>\$ 21,788,248</b>	<b>\$ -</b>	<b>\$ 4,658,412</b>	<b>\$ 3,306,072</b>	<b>\$ 426,739</b>	<b>\$ 1,163,475</b>	<b>\$ 31,342,946</b>

(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, 2020**

**Exhibit 6**

Net changes in fund balances-governmental funds (Exhibit 5)	\$ 4,420,574
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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	5,477,250	
Depreciation expense	<u>(2,585,190)</u>	
Net adjustment		2,892,060

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net assets.	(33,726)
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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.	(1,148,309)
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School Bond proceeds for which capital assets have not been constructed or acquired. This adjustment is required to properly report actual debt used to construct or acquire capital assets.	-
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds		
Property taxes	(889,481)	
Change in deferred inflows related OPEB	46,868	
Change in deferred inflows related to pensions	<u>482,726</u>	
Net adjustment		(359,887)

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.	303,250
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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	(32,038)	
Change in compensated absences	(139,350)	
Change in net OPEB obligation	(43,861)	
Change in net pension liability	(1,660,005)	
Change in deferred outflows related to OPEB	95,069	
Change in deferred outflows related to pensions	<u>1,099,781</u>	
Net adjustment		<u>(680,404)</u>

Change in net position of governmental activities (Exhibit 2)	<u>\$ 5,393,558</u>
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**COUNTY OF ACCOMACK, VIRGINIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**AT JUNE 30, 2020**

**Exhibit 7**

	Business-type Activities-Enterprise Funds			
	Major Funds			
	Landfill Fund	Airport Fund	Nonmajor Funds	Total
<b>Assets:</b>				
Current assets:				
Cash and investments	\$ 1,564,996	\$ 442,048	\$ 251,230	\$ 2,258,274
Accounts receivable (net of allowance for uncollectibles)	96,294	27,569	47,571	171,434
Due from other government entities	-	24,099	-	24,099
Inventory	-	47,276	-	47,276
Total current assets	1,661,290	540,992	298,801	2,501,083
Noncurrent assets:				
Capital Assets (net of accumulated depreciation):				
Land	402,959	1,239,815	-	1,642,774
Buildings	629,254	-	268	629,522
Improvements other than buildings	5,146,933	3,983,306	26,664	9,156,903
Machinery and equipment	1,672,120	8,545	232,169	1,912,834
Construction in progress	406,659	148,363	570,660	1,125,682
Total capital assets	8,257,925	5,380,029	829,761	14,467,715
Total assets	9,919,215	5,921,021	1,128,562	16,968,798
<b>Deferred Outflows of Resources:</b>				
Pension related items	109,365	15,793	-	125,158
OPEB related items	11,242	1,726	-	12,968
Total deferred outflows of resources	120,607	17,519	-	138,126
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable	84,564	14,949	171,253	270,766
Retainage payable	-	-	26,471	26,471
Wages and benefits payable	499	1,980	-	2,479
Unearned revenue	-	5,137	-	5,137
Customer deposits	30,189	-	1,269	31,458
Interfund payables	-	-	3,977	3,977
Compensated absences-current	74,429	13,297	-	87,726
Capital leases payable-current	140,075	-	-	140,075
Total current liabilities	329,756	35,363	202,970	568,089
Noncurrent liabilities:				
Compensated absences	9,198	1,643	-	10,841
Capital leases payable	283,643	-	-	283,643
Landfill closure/post closure care	7,316,022	-	-	7,316,022
Net pension liability	80,026	12,659	-	92,685
Net OPEB liability	56,675	8,550	-	65,225
Total noncurrent liabilities	7,745,564	22,852	-	7,768,416
Total liabilities	8,075,320	58,215	202,970	8,336,505
<b>Deferred Inflow of Resources:</b>				
Pension related items	33,571	5,446	-	39,017
OPEB related items	3,655	551	-	4,206
Total deferred inflows of resources	37,226	5,997	-	43,223
<b>Net Position:</b>				
Net investment in capital assets	7,834,207	5,380,029	829,761	14,043,997
Unrestricted	(5,906,931)	494,299	95,831	(5,316,801)
Total net position	\$ 1,927,276	\$ 5,874,328	\$ 925,592	\$ 8,727,196

(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, 2020**

**Exhibit 8**

	Business-type Activities-Enterprise Funds			
	Major Funds			
	Landfill Fund	Airport Fund	Nonmajor Funds	Total
Operating revenues:				
Use of property	\$ -	\$ 7,640	\$ -	\$ 7,640
Charges for services	3,106,288	235,100	366,063	3,707,451
Intergovernmental	-	23,451	-	23,451
Other operating revenue	73,399	2,270	60	75,729
Total operating revenues	<u>3,179,687</u>	<u>268,461</u>	<u>366,123</u>	<u>3,814,271</u>
Operating expenses:				
Personnel services and fringe benefits	826,041	120,578	1,830	948,449
Other operating expenses	710,655	507,063	434,436	1,652,154
Depreciation	794,741	307,071	15,171	1,116,983
Total operating expenses	<u>2,331,437</u>	<u>934,712</u>	<u>451,437</u>	<u>3,717,586</u>
Operating income (loss)	<u>848,250</u>	<u>(666,251)</u>	<u>(85,314)</u>	<u>96,685</u>
Nonoperating revenues (expenses):				
Interest expense and related debt expense	(9,933)	-	-	(9,933)
Gain (Loss) on disposal of capital assets	-	(16,120)	-	(16,120)
State grants - capital contribution	-	26,060	-	26,060
Federal grants - capital contribution	-	132,017	-	132,017
Total nonoperating revenues (expenses)	<u>(9,933)</u>	<u>141,957</u>	<u>-</u>	<u>132,024</u>
Income (loss) before transfers	<u>838,317</u>	<u>(524,294)</u>	<u>(85,314)</u>	<u>228,709</u>
Transfers:				
Transfers in	-	201,006	418,006	619,012
Total transfers	<u>-</u>	<u>201,006</u>	<u>418,006</u>	<u>619,012</u>
Changes in net position	838,317	(323,288)	332,692	847,721
Total net position, beginning of year	1,088,959	6,197,616	592,900	7,879,475
Total net position, end of year	<u>\$ 1,927,276</u>	<u>\$ 5,874,328</u>	<u>\$ 925,592</u>	<u>\$ 8,727,196</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, 2020**

**Exhibit 9**

	<u>Business-type Activities-Enterprise Funds</u>			
	<u>Major Funds</u>			Total
	Landfill Fund	Airport Fund	Nonmajor Funds	
Cash flows from operating activities:				
Receipts from customers	\$3,365,655	\$ 226,993	\$ 355,032	\$ 3,947,680
Payments to suppliers	(673,487)	(524,951)	(432,763)	(1,631,201)
Payments to employees and benefits paid on behalf of employees	(825,872)	(120,344)	(2,180)	(948,396)
Intergovernmental	-	23,451	-	23,451
Other receipts	73,399	2,270	60	75,729
Payments to General Fund for indirect services	(256,601)	-	-	(256,601)
Net cash provided by (used for) operating activities	<u>1,683,094</u>	<u>(392,581)</u>	<u>(79,851)</u>	<u>1,210,662</u>
Cash flows from noncapital financing activities:				
Transfer from the General Fund	-	190,698	-	190,698
Operating grant proceeds from the Commonwealth and Federal Government	-	59,783	-	59,783
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>250,481</u>	<u>-</u>	<u>250,481</u>
Cash flows from capital and related financing activities:				
Purchase of capital assets	(227,269)	(59,680)	(455,566)	(742,515)
Capital transfer from the General Fund	-	10,308	418,006	428,314
Capital grant proceeds from the Commonwealth and Federal Government	-	105,706	-	105,706
Proceeds from sale of capital assets	-	4,900	-	4,900
Principal payments on debt	(276,705)	-	-	(276,705)
Interest payments on debt	(10,471)	-	-	(10,471)
Net cash provided by (used for) capital and related financing activities	<u>(514,445)</u>	<u>61,234</u>	<u>(37,560)</u>	<u>(490,771)</u>
Net increase in cash and cash equivalents	1,168,649	(80,866)	(117,411)	970,372
Cash and cash equivalents, beginning of year	396,346	522,914	368,641	1,287,901
Cash and cash equivalents, end of year	<u>\$1,564,995</u>	<u>\$ 442,048</u>	<u>\$ 251,230</u>	<u>\$ 2,258,273</u>
<u>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</u>				
Operating income (loss)	\$ 848,250	\$ (666,251)	\$ (85,314)	\$ 96,685
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	794,741	307,071	15,171	1,116,983
Changes in assets and liabilities:				
(Increase) Decrease in accounts receivable	259,207	(15,562)	(11,031)	232,614
(Increase) Decrease in inventory	-	(5,058)	-	(5,058)
(Increase) Decrease in deferred outflows related to pensions	33,934	7,884	-	41,818
(Increase) Decrease in deferred outflows related to OPEB	(1,279)	(419)	-	(1,698)
Increase (Decrease) in wages and benefits payable	160	(525)	(161)	(526)
Increase (Decrease) in accounts payable	(35,273)	(13,523)	1,484	(47,312)
Increase (Decrease) in prepaid rent	-	(184)	-	(184)
Increase (Decrease) in customer deposits	160	-	-	160
Increase (Decrease) in closure/post closure liabilities	(193,800)	-	-	(193,800)
Increase (Decrease) in compensated absences payable	4,890	(1,364)	-	3,526
Increase (Decrease) in deferred inflows related to pensions	(27,400)	(4,559)	-	(31,959)
Increase (Decrease) in deferred inflows related to OPEB	(496)	(91)	-	(587)
Total adjustments	<u>40,103</u>	<u>(33,401)</u>	<u>(9,708)</u>	<u>(3,006)</u>
Net cash provided (used for) by operating activities	<u>\$1,683,094</u>	<u>\$ (392,581)</u>	<u>\$ (79,851)</u>	<u>\$ 1,210,662</u>

(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, 2020**

**Exhibit 10**

	Other Postemployment Benefits Trust Fund	Agency Funds
<b><u>Assets:</u></b>		
Cash and investments held by Treasurer	\$ -	\$ 71,254
Cash and investments in custody of others	393,270	189,869
Total assets	393,270	261,123
<b><u>Liabilities:</u></b>		
Reconciled overdraft	26,100	-
Accounts payable	9,314	-
Amounts held for social service clients	-	71,254
Amounts held for others	-	189,869
Total liabilities	35,414	261,123
<b><u>Net Position:</u></b>		
Net position restricted for OPEB	357,856	-
Total net position	\$ 357,856	\$ -

(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, 2020**

**Exhibit 11**

	<u>Other Postemployment Benefits Trust Fund</u>
<b><u>Additions:</u></b>	
Contributions:	
Employer	\$ 112,036
Retiree	99,380
Total contributions	<u>211,416</u>
Investment earnings:	
Interest	10,934
Total investment earnings	<u>10,934</u>
Total additions	<u>222,350</u>
<b><u>Deductions</u></b>	
Health insurance credit payments	35,379
Benefits	136,686
Total deductions	<u>172,065</u>
Change in net position	50,285
Net position - beginning	307,571
Net position - ending	<u>\$ 357,856</u>

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies for the County of Accomack, Virginia, (the County) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments.

**A. Description of Government-Wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported in the fund financial statements. Government activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the elected officials of the primary government are financially accountable.

**B. 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 accompanying financial statements present the financial data of the County (Primary Government) and its component units. The financial data of the component units are included in the County's basic financial statements because of the significance of their operational or financial relationships with the County. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the Primary Government, or (b) the possibility that the component unit will provide a financial benefit or impose a financial burden on the Primary Government. The County and its component units are together referred to herein 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, 2020.

- 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 ten members all of whom are appointed by a selection committee established by the Circuit Court. 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, 2020 (Continued)

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**B. 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, 2020 (Continued)

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**B. 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. Separately issued financial statements can be obtained from Captain's Cove Greenbackville Mosquito Control Commission, Greenbackville, Virginia 23356. 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 2020, the County contributed \$619,933 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 entities are 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 2020, the County contributed \$200,036 to the Board for operations. Complete financial statements for the Board may be obtained by contacting the Eastern Shore Community Services Board, P.O. Box 453, Nassawadox, Virginia 23413.

**C. Basis of Presentation-Government-Wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the County's enterprise funds. 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. The basic financial statements include both government-wide (based upon the County as a whole) and fund financial statements.



**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**C. Basis of Presentation-Government-Wide Financial Statements – continued**

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. Basis of Presentation-Fund Financial Statements**

The County’s financial statements, which have been prepared in accordance with GAAP, as promulgated by the Governmental Accounting Standards Board (GASB) includes the following major funds:

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Basis of Presentation-Fund Financial Statements – continued**

The County reports the following major proprietary funds:

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

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

- **Special Revenue Funds:** Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.
- **Enterprise Funds:** Enterprise funds are used to report an activity for which a fee is charged to external users for goods or services.
- **Fiduciary Funds:** Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for other individuals or organizations. Fiduciary funds consist of the Other Postemployment Benefits Trust Fund and the following agency funds: Special Welfare Fund and Sheriff Canteen Fund. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Trust funds account for assets in essentially the same manner as a proprietary fund using the economic resources measurement focus.

During the course of operations, the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in the fund financial statements certain eliminations are made in the preparation of the government-wide financial statements.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities fund. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

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

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

**F. Budgetary Basis of Accounting**

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

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**F. Budgetary Basis of Accounting – continued**

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

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

**i. Deposits and Investments**

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

Short-term investments may consist of certificates of deposit, repurchase agreements, commercial paper, and investments in the Local Government Investment Pool (LGIP). 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, 2020, the allowance for General fund uncollectible taxes receivable as shown in footnote 3 represents 11.2% 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 16.6%, 32.2% and 16.5% respectively.

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

**iii. Inventories and Prepaid Items**

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

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

**iv. Capital Assets**

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

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

**v. Deferred Outflows/Inflows of Resources**

Deferred inflows and outflows of resources represent the acquisition and consumption, respectively, of net position that applies to a future period. At June 30, 2020, the Primary Government had \$233,038 in deferred outflows of resources representing debt refunding resulting in loss transactions which are amortized over the life of the refunded debt, \$2.8 million in deferred charges related to Pension and OPEB contributions, experience, assumptions, earnings, and proportion. The Primary Government also had \$18.9 million in deferred inflows of resources related to property tax revenue and \$1.2 million of deferred inflows related to changes in the Pension and OPEB experience, assumptions, earning and proportion which are amortized over the average future service life of all plan members, except earnings, which are amortized over a five year period.

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

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

**v. Deferred Outflows/Inflows of Resources continued**

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

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

**vi. Net Position**

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

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

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

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

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

**vi. Net Position Flow Assumption**

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

**vi. Fund Balance Flow Assumptions**

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

**vii. Fund Balance**

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

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

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

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

Assigned	Consists of amounts intended to be used by the County for a specific purpose but are neither restricted nor committed.	Assigned for subsequent year's expenditures is the portion of fund balance that has been approved by formal action of the Board of Supervisors for appropriation in the fiscal year 2018 budget. Amendment of this amount requires approval of the Board. Additional assignments for residual funds associated with ongoing capital projects and special revenue funds have been made by the Finance Director who is given that authority.
Unassigned	Fund balance that has not been reported in any other classification.	Positive unassigned fund balance is only reported in the General Fund. In governmental funds other than the General Fund, a negative unassigned fund balance may be reported if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes.

**H. Revenues and Expenditures/Expenses**

**i. Program Revenue**

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

**ii. Property Taxes**

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

In 1998, the Virginia General Assembly passed the Personal Property Tax Relief Act (PPTRA). The purpose of this legislation was to gradually eliminate the personal property tax on automobiles by increasing Commonwealth funding to localities. The PPTRA provides tax relief via a tax credit that appears on the citizen's tax assessment as a reduction to taxes due. The credit applies to the first \$20,000 of taxable value of automobiles and motorcycles held for personal use. The tax credit on vehicles valued between \$1,000 and \$20,000 for tax year 2020 was equal to 42% of the tax assessment. The tax credit on vehicles with a taxable value of less than \$1,000 was equal to 100% of the tax assessment. Revenue from the Commonwealth pertaining to PPTRA is recorded as non-categorical aid.

**iii. Compensated Absences**

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



**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**H. Revenues and Expenditures/Expenses – continued**

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

**iv. Proprietary Funds Operating and Nonoperating Revenues and Expenses**

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

**v. Use of Estimates**

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

**I. Pensions**

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's and School Board's Retirement Plan and the additions to/deductions from the County's and School Board's Retirement Plan's net fiduciary position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**J. Other Postemployment Benefits (OPEB)**

***Group Life Insurance***

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2020

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED**

**J. *Political Subdivision and Teacher Employee Health Insurance Credit Program***

The County and Virginia Retirement System (VRS) Teacher Employee Health Insurance Credit (HIC) Programs 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 Teacher Employee HIC Program is a defined benefit plan that provides a credit toward the cost of health insurance coverage for retired teachers. 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 and VRS Teacher Employee HIC Programs; and the additions to/deductions from the County and VRS Teacher Employee 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.

**K. Future GASB Pronouncements**

- The Governmental Accounting Standards Board (GASB) has issued the following Statements which are not yet effective.
- Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.
- Statement No. 87, *Leases*, requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that lease are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2020

**L. Future GASB Pronouncements continued**

- Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, provides guidance for reporting capital assets and the cost of borrowing for a reporting period and simplifies accounting for interest cost incurred before the end of a construction periods. The requirements of this Statement are effect for reporting periods beginning after December 15, 2020.
- Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*, provides guidance for reporting a government’s majority equity interest in a legally separate organization and for reporting financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.
- Statement No. 91, *Conduit Debt Obligations*, 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, 2019.
- Statement No. 92, *Omnibus 2020*, addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics such as leases, assets related to pension and postemployment benefits, and reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature. The effective dates differ by topic, ranging from January 2020 to periods beginning after June 15, 2021.
- Statement No. 93, *Replacement of Interbank Offered Rates*, establishes accounting and financial reporting requirements related to the replacement of Interbank Offered Rates (IBORs) in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments. The requirements of this Statement, except for removal of London Interbank Offered Rate (LIBOR) as an appropriate benchmark interest rate and the requirements related to lease modifications, are effective for reporting periods beginning after June 15, 2020. The removal of LIBOR as an appropriate bench mark interest rate is effective for reporting periods ending after December 31, 2021. All requirements related to lease modifications in this Statement are effective for reporting periods beginning after June 15, 2021.
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability of Payment Arrangements*, addresses issues related to public-private and public-public partnership arrangements. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.
- Statement No. 96, *Subscription-Based Information Technology Arrangements )SBITs)*, (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscriptions asset-an intangible asset - and corresponding subscriptions liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

**L. Future GASB Pronouncements continued**

- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code (IRC) Section 457 Deferred Compensation Plans – an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*, (1) increases consistency and comparability related to reporting of fiduciary component units in certain circumstance; (2) mitigates costs associated with the reporting of certain plans as fiduciary component units in fiduciary fund financial statements; and (3) enhances the relevance, consistency, and comparability of the accounting and financial reporting for Section 457 plans that meet the definition of a pension plan and for benefits provided through those plans. The effective dates differ based on the requirements of the Statement, ranging from June 2020 to reporting periods beginning after June 15, 2021.

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

**2. DEPOSITS AND INVESTMENTS**

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

Statutes authorize the County Treasurer, an elected official, to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper and certain corporate notes, banker’s acceptances, repurchase agreements and the State Treasurer’s Local Government Investment Pool (LGIP). The Treasury Board of the Commonwealth of Virginia has regulatory oversight of the LGIP. It follows the guidance of GASB Statement No. 79 “Certain External Investment Pools and Pool Participants” with the portfolio securities valued by the amortized cost method. Investments with a maturity date of one year or less are stated at amortized cost. The fair value of the County’s position in the LGIP is the same as the value of the pool shares. All other investments are stated at fair value.

The carrying amount of cash and investments of the Primary Government and the School Board Component Unit at June 30, 2020 is as follows:

Deposits with Financial Institutions	\$ 11,939,981
Investments	15,784,014
Petty Cash	5,290
Cash on Hand	<u>1,274</u>
Total Cash and Investments of the Primary Government and School Board Component Unit	<u><u>\$ 27,730,560</u></u>

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

**2. DEPOSITS AND INVESTMENTS – CONTINUED**

A reconciliation to the basic financial statements is as follows:

Primary Government Cash and Investments per Exhibit 1	\$	26,788,814
School Board Component Unit Cash and Investments per Exhibit 1		879,191
Other Component Unit Cash and Investments per Exhibit 1		2,638,854
Fiduciary Funds Cash and Investments per Exhibit 10		654,393
Total Cash and Investments for the Reporting Entity		30,961,252
Less: Other Component Unit Cash and Investments per Exhibit 1 not in the custody of the Treasurer		(2,638,854)
Less: Fiduciary Funds Cash and Investments per Exhibit 10 not in the custody of the Treasurer		(583,139)
Total Cash and Investments in the custody of the Treasurer	\$	27,739,259

**Credit Risk of Debt Securities**

Per state statute requirements, 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, 2020, the County’s investments as rated by Standard & Poor’s were as follows:

<u>Investment Type</u>	<u>AAAm</u>
Virginia Local Government Investment Pool	\$ 15,133,026

**Concentration of Credit Risk**

State statute limits the percentage of the portfolio that can be invested in any one issuer, excluding the U.S. Government, U.S. Government Agencies, the Commonwealth of Virginia and its authorities, mutual funds and pooled investment funds. No more than 35% of total available funds may be invested in commercial paper. Furthermore, not more than 5% of the total funds available for investment may be invested in commercial paper of any one issuing corporation. As of June 30, 2020, the County’s entire investment portfolio was invested with Virginia Local Investment Pool which is administered by the Treasury Board of the Commonwealth of Virginia.

**Interest Rate Risk**

The County’s investments as of June 30, 2020 are presented below along with their maturity. The County had no policy on interest rate risk at June 30.

	<u>Fair Value</u>	<u>Maturity less than 1 year</u>
<b>Primary Government &amp; School Board Component Unit:</b>		
Virginia Local Government Investment Pool	\$ 15,133,026	\$ 15,133,026

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

**2. DEPOSITS AND INVESTMENTS – CONTINUED**

**Custodial Credit Risk**

As of June 30, 2020, 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, 2020 are as follows:

Type:	<u>Major Funds</u>					<u>Total</u>
	<u>General Fund</u>	<u>Medical Services Fund</u>	<u>County Debt Fund</u>	<u>Nonmajor Funds</u>		
Taxes receivable	\$ 4,289,587	\$ 676,196	\$ 930,065	\$ 242,806	\$ 6,138,654	

**4. DUE FROM OTHER GOVERNMENTAL ENTITIES**

Amounts due from other governments at June 30, 2020 consisted of the following:

	<u>Major Governmental Funds</u>			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				
Miscellaneous government entities:							
Eastern Shore Public Service Authority	\$104,700	\$ -	\$ -	\$ -	\$104,700	\$ -	\$104,700
Commonwealth of Virginia:							
Local sales tax	1,275,635	-	-	-	1,275,635	-	1,275,635
Recordation tax	38,278	-	-	-	38,278	-	38,278
Constitutional officer shared expenses	315,845	-	-	-	315,845	-	315,845
Jail per diem for prisoner housing	54,864	-	-	-	54,864	-	54,864
Mobile home tax	9,823	-	-	-	9,823	-	9,823
Communications tax	139,824	-	-	-	139,824	-	139,824
Miscellaneous	4,167	-	-	-	4,167	-	4,167
Greenbackville Harbor Improvement	-	-	239,958	-	239,958	-	239,958
Public assistance funds	-	77,933	-	-	77,933	-	77,933
Airport maintenance funds	-	-	-	-	-	11,572	11,572
Comprehensive services act reimbursements	-	-	-	123,722	123,722	-	123,722
<b>Total due from the Commonwealth</b>	<b>1,838,436</b>	<b>77,933</b>	<b>239,958</b>	<b>123,722</b>	<b>2,280,049</b>	<b>11,572</b>	<b>2,291,621</b>
Federal Government:							
Airport maintenance funds	-	-	-	-	-	12,527	12,527
Rehabilitation project	-	-	-	15,880	15,880	-	15,880
Hazardous Material Response	46,478	-	-	-	46,478	-	46,478
Public assistance funds	-	147,752	-	-	147,752	-	147,752
<b>Total due from the Federal Government</b>	<b>46,478</b>	<b>147,752</b>	<b>-</b>	<b>15,880</b>	<b>210,110</b>	<b>12,527</b>	<b>222,637</b>
<b>Total due from other governmental entities</b>	<b>\$1,989,614</b>	<b>\$ 225,685</b>	<b>\$239,958</b>	<b>\$139,602</b>	<b>\$2,594,859</b>	<b>\$24,099</b>	<b>\$2,618,958</b>

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

**4. DUE FROM OTHER GOVERNMENTAL ENTITIES continued**

School Board Component Unit:

Commonwealth of Virginia:	
State sales tax contribution	\$ 403,387
SOL web base	17,082
Total due from Commonwealth	<u>420,469</u>
Federal Government:	
Title I	1,294,630
Title II	74,865
Title III	47,318
Title IV	2,100
Title V	7,531
Title VI-B Special Education	331,884
Migrant	8,120
Vocational/Perkins	74,556
Food services	57,272
CARES Act	144,107
Total due from Federal Government	<u>2,042,383</u>
Total due from other governmental entities	<u>\$ 2,462,852</u>

**5. INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivable and payable balances at June 30, 2020 are as follows:

	Interfund	
	Receivables	Payables
<b>PRIMARY GOVERNMENT:</b>		
<b>Governmental Funds:</b>		
General Fund	\$ 907,863	\$ 226,007
Comprehensive Youth Services Fund	-	67,144
Virginia Public Assistance Fund	-	203,355
County Debt Service Fund	-	231,784
Mosquito Control Fund	-	146,902
OPEB Fund	-	26,100
Courthouse Security Fund	-	2,594
Total Governmental Funds	<u>907,863</u>	<u>903,886</u>
Major proprietary funds	-	3,977
Total Primary Government	<u>\$ 907,863</u>	<u>\$ 907,863</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**

YEAR ENDED JUNE 30, 2020

**6. CAPITAL ASSETS**

**A. Primary Government:**

	<b>Balance</b>			<b>Balance</b>
	<b>July 1, 2019</b>	<b>Additions</b>	<b>Retirements</b>	<b>June 30, 2020</b>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,497,342	\$ 10,023	\$ (33,726)	\$ 2,473,639
Construction in progress	944,077	3,586,468	(380,581)	4,149,964
Total capital assets not being depreciated	<u>3,441,419</u>	<u>3,596,491</u>	<u>(414,307)</u>	<u>6,623,603</u>
Other capital assets:				
Buildings	14,993,041	521,527	-	15,514,568
School buildings	15,519,621	-	(1,616,746)	13,902,875
Improvements other than buildings	19,603,007	1,225,844	-	20,828,851
Machinery and equipment	8,706,061	495,515	(62,996)	9,138,580
Intangibles	1,497,274	18,454	-	1,515,728
Total other capital assets	<u>60,319,004</u>	<u>2,261,340</u>	<u>(1,679,742)</u>	<u>60,900,602</u>
Less accumulated depreciation:				
Buildings	(5,424,352)	(464,244)	-	(5,888,596)
School buildings	(3,011,326)	(278,266)	468,437	(2,821,155)
Improvements other than buildings	(6,823,972)	(1,103,669)	-	(7,927,641)
Machinery and equipment	(5,974,542)	(627,576)	62,996	(6,539,122)
Intangibles	(1,135,477)	(111,435)	-	(1,246,912)
Total accumulated depreciation	<u>(22,369,669)</u>	<u>(2,585,190)</u>	<u>531,433</u>	<u>(24,423,426)</u>
Total governmental activities, net	<u>41,390,754</u>	<u>3,272,641</u>	<u>(1,562,616)</u>	<u>43,100,779</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	1,663,795	-	(21,021)	1,642,774
Construction in progress	581,388	776,650	(232,356)	1,125,682
Total capital assets not being depreciated	<u>2,245,183</u>	<u>776,650</u>	<u>(253,377)</u>	<u>2,768,456</u>
Other capital assets:				
Buildings	2,162,256	-	-	2,162,256
Improvements other than buildings	18,899,477	27,498	-	18,926,975
Motor vehicles and equipment	6,755,515	71,236	-	6,826,751
Intangibles	29,710	-	-	29,710
Total other capital assets	<u>27,846,958</u>	<u>98,734</u>	<u>-</u>	<u>27,945,692</u>
Less accumulated depreciation:				
Buildings	(1,497,779)	(34,955)	-	(1,532,734)
Improvements other than buildings	(9,008,488)	(761,584)	-	(9,770,072)
Motor vehicles and equipment	(4,593,473)	(320,444)	-	(4,913,917)
Intangibles	(29,710)	-	-	(29,710)
Total accumulated depreciation	<u>(15,129,450)</u>	<u>(1,116,983)</u>	<u>-</u>	<u>(16,246,433)</u>
Total business-type activities, net	<u>14,962,691</u>	<u>(241,599)</u>	<u>(253,377)</u>	<u>14,467,715</u>
Total primary government, net	<u>\$ 56,353,445</u>	<u>\$ 3,031,042</u>	<u>\$ (1,815,993)</u>	<u>\$ 57,568,494</u>



**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

**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	\$ 98,481	\$ -	\$ 98,481
Judicial administration	105,127	-	105,127
Public safety	425,584	-	425,584
Public works	606,934	-	606,934
Health and welfare	253,012	-	253,012
Education	290,420	-	290,420
Parks, recreation and cultural	397,432	-	397,432
Community development	408,200	-	408,200
Landfill	-	794,741	794,741
Airport	-	307,071	307,071
Water and sewer	-	14,173	14,173
Parks and Recreation	-	998	998
Total	<u>\$ 2,585,190</u>	<u>\$ 1,116,983</u>	<u>\$ 3,702,173</u>

**B. School Board Component Unit:**

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020
Capital assets not being depreciated:				
Land	\$ 974,862	\$ -	\$ -	\$ 974,862
Construction in progress	35,000	-	(35,000)	-
Total capital assets not being depreciated	<u>1,009,862</u>	<u>-</u>	<u>(35,000)</u>	<u>974,862</u>
Other capital assets:				
Buildings	73,682,197	2,926,662	-	76,608,859
Improvements other than buildings	5,420,586	-	-	5,420,586
Motor vehicles and equipment	15,504,226	1,728,782	(370,676)	16,862,332
Total other capital assets	<u>94,607,009</u>	<u>4,655,444</u>	<u>(370,676)</u>	<u>98,891,777</u>
Less accumulated depreciation:				
Buildings	(39,221,916)	(2,019,528)	-	(41,241,444)
Improvements other than buildings	(3,049,934)	(164,676)	-	(3,214,610)
Motor vehicles and equipment	(10,225,026)	(1,119,384)	369,761	(10,974,649)
Total accumulated depreciation	<u>(52,496,876)</u>	<u>(3,303,588)</u>	<u>369,761</u>	<u>(55,430,703)</u>
Total school board component unit, net	<u>\$ 43,119,995</u>	<u>\$ 1,351,856</u>	<u>\$ (35,915)</u>	<u>\$ 44,435,936</u>

Total depreciation expense charged to the School Board component unit was \$ 3,137,506.

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, 2020, is that debt and related assets in the amount of \$11,081,720 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

YEAR ENDED JUNE 30, 2020

**6. CAPITAL ASSETS – CONTINUED**

**C. Economic Development Authority Component Unit:**

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020
Capital assets not being depreciated:				
Land	\$ 301,678	\$ -	\$ (8,087)	\$ 293,591
Other capital assets:				
Improvements other than buildings	779,575	-	-	779,575
Motor vehicles and equipment	7,799	-	-	7,799
Total other capital assets	787,374	-	-	787,374
Less accumulated depreciation:				
Improvements other than buildings	(779,575)	-	-	(779,575)
Motor vehicles and equipment	(3,705)	(780)	-	(4,485)
Total accumulated depreciation	(783,280)	(780)	-	(784,060)
Total economic development authority component unit	\$ 305,772	\$ (780)	\$ (8,087)	\$ 296,905

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

**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, 2020 consisted of the following:

Unearned Revenue	General Fund	County Capital Projects	Special Revenue		School Board Component Unit
			Funds - Nonmajor	Enterprise Funds	
Advance grant funding received	\$ 943,206	\$ -	\$ 45,826	\$ -	\$ 675,781
Prepaid rent received	-	-	-	5,137	-
Total	\$ 943,206	\$ -	\$ 45,826	\$ 5,137	\$ 675,781

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

**8. COMPENSATED ABSENCES**

Accrued compensated absences are as follows at June 30, 2020:

Compensated Leave	Primary Government		School Board Component Unit
	Governmental Activities	Business-type Activities	
Annual	\$ 1,121,503	\$ 55,808	\$ 735,090
Sick	449,059	36,726	982,002
Compensatory	748,725	6,034	-
Total	<u>\$ 2,319,287</u>	<u>\$ 98,568</u>	<u>\$ 1,717,092</u>

**9. OPERATING LEASES**

The primary government leases approximately 66.4 acres of land from the National Aeronautics and Space Administration (NASA) Goddard Space Flight Center's Wallops Flight Facility. The leased property is located in the County's Wallops Research Park and will be used to support economic growth opportunities affiliated with activities of the Wallops Flight Facility. The expiration of the lease is September 30, 2099. The lease stipulates an annual base rent equal to no less than 2% of the fair market value of the land currently appraised at \$900,000. Total lease cost for the year ended June 30, 2020 was \$21,176. Future rent increases are contingent upon changes in the Consumer Price Index, measured every 5 years with the next measurement date October 1, 2024 and future property appraisals, scheduled every 20 years. The future minimum lease payments are as follows:

Year Ending June 30	Amount
2021	\$ 21,510
2022	21,510
2023	21,510
2024	21,510
2025	21,510
2026-2100	1,613,250
Total	<u>\$ 1,720,800</u>

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2020

**10. LONG-TERM OBLIGATIONS**

The following is a summary of changes in long-term obligations for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Amount due within 1 year
<b>Primary Government:</b>					
<b>Governmental Activities:</b>					
Compensated absences	\$ 2,179,937	\$ 286,748	\$ 147,398	\$ 2,319,287	\$ 2,064,165
Virginia Public School Authority bonds (1)	15,243,971	-	1,382,755	13,861,216	1,446,753
Lease revenue bonds(1)	9,189,266	2,086,000	947,449	10,327,817	768,770
Qualified zone academy bonds	60,761	-	19,101	41,660	41,660
Deferred premiums and discounts, net	635,652	-	70,342	565,310	70,342
Net OPEB liability:					
Net Health Insurance OPEB liability	1,505,236	136,717	161,767	1,480,186	-
Net VRS Group Life Insurance OPEB liability	884,998	246,328	165,352	965,974	-
Net VRS Health Insurance Credit OPEB liability	249,189	31,089	43,154	237,124	-
Net OPEB liability	2,639,423	414,134	370,273	2,683,284	-
Net Pension Liability	160,047	6,876,016	5,216,011	1,820,052	-
Total governmental activities long-term obligations	<u>30,109,057</u>	<u>9,662,898</u>	<u>8,153,329</u>	<u>31,618,626</u>	<u>4,391,690</u>
<b>Business-type Activities:</b>					
Compensated absences	95,041	108,315	104,789	98,567	87,726
Capital leases	700,423	-	276,705	423,718	140,075
Landfill closure/postclosure	7,509,822	127,900	321,700	7,316,022	-
Net OPEB liability:					
Net VRS Group Life Insurance OPEB liability	48,003	13,473	9,106	52,370	-
Net VRS Health Insurance Credit OPEB liability	13,516	1,719	2,380	12,855	-
Net OPEB liability	61,519	15,192	11,486	65,225	-
Net Pension Liability	8,676	350,131	266,122	92,685	-
Total business-type entities long-term obligations	<u>8,375,481</u>	<u>601,538</u>	<u>980,802</u>	<u>7,996,217</u>	<u>227,801</u>
Total primary government long-term obligations	<u>38,484,538</u>	<u>10,264,436</u>	<u>9,134,131</u>	<u>39,614,843</u>	<u>4,619,491</u>
<b>School Board Component Unit:</b>					
Compensated absences	1,714,533	184,193	181,634	1,717,092	1,528,212
Early retirement termination benefits	285,665	-	119,071	166,594	65,771
Net pension liability-Teacher Plan	40,652,000	14,002,643	10,319,320	44,335,323	-
Net OPEB liability:					
Net Health Insurance OPEB liability	2,733,244	394,416	95,398	3,032,262	-
Net VRS Group Life Insurance OPEB liability	2,477,000	653,049	535,862	2,594,187	-
Net VRS Health Insurance Credit OPEB liability	4,394,000	562,198	549,776	4,406,422	-
Net OPEB Liability	9,604,244	1,609,663	1,181,036	10,032,871	-
Total School Board long-term obligations	<u>\$ 52,256,442</u>	<u>\$ 15,796,499</u>	<u>\$ 11,801,061</u>	<u>\$ 56,251,880</u>	<u>\$ 1,593,983</u>

(1) Direct borrowing and/or direct placement.

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2020

**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		
	Qualified Zone						Capital Lease		
	VPSA Bonds(1)		Academy Bonds(1)		Lease Revenue Bonds(1)		Principal	Interest	Total
	Principal	Interest	Principal	Interest	Principal	Interest			
2021	\$ 1,446,753	\$ 640,448	\$ 41,660	\$ 2,250	\$ 768,770	\$ 344,115	\$ 140,075	\$ 5,864	\$ 3,389,935
2022	1,511,483	565,013	-	-	794,383	318,438	283,643	1,181	3,474,141
2023	1,576,984	487,057	-	-	821,195	291,855	-	-	3,177,091
2024	1,641,855	408,257	-	-	849,110	265,055	-	-	3,164,277
2025	1,711,765	327,796	-	-	871,434	238,133	-	-	3,149,128
2026-2030	5,842,376	584,054	-	-	4,230,925	742,807	-	-	11,400,162
2031-2035	130,000	2,990	-	-	1,464,000	197,257	-	-	1,794,247
2036-2040	-	-	-	-	528,000	42,518	-	-	570,518
Total	\$ 13,861,216	\$ 3,015,615	\$ 41,660	\$ 2,250	\$ 10,327,817	\$ 2,440,178	\$ 423,718	\$ 7,045	\$ 30,119,499

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, 2020:**

Financing Type	Purpose	Amount Issued	Interest Rates	Date Issued	Final Maturity Date	Amount Outstanding
<b>Primary Government:</b>						
<b>Governmental Activities:</b>						
Virginia Public School Authority (VPSA) 2003A	School construction	\$ 6,270,000	3.10% - 5.35%	5/15/2003	7/15/2028	\$ 3,170,000
VPSA 2003B	School construction	12,170,000	3.10% - 5.35%	11/6/2003	7/15/2028	6,210,000
VPSA 2005A	School construction	1,935,000	4.35% - 5.10%	11/10/2005	7/15/2030	1,155,000
VPSA 2005B	School construction	9,370,000	4.28%	11/10/2005	7/15/2025	3,326,216
Qualified Zone Academy Bond 2004	School construction	439,100	2.00%	12/30/2004	12/30/2020	41,660
VRA 2013B Lease Revenue Bond	Research park construction	3,765,000	1.125% - 4.847%	8/14/2013	10/1/2032	3,130,000
Lease revenue bond	Various Projects	4,350,000	1.66%	10/21/2015	6/15/2030	3,135,217
2013 Lease Revenue Refunding Bond	Office construction	4,031,900	2.93%	12/19/2013	3/1/2028	2,050,600
Lease revenue bond 2019	Library	2,086,000	3.173%	8/8/2019	6/1/2039	2,012,000
Total governmental activities:						<u>24,230,693</u>
<b>Business-type Activities:</b>						
Tax-exempt capital lease	Landfill Heavy Equip	1,372,523	1.66%	12/29/2016	12/29/2021	423,718
Total primary government						<u>\$ 24,654,411</u>

<sup>1</sup> True interest cost

<sup>2</sup> Imputed interest rate

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

**11. LANDFILL CLOSURE AND POSTCLOSURE 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 balance sheet date.

The \$7,316,022 reported as landfill closure and post-closure care liability at June 30, 2020, represents the cumulative amount reported to date based on the use of 46% of the estimated capacity of the North Landfill Cell Six A. The County will recognize the remaining estimated North Landfill cost of closure and post-closure care of \$2,973,726 as its remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2020. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County expects to fund landfill closure and post-closure care costs from operating revenues.

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

**12. DEFERRED INFLOWS OF RESOURCES**

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

	Primary Government				Total
	General Fund	County Debt Service Fund	Consolidated Emergency Medical Services Fund	Nonmajor Special Revenue Funds	
Unavailable Revenues:					
Uncollected taxes	\$ 1,558,402	\$ 109,726	\$ 221,067	\$ 77,929	\$ 1,967,124
Special assessments not yet due	17,920	-	-	-	17,920
Total unavailable revenue	<u>1,576,322</u>	<u>109,726</u>	<u>221,067</u>	<u>77,929</u>	<u>1,985,044</u>
Deferred Revenue:					
Unbilled property taxes	11,653,567	823,259	1,658,640	584,567	14,720,033
Prepaid taxes	3,130,601	350,959	485,337	193,957	4,160,854
Total deferred revenue	<u>\$ 14,784,168</u>	<u>\$ 1,174,218</u>	<u>\$ 2,143,977</u>	<u>\$ 778,524</u>	<u>\$ 18,880,887</u>

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

**13. INTERFUND TRANSFERS**

Interfund transfers for the year ended June 30, 2020 were made up of the following:

<b>Primary Government:</b>	Transfers In	Transfers Out
Governmental funds:		
General fund	\$ 128,760	\$ 4,559,537
Virginia Public Assistance Fund	687,994	-
Consolidated emergency medical services	-	129,760
County capital projects fund	3,025,028	-
Non-major governmental funds	228,503	-
Total governmental funds	<u>4,070,285</u>	<u>4,689,297</u>
Enterprise funds:		
Airport fund	201,006	-
Water and Sewer fund	418,006	-
Non-major enterprise funds	-	-
Total enterprise funds	<u>619,012</u>	<u>-</u>
Total Primary Government	<u>\$ 4,689,298</u>	<u>\$ 4,689,298</u>

The purpose of the interfund transfers is as follows:

<u>Purpose</u>	<u>Amount</u>
Finance pay-as-you-go capital projects	\$ 3,025,028
Satisfy grant local match requirements	90,120
Supplement operations and local match requirements of the Dept. of Social Services	687,994
Satisfy local share of hazardous duty supplement	128,760
Supplement operations of the County's Stormwater Ordinance Fund	72,799
Supplement operations of the County's Fire Programs Fund	16,000
Supplement operations of the Courthouse Security Fund	49,584
Supplement operations of the Accomack County Airport	201,006
Supplement operations of the Accomack County Water/Sewer	<u>418,006</u>
Total interfund transfers	<u>\$ 4,689,297</u>

The Primary Government also transferred \$17,555,890 to the School Board Component Unit, \$417,079 to the Eastern Shore Library Component Unit, \$102,924 to the Planning District Component Unit, \$63,239 to the Captain's Cove/Greenbackville Harbor Mosquito Control Commission Component Unit. These amounts are reported as expenditures in the County's financial statements.

**14. CONTINGENT LIABILITIES**

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.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

**15. RISK MANAGEMENT**

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

**16. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

**A. Primary Government:**

For the year ended June 30, 2020, the following expenditures exceeded appropriations:

Major Funds:

General Fund:

General District Court	\$ 640
Clerk of Circuit Court	6,260
Juvenile Probation	52,225
Emergency management	1,755,754
Sanitation refuse disposal	95,802
Property tax relief	9,281
Boating facilities	17,108
Total General Fund	\$1,937,070

Nonmajor Funds:

Courthouse Security Fund	\$ 31,364
Total Nonmajor Funds	\$ 31,364

The General Fund variances were funded by unassigned fund balance. All nonmajor fund variances 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, 2020:

Commonwealth of Virginia Division of Risk Management (Commonwealth funded):	
James A. Lilliston, Treasurer <sup>(1)</sup>	\$ 500,000
Walter T. Wessells, Sheriff <sup>(1)</sup>	30,000
Deborah Midgett Commissioner of the Revenue <sup>(1)</sup>	3,000
Samuel H. Cooper, Clerk of the Court <sup>(1)</sup>	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

<sup>1</sup>Commonwealth funded surety bonds also cover employees of the elected official.



**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2020

**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, 2020 the County contributed \$112,036 to the Trust Fund. Expenses allocated to the Trust Fund during the fiscal year ended June 30, 2020 were \$172,065.

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, 2020 (Continued)

**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 (measurement date), the following employees were covered by the benefit terms:

Total active employees with coverage	\$	297
Total retirees with coverage		44
<b>Total</b>	<b>\$</b>	<b>341</b>

***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, 2020, the County’s average contribution rate was 1.14 percent of covered-employee payroll. Plan members are not required to contribute to the plan.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED**

**County- continued**

***Investment Policy***

ACRBP's policy in regard to the allocation of invested assets is established and may be amended by the Accomack County Local Finance Board by a majority vote of its members. It is the policy of the Accomack County Local Finance Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. ACRBP's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2020:

<b>Asset Class</b>	<b>Target Allocation</b>
Core Fixed Income	21 %
Core Bonds	12
Large Cap US Equities	22
Small Cap US Equities	10
Developed Foreign Equities	10
Emerging Market Equities	5
Hedge Funds/Absolute Return	10
Real Estate	7
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, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 3.05%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

***Schedule of Investment Returns***

<b>Last 10 Fiscal Years</b>	
<b>Annual Money-Weighted Rate of Return Net of Investment Expense</b>	
6/30/2017	12.33%
6/30/2018	9.42%
6/30/2019	4.03%
6/30/2020	3.05%

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

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED**

**County- continued**

***Net/ OPEB Liability***

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

***Actuarial Assumptions***

The total OPEB liability in the June 30, 2020 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	2.50%
Discount Rate	6.77%
Investment Rate of Return	7.00%

Mortality rates for active employees and healthy retirees were based on a RP-2014 tables, fully generational, projected using two-dimensional mortality improvement scale MP-2016.

The date of the most recent actuarial experience study for which significant assumptions were based is June 30, 2018.

The Long-Term Expected Rate of Return on OPEB Plan investments is 7.00% as of June 30, 2020.

***Discount Rate***

The discount rate used to measure the total OPEB liability was 6.77 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, 2020 (Continued)

**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 Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at June 30, 2019	\$ 1,828,967	\$ 323,731	\$ 1,505,236
Changes for the year:			
Service cost	16,296	-	16,296
Interest	119,921	-	119,921
Difference between expected and actual experience	-	-	-
Changes in assumptions	(28,772)	-	(28,772)
Contributions - employer	-	121,561	(121,561)
Net investment income	-	11,434	(11,434)
Benefit payments	(63,071)	(63,571)	500
Admin expenses	-	-	-
Net changes	44,374	69,424	(25,050)
Balances at June 30, 2020	\$ 1,873,341	\$ 393,155	\$ 1,480,186

***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 (5.77%) or one percentage point higher (7.77%) than the current discount rate:

	Rate		
	1% Decrease (5.77%)	Current Discount Rate (6.77%)	1% Increase (7.77%)
Net OPEB Liability	\$ 1,680,846	\$ 1,480,186	\$ 1,309,963

***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 (3.50%) or one percentage point higher (5.50%) than the current healthcare cost trend rates:

	Rates		
	1% Decrease 3.50%	Healthcare Cost Trend 4.50%	1% Increase 5.50%
Net OPEB Liability	\$ 1,293,963	\$ 1,480,186	\$ 1,701,996

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED**

**County- continued**

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

For the year ended June 30, 2020, the County recognized OPEB expense in the amount of \$70,619. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 126,063	\$ -
Changes in assumptions	-	459,147
Net difference between projected and actual earnings on OPEB plan investments	15,022	-
<b>Total</b>	<b>\$ 141,085</b>	<b>\$ 459,147</b>

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

<b>Year Ended June 30</b>	
2021	\$ (39,890)
2022	(39,889)
2023	(38,779)
2024	(40,588)
Thereafter	(158,916)

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

**School Board**

***Plan Description***

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

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED**

**School Board- continued**

***Benefits Provided***

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

***Plan Membership***

At June 30, 2020 (measurement date), the following employees were covered by the benefit terms:

Total active employees with coverage	795
Total retirees with coverage	16
<b>Total</b>	<b>811</b>

***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, 2020. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018.

***Actuarial Assumptions***

The total OPEB liability in the June 30, 2018 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	2.50%
Discount Rate	2.45%

The mortality rates for active and healthy retirees was calculated using the RP-2014 tables adjusted to 2006, fully generational, projected using two-dimensional mortality improvement scale MP-2016.

The date of the most recent actuarial experience study for which significant assumptions were based is June 30, 2018.

***Discount Rate***

The discount rate used when OPEB plan investments are insufficient to pay for future benefit payments is selected from a range of 20-Year Municipal Bond Indices and include the Bond Buyer 11-Bond GO Index, the S&P Municipal Bond 20-Year High Grade Rate Index, and the Fidelity 20-Year GO Municipal Bond Index. The final equivalent single discount rate used for this year's valuation is 2.45%.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED**

**School Board- continued**

***Changes in Total OPEB Liability***

<b>Changes in Net OPEB Liability - School Board</b>	
	<b>School Board</b>
	<b>Total OPEB Liability</b>
Balances at June 30, 2019	\$ 2,733,244
Changes for the year:	
Service cost	105,487
Interest	87,371
Difference between expected and actual experience	-
Changes in assumptions	201,558
Contributions - employer	-
Net investment income	-
Benefit payments	(95,398)
Net changes	299,018
Balances at June 30, 2020	\$ 3,032,262

***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 (1.45%) or one percentage point higher (3.45%) than the current discount rate:

		<b>Rate</b>		
		<b>1% Decrease</b>	<b>Current Discount</b>	<b>1% Increase</b>
		<b>(1.45%)</b>	<b>Rate (2.45%)</b>	<b>(3.45%)</b>
Net OPEB Liability	\$	3,359,542	\$ 3,032,262	\$ 2,740,545

***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 (3.50%) or one percentage point higher (5.50%) than the current healthcare cost trend rates:

		<b>Rates</b>		
		<b>1% Decrease</b>	<b>Healthcare Cost</b>	<b>1% Increase</b>
		<b>3.50%</b>	<b>Trend</b>	<b>5.50%</b>
			<b>4.50%</b>	
Net OPEB Liability	\$	2,663,240	\$ 3,032,262	\$ 3,480,319



**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**19. OTHER POSTEMPLOYMENT BENEFITS-HEALTH INSURANCE – CONTINUED**

**School Board- continued**

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

For the year ended June 30, 2020, the School Board recognized OPEB expense in the amount of \$218,698. At June 30, 2020, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 85,749
Changes in assumptions	362,909	-
Total	\$ 362,909	\$ 85,749

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

<b>Year Ended June 30</b>	
2021	\$ 25,840
2022	25,840
2023	25,840
2024	25,840
Thereafter	173,800

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

**20. OTHER POSTEMPLOYMENT BENEFITS-VRS HEALTH INSURANCE CREDIT**

***Plan Description***

The Political Subdivision Health Insurance Credit (HIC) Program was established pursuant to code section 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. All full-time, salaried permanent employees of participating political subdivisions are automatically covered by the VRS Political Subdivision HIC Program upon employment. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. 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

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**20. OTHER POSTEMPLOYMENT BENEFITS-VRS HEALTH INSURANCE CREDIT – CONTINUED**

***Plan Description- continued***

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.

The specific information about the Political Subdivision HIC Program OPEB, including eligibility, coverage and benefits is set out in the table below:

<b>POLITICAL SUBDIVISION HEALTH INSURANCE CREDIT PROGRAM PLAN PROVISIONS</b>
<p><b>Eligible Employees</b>                      The Political Subdivision Retiree HIC Program was established July 1, 1993 for retired political subdivision employees of employers who elect the benefit and who retire with at least 15 years of service credit.</p> <p>Eligible employees of participating employers are enrolled automatically upon employment. They include:</p> <ul style="list-style-type: none"> <li>• Full-time permanent salaried employees of the participating political subdivision who are covered under the VRS pension plan.</li> </ul>
<p><b>Benefit Amounts</b>                      The political subdivision's Retiree HIC Program is a defined benefit plan that provides the following benefits for eligible employees:</p> <ul style="list-style-type: none"> <li>• <b>At Retirement</b> – For employees who retire, the monthly benefit is \$1.50 per year of service per month with a maximum benefit of \$45.00 per month.</li> <li>• <b>Disability Retirement</b>- For employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is \$45.00 per month.</li> </ul>
<p><b>Health Insurance Credit Program Notes:</b></p> <ul style="list-style-type: none"> <li>• The monthly HIC benefit cannot exceed the individual premium amount.</li> <li>• No health insurance credit for premiums paid and qualified under LODA; however, the employee may receive the credit for premiums paid for other qualified health plans.</li> <li>• Employees who retire after being on long-term disability under VLDP must have at least 15 years of service credit to qualify for the health insurance credit as a retiree.</li> </ul>

***Employees Covered by Benefit Terms***

As of the June 30, 2018 actuarial valuation, the following employees were covered by the benefit terms of the HIC OPEB plan:

	<u>Number</u>
Inactive members or their beneficiaries currently receiving benefits	<u>39</u>
Inactive members:	
Vested inactive members	<u>-</u>
Total inactive members	<u>39</u>
Active members	<u>138</u>
Total covered employees	<u><u>177</u></u>

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**20. OTHER POSTEMPLOYMENT BENEFITS-VRS HEALTH INSURANCE CREDIT – CONTINUED**

***Contributions***

The contribution requirements for active employees is governed by §51.1-1402(E) 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. The County's contractually required employer contribution rate for the year ended June 30, 2020 was 0.45% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017. The actuarially determined rate 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 from the County to the Health Insurance Credit Program were \$30,407 and \$28,781 for the years ended June 30, 2020 and June 30, 2019, respectively.

***Net HIC OPEB Liability***

The County's net Health Insurance Credit OPEB liability was measured as of June 30, 2019. The total Health Insurance Credit OPEB liability was determined by an actuarial valuation performed as of June 30, 2018, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2019.

***Actuarial Assumptions***

The total HIC OPEB liability was based on an actuarial valuation as of June 30, 2018, 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, 2019.

Inflation	2.5%
Salary increases, including inflation:	
Locality - General employees	3.5%-5.35%
Locality - Hazardous Duty employees	3.5%-4.75%
Investment rate of return	6.75%, net of investment expenses, including inflation*

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

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**20. OTHER POSTEMPLOYMENT BENEFITS-VRS HEALTH INSURANCE CREDIT – CONTINUED**

**Actuarial Assumptions: - continued**

**Mortality Rates – Largest Ten Locality Employers – General Employees**

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.

Post-Disablement:

RP-2014 Disability Life Mortality Table projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows

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

**Mortality Rates – Non-Largest Ten Locality Employers – General Employees**

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.

Post-Disablement:

RP-2014 Disability Life Mortality Table projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**20. OTHER POSTEMPLOYMENT BENEFITS-VRS HEALTH INSURANCE CREDIT – CONTINUED**

**Actuarial Assumptions: - continued**

**Mortality Rates – Non-Largest Ten Locality Employers – General Employees- continued**

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

**Mortality Rates – Largest Ten Locality Employers – Hazardous Duty Employees**

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 81 and older projected with scale BB to 2020; males 90% of rates; females set forward 1 year.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 1 year with 1.0% increase compounded from ages 70 to 90; females set forward 3 years.

Post-Disablement:

RP-2014 Disability Life Mortality Table projected with scale BB to 2020; males set forward 2 years; unisex using 100% male.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**20. OTHER POSTEMPLOYMENT BENEFITS-VRS HEALTH INSURANCE CREDIT – CONTINUED**

***Actuarial Assumptions: - continued***

**Mortality Rates – Non-Largest Ten Locality Employers – Hazardous Duty Employees**

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 81 and older projected with scale BB to 2020; males 90% of rates; females set forward 1 year.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 1 year with 1.0% increase compounded from ages 70 to 90; females set forward 3 years.

Post-Disablement:

RP-2014 Disability Life Mortality Table projected with scale BB to 2020; males set forward 2 years; unisex using 100% male.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on BRS Board action effective as of July1, 2019. Changes to the actuarial assumptions as a result of the experience study are as follows:

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

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**20. OTHER POSTEMPLOYMENT BENEFITS-VRS HEALTH INSURANCE CREDIT – CONTINUED**

***Long-Term Expected Rate of Return***

The long-term expected rate of return on the System’s 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 System’s 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:

<u>Asset Class (Strategy)</u>	<u>Target Allocation</u>	<u>Arithmetic Long-term Expected Rate of Return</u>	<u>Weighted Average Long-term Expected Rate of Return</u>
Public Equity	34.00%	5.61%	1.91%
Fixed Income	15.00%	0.88%	0.13%
Credit Strategies	14.00%	5.13%	0.72%
Real Assets	14.00%	5.27%	0.74%
Private Equity	14.00%	8.77%	1.23%
MAPS-Multi-Asset Public Strategies	6.00%	3.52%	0.21%
PIP-Private Investment Partnership	3.00%	6.29%	0.19%
Total	<u>100.00%</u>		<u>5.13%</u>
		Inflation	<u>2.50%</u>
		*Expected arithmetic nominal return	<u>7.63%</u>

\*The above allocation provides a one-year return of 7.63%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. 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.

***Discount Rate***

The discount rate used to measure the total HIC OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that 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, 2019, the rate contributed by the entity for the HIC OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2019 on, employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the HIC OPEB’s 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 HIC OPEB liability.

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**20. OTHER POSTEMPLOYMENT BENEFITS-VRS HEALTH INSURANCE CREDIT – CONTINUED**

***Changes in Net HIC OPEB Liability***

	<u>Liability</u> <u>(a)</u>	<u>Net Position</u> <u>(b)</u>	<u>Liability (Asset)</u> <u>(a) - (b)</u>
Balances at June 30, 2018	\$ 299,403	\$ 36,698	\$ 262,705
Changes for the year:			
Service cost	5,193	-	5,193
Interest	20,339	-	20,339
Benefit changes	-	-	-
Differences between expected and actual experience	(13,746)	-	(13,746)
Assumption changes	7,167	-	7,167
Contributions - employer	-	28,789	(28,789)
Net investment income	-	2,959	(2,959)
Benefit payments	(17,701)	(17,701)	-
Administrative expenses	-	(66)	66
Other changes	-	(3)	3
Net changes	<u>1,252</u>	<u>13,978</u>	<u>(12,726)</u>
Balances at June 30, 2019	\$ <u>300,655</u>	\$ <u>50,676</u>	\$ <u>249,979</u>

***Sensitivity of the County's Health Insurance Credit Net OPEB Liability to Changes in the Discount Rate***

The following presents the County's Health Insurance Credit Program net HIC OPEB liability using the discount rate of 6.75%, as well as what the County's net HIC OPEB 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:

	<u>Rate</u>		
	<u>1% Decrease</u>	<u>Current Discount</u>	<u>1% Increase</u>
	<u>(5.75%)</u>	<u>(6.75%)</u>	<u>(7.75%)</u>
County's Net HIC OPEB Liability	\$ 281,692	\$ 249,979	\$ 222,919



**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**20. OTHER POSTEMPLOYMENT BENEFITS-VRS HEALTH INSURANCE CREDIT – CONTINUED**

***Health Insurance Credit Program OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Health Insurance Credit Program OPEB***

For the year ended June 30, 2020, the County recognized Health Insurance Credit Program OPEB expense of \$21,497. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to the County's Health Insurance Credit Program from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 6,890	\$ 11,547
Net difference between projected and actual earnings on HIC OPEB plan investments	-	185
Change in assumptions	6,020	5,245
Employer contributions subsequent to the measurement date	30,407	-
Total	\$ 43,317	\$ 16,977

\$30,407 reported as deferred outflows of resources related to the HIC OPEB resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the Net HIC OPEB Liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows:

<b>Year Ended June 30</b>	
2021	(1,149)
2022	(1,148)
2023	29
2024	(88)
2025	(386)
Thereafter	(267)

***Health Insurance Credit Program Plan Data***

Information about the VRS Political Subdivision Health Insurance Credit Program is available in the separately issued VRS 2018 Comprehensive Annual Financial Report (Annual Report). A copy of the 2019 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2019-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, 2020 (Continued)

**21. TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PROGRAM (OPEB PLAN)**

***Plan Description***

The Virginia Retirement System (VRS) Teacher Employee Health Insurance Credit (HIC) Program was established pursuant to section 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. All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Employee HIC program. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. 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 HIC 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.

The specific information for the Teacher Health Insurance Credit Program OPEB, including eligibility, coverage, and benefits is set out in the table below:

<b>TEACHER EMPLOYEE HEALTH INSURANCE CREDIT PROGRAM PLAN PROVISIONS</b>
<p><b>Eligible Employees</b></p> <p>The Teacher Employee Retiree HIC program was established July 1, 1993 for retired Teacher Employees covered under VRS who retire with at least 15 years of service credit.</p> <p>Eligible employees are enrolled automatically upon employment. They include:</p> <ul style="list-style-type: none"> <li>• Full-time permanent (professional) salaried employees of public school divisions covered under VRS.</li> </ul>
<p><b>Benefit Amounts</b></p> <p>The Teacher Employee Retiree HIC program is a defined benefit plan that provides the following benefits for eligible employees:</p> <ul style="list-style-type: none"> <li>• <b><u>At Retirement</u></b> – For Teacher and other professional school employees who retire, the monthly benefit is \$4.00 per year of service per month with no cap on the benefit amount.</li> <li>• <b><u>Disability Retirement</u></b> – For Teacher and other professional school employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is either: <ul style="list-style-type: none"> <li>○ \$4.00 per month, multiplied by twice the amount of service credit, or</li> <li>○ \$4.00 per month, multiplied by the amount of service earned had the employee been active until age 60, whichever is lower.</li> </ul> </li> </ul>
<p><b>Health Insurance Credit Program Notes:</b></p> <ul style="list-style-type: none"> <li>• The monthly Health Insurance Credit benefit cannot exceed the individual premium amount.</li> <li>• Employees who retire after being on long-term disability under VLDP must have at least 15 years of service credit to qualify for the health insurance credit as a retiree.</li> </ul>

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**21. TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PROGRAM (OPEB PLAN) –CONTINUED**

***Contributions***

The contribution requirements for active employees is governed by §51.1-1401(E) 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. Each school division’s contractually required employer contribution rate for the year ended June 30, 2020 was 1.20% of covered employee compensation for employees in the VRS Teacher Employee HIC Plan. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017. The actuarially determined rate 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 from the school division to the VRS Teacher Employee HIC Plan were \$345,158 and \$338,793 for the years ended June 30, 2020 and June 30, 2019, respectively.

***Teacher Employee HIC Plan OPEB Liabilities, Teacher Employee HIC Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Employee HIC Plan OPEB***

At June 30, 2020, the school division reported a liability of \$4,406,422 for its proportionate share of the VRS Teacher Employee Health Insurance Credit Plan Net OPEB Liability. The Net VRS Teacher Employee HIC Plan OPEB Liability was measured as of June 30, 2019 and the total VRS Teacher Employee HIC Plan OPEB liability used to calculate the Net VRS Teacher Employee HIC Plan OPEB Liability was determined by an actuarial valuation performed as of June 30, 2018 and rolled forward to the measurement date of June 30, 2019. The school division’s proportion of the Net VRS Teacher Employee HIC Plan OPEB Liability was based on the school division’s actuarially determined employer contributions to the VRS Teacher Employee HIC Plan OPEB plan for the year ended June 30, 2019 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2018, the school division’s proportion of the VRS Teacher Employee HIC Plan was 0.33660% as compared to 0.34605% at June 30, 2018.

For the year ended June 30, 2020, the school division recognized VRS Teacher Employee HIC Plan OPEB expense of \$354,723. Since there was a change in proportionate share between measurement dates, a portion of the VRS Teacher Employee HIC Plan Net OPEB expense was related to deferred amounts from changes in proportion.

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 24,958
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	278	-
Change in assumptions	102,558	30,619
Change in proportion	41,639	105,507
Employer contributions subsequent to the measurement date	345,158	-
Total	\$ 489,633	\$ 161,084

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**21. TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PROGRAM (OPEB PLAN) – CONTINUED**

***Teacher Employee HIC Program OPEB Liabilities, Teacher Employee HIC Program OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Employee HIC Program OPEB - continued***

\$345,158 reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division’s contributions subsequent to the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>	
2021	(3,755)
2022	(3,760)
2023	(1,829)
2024	(2,475)
2025	(2,467)
Thereafter	(2,323)

***Actuarial Assumptions***

The total Teacher Employee HIC OPEB liability for the VRS Teacher Employee HIC Plan was based on an actuarial valuation as of June 30, 2018, 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, 2019.

Inflation	2.5%
Salary increases, including inflation:	
Teacher employees	3.5%-5.95%
Investment rate of return	6.75%, net of investment expenses, including inflation*

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

**Mortality Rates – Teachers**

Pre-Retirement:

RP-2014 White Collar Employee Rates to age 80, White Collar Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**21. TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PROGRAM (OPEB PLAN) – CONTINUED**

***Actuarial Assumptions- continued***

**Mortality Rates – Teachers- continued**

Post-Retirement:

RP-2014 White Collar Employee Rates to age 49, White Collar Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males 1% increase compounded from ages 70 to 90; females set back 3 years with 1.5% increase compounded from ages 65 to 70 and 2.0% increase compounded from ages 75 to 90.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; 115% of rates for males and females.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study are as follows:

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

***Net Teacher Employee HIC OPEB Liability***

The net OPEB liability (NOL) for the Teacher Employee Health Insurance Credit Program represents the program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2019, NOL amounts for the VRS Teacher Employee HIC Program is as follows (amounts expressed in thousands):

		<b>Teacher Employee HIC OPEB Plan</b>
Total Teacher Employee HIC OPEB Liability	\$	1,438,114
Plan Fiduciary Net Position		129,016
Teacher Employee net HIC OPEB Liability (Asset)	\$	1,309,098
Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability		8.97%

The total Teacher Employee HIC OPEB liability is calculated by the System's actuary, and the plan's fiduciary net position is reported in the System's financial statements. The net Teacher Employee HIC OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System's notes to the financial statements and required supplementary information.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**21. TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PROGRAM (OPEB PLAN) – CONTINUED**

***Long-Term Expected Rate of Return***

The long-term expected rate of return on the VRS 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 VRS 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:

<u>Asset Class (Strategy)</u>	<u>Target Allocation</u>	<u>Arithmetic Long-term Expected Rate of Return</u>	<u>Weighted Average Long-term Expected Rate of Return</u>
Public Equity	34.00%	5.61%	1.91%
Fixed Income	15.00%	0.88%	0.13%
Credit Strategies	14.00%	5.13%	0.72%
Real Assets	14.00%	5.27%	0.74%
Private Equity	14.00%	8.77%	1.23%
MAPS-Multi-Asset Public Strategies	6.00%	3.52%	0.21%
PIP-Private Investment Partnership	3.00%	6.29%	0.19%
Total	<u>100.00%</u>		<u>5.13%</u>
		Inflation	<u>2.50%</u>
		*Expected arithmetic nominal return	<u>7.63%</u>

\*The above allocation provides a one-year return of 7.63%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. 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.

***Discount Rate***

The discount rate used to measure the total Teacher Employee HIC OPEB was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy and at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ended June 30, 2019, the rate contributed by each school division for the VRS Teacher Employee HIC Plan 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, 2019 on, all agencies are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the Teacher Employee HIC OPEB 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 Teacher Employee HIC OPEB liability.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**21. TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PROGRAM (OPEB PLAN) – CONTINUED**

***Sensitivity of the School Division’s Proportionate Share of the Teacher Employee HIC Net OPEB Liability to Changes in the Discount Rate***

The following presents the school division’s proportionate share of the VRS Teacher Employee HIC Plan net HIC OPEB liability using the discount rate of 6.75%, as well as what the school division’s proportionate share of the net HIC OPEB 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:

	<b>1% Decrease</b>	<b>Current Discount</b>	<b>1% Increase</b>
	<b>(5.75%)</b>	<b>(6.75%)</b>	<b>(7.75%)</b>
School division's proportionate share of the VRS Teacher Employee HIC OPEB Plan Net HIC OPEB Liability	\$ 4,931,535	\$ 4,406,422	\$ 3,960,339

***Teacher Employee HIC OPEB Fiduciary Net Position***

Detailed information about the VRS Teacher Employee Health Insurance Credit Program’s Fiduciary Net Position is available in the separately issued VRS 2018 Comprehensive Annual Financial Report (Annual Report). A copy of the 2019 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2019-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

**22. GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN)**

***Plan Description***

The Group Life Insurance (GLI) Program was established pursuant to section 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. All full-time, salaried permanent employees of the state agencies, teachers, and employees of participating political subdivisions are automatically covered by the VRS GLI Program upon employment. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System), along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia.

In addition to the Basic GLI benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional GLI 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.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**22. GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN) – CONTINUED**

***Plan Description continued***

The specific information for GLI Program OPEB, including eligibility, coverage and benefits is set out in the table below:

<b>GROUP LIFE INSURANCE PROGRAM PLAN PROVISIONS</b>
<p><b>Eligible Employees</b></p> <p>The GLI Program was established July 1, 1960, for state employees, teachers and employees of political subdivisions that elect the program, including the following employers that do not participate in VRS for retirement:</p> <ul style="list-style-type: none"> <li>• City of Richmond</li> <li>• City of Portsmouth</li> <li>• City of Roanoke</li> <li>• City of Norfolk</li> </ul> <p>Basic group life insurance coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their member contributions and accrued interest.</p>
<p><b>Benefit Amounts</b></p> <p>The benefits payable under the GLI Program have several components.</p> <ul style="list-style-type: none"> <li>• <b><u>Natural Death Benefit</u></b> - The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled.</li> <li>• <b><u>Accidental Death Benefit</u></b> – The accidental death benefit is double the natural death benefit.</li> <li>• <b><u>Other Benefit Provisions</u></b> – In addition to the basic natural and accidental death benefits, the program provides additional benefits provided under specific circumstances. These include: <ul style="list-style-type: none"> <li>○ Accidental dismemberment benefit</li> <li>○ Safety belt benefit</li> <li>○ Repatriation benefit</li> <li>○ Felonious assault benefit</li> <li>○ Accelerated death benefit option</li> </ul> </li> </ul>
<p><b>Reduction in Benefit Amounts</b></p> <p>The benefit amounts provided to members covered under the GLI Program are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value.</p>
<p><b>Minimum Benefit Amount and Cost-of-Living Adjustment (COLA)</b></p> <p>For covered members with at least 30 years of creditable service, there is a minimum benefit payable under the Group Life Insurance Program. The minimum benefit was set at \$8,000 by statute. The amount is increased annually based on the VRS Plan 2 cost-of-living adjustment and is currently \$8,463 effective June 30, 2020.</p>



**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**22. GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN) – CONTINUED**

***Contributions***

The contribution requirements for the GLI Plan are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Plan was 1.31% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.79% (1.31% x 60%) and the employer component was 0.52% (1.31% x 40%). Employers may elect to pay all or part of the employee contribution; however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2020 was 0.52% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI Plan from the entity were \$67,263 and \$63,787 for the years ended June 30, 2020 and June 30, 2019, respectively, for the County; \$15,243 and \$15,453 for the years ended June 30, 2020 and June 30, 2019, respectively, for the School Board (nonprofessional); and \$149,673 and \$147,058 for the years ended June 30, 2020 and June 30, 2019, respectively, for the School Board (professional).

***GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Group Life Insurance Plan OPEB***

At June 30, 2020, the entity reported a liability of \$1,018,343, \$246,693, and \$2,347,494 for the County, School Board Nonprofessional, and School Board Professional, respectively, for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2019 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation as of that date. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the GLI Plan for the year ended June 30, 2019 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2019, the participating employer's proportion was 0.06258%, 0.01516%, and 0.14426% as compared to 0.06144%, 0.01558%, and 0.14752% at June 30, 2018 for the County, School Board Nonprofessional, and School Board Professional, respectively.

For the year ended June 30, 2020, the participating employer recognized GLI OPEB expense of \$26,432, \$3,546, and \$53,492 for the County, School Board Nonprofessional, and School Board Professional, respectively. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**22. GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN) – CONTINUED**

***GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Group Life Insurance Program OPEB continued***

At June 30, 2020, the employer reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<b>Primary Government</b>		
Differences between expected and actual experience	\$ 67,726	\$ 13,207
Net difference between projected and actual earnings on GLI OPEB program investments	-	20,918
Change in assumptions	64,292	30,708
Changes in proportion	15,209	-
Employer contributions subsequent to the measurement date	67,263	-
<b>Total Primary Government</b>	214,490	64,833
<b>Component Unit School Board (nonprofessional)</b>		
Differences between expected and actual experience	16,407	3,200
Net difference between projected and actual earnings on GLI OPEB program investments	-	5,067
Change in assumptions	15,575	7,439
Changes in proportion	-	10,489
Employer contributions subsequent to the measurement date	15,243	-
<b>Total Component Unit School Board (nonprofessional)</b>	47,225	26,195
<b>Component Unit School Board (professional)</b>		
Differences between expected and actual experience	156,122	30,450
Net difference between projected and actual earnings on GLI OPEB program investments	-	48,219
Change in assumptions	148,207	70,787
Changes in proportion	25,700	43,492
Employer contributions subsequent to the measurement date	149,673	-
<b>Total Component Unit School Board (professional)</b>	\$ 479,702	\$ 192,948

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**22. GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN) – CONTINUED**

***GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Group Life Insurance Program OPEB continued***

\$67,263, \$15,243 and \$149,673 for the County, School Board Nonprofessional, and School Board Professional, respectively, reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>	<u>Primary Government</u>	<u>Component Unit School Board (nonprofessional)</u>	<u>Component Unit School Board (professional)</u>
2021	6,502	(1,282)	7,550
2022	6,503	(1,282)	7,552
2023	15,362	864	27,974
2024	23,448	2,823	42,903
2025	23,807	3,600	40,352
Thereafter	6,772	1,064	10,750

***Actuarial Assumptions***

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2018, 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, 2019. The assumptions include several employer groups as noted below. Mortality rates included herein are for relevant employer groups. Information for other groups can be referenced in the VRS Annual Report.

Inflation	2.5%
Salary increases, including inflation:	
Teachers	3.5%-5.95%
Locality - General employees	3.5%-5.35%
Locality - Hazardous Duty employees	3.5%-4.75%
Investment rate of return	6.75%, net of investment expenses, including inflation*

\*Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 6.75%. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**22. GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN) – CONTINUED**

***Actuarial Assumptions: continued***

plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investment was assumed to be 6.75% to simplify preparation of OPEB liabilities.

**Mortality Rates – Teachers**

Pre-Retirement:

RP-2014 White Collar Employee Rates to age 80, White Collar Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020.

Post-Retirement:

RP-2014 White Collar Employee Rates to age 49, White Collar Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males 1% increase compounded from ages 70 to 90; females set back 3 years with 1.5% increase compounded from ages 65 to 70 and 2.0% increase compounded from ages 75 to 90.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; 115% of rates for males and females.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study are as follows:

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

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**22. GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN) – CONTINUED**

***Actuarial Assumptions: continued***

**Mortality Rates – Largest Ten Locality Employers – General Employees**

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years with 1.0% increase compounded from ages 70 to 90.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study are as follows:

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

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**22. GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN) – CONTINUED**

***Actuarial Assumptions: continued***

**Mortality Rates – Non-Largest Ten Locality Employers – General Employees**

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1% increase compounded from ages 70 to 90.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study are as follows:

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

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**22. GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN) – CONTINUED**

***Actuarial Assumptions: continued***

**Mortality Rates – Largest Ten Locality Employers – Hazardous Duty Employees**

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 81 and older projected with scale BB to 2020; males 90% of rates; females set forward 1 year.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 1 year with 1.0% increase compounded from ages 70 to 90; females set forward three years.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years; unisex using 100% male.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages
Withdrawal Rates	Adjusted termination rate to better fit experience at each age and service year
Disability Rates	Increased disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 60% to 70%
Discount Rate	Decreased rate fro 7% to 6.75%

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**22. GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN) – CONTINUED**

***Actuarial Assumptions: continued***

**Mortality Rates – Non-Largest Ten Locality Employers – Hazardous Duty Employees**

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 81 and older projected with scale BB to 2020; males 90% of rates; females set forward 1 year.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 1 year with 1.0% increase compounded from ages 70 to 90; females set forward 3 years.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years; unisex using 100% male.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except for the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study are as follows:

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



**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**22. GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN) – CONTINUED**

***NET GLI OPEB Liability***

The net OPEB liability (NOL) for the Group Life Insurance Program represents the program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2018, NOL amounts for the GLI Program is as follows (amounts expressed in thousands):

		<b>Group Life Insurance OPEB Program</b>
	\$	<u>                    </u>
Total GLI OPEB Liability	\$	3,390,238
Plan Fiduciary Net Position		1,762,972
Employers' Net GLI OPEB Liability (Asset)	\$	<u>1,627,266</u>
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability		52.00%

The total GLI OPEB 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 GLI OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System's notes to the financial statements and required supplementary information.

***Long-Term Expected Rate of Return***

The long-term expected rate of return on the System's 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 System's 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:

<u>Asset Class (Strategy)</u>	<u>Target Allocation</u>	<u>Arithmetic Long-term Expected Rate of Return</u>	<u>Weighted Average Long-term Expected Rate of Return</u>
Public Equity	34.00%	5.61%	1.91%
Fixed Income	15.00%	0.88%	0.13%
Credit Strategies	14.00%	5.13%	0.72%
Real Assets	14.00%	5.27%	0.74%
Private Equity	14.00%	8.77%	1.23%
MAPS-Multi_Asset Public Strategies	6.00%	3.52%	0.21%
PIP-Private Investment Partnership	3.00%	6.29%	0.19%
Total	<u>100.00%</u>		<u>5.13%</u>
		Inflation	<u>2.50%</u>
		*Expected arithmetic nominal return	<u>7.63%</u>

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**22. GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN) – CONTINUED**

\* The above allocation provides a one-year return of 7.63%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. 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.

***Discount Rate***

The discount rate used to measure the total GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that 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 ended June 30, 2019, the rate contributed by the entity for the GLI OPEB 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, 2019 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB's 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 GLI OPEB liability.

***Sensitivity of the Employer's Proportionate Share of the Net GLI OPEB Liability to Changes in the Discount Rate***

The following presents the employer's proportionate share of the net GLI OPEB liability using the discount rate of 6.75%, as well as what the employer's proportionate share of the net GLI OPEB 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:

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
County's proportionate share of the Group Life Insurance Program			
Net OPEB Liability	\$ 1,337,821	\$ 1,018,343	\$ 759,256
School Board (nonprofessional)'s proportionate share of the Group Life Insurance Program			
Net OPEB Liability	324,087	246,693	183,929
School Board (professional)'s proportionate share of the Group Life Insurance Program			
Net OPEB Liability	3,083,957	2,347,494	1,750,243

***Group Life Insurance Program Fiduciary Net Position***

Detailed information about the Group Life Insurance Program's Fiduciary Net Position is available in the separately issued VRS 2019 Comprehensive Annual Financial Report (Annual Report). A copy of the 2019 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2019-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, 2020 (Continued)

**23. PENSION PLAN**

***Plan Description***

All full-time, salaried permanent employees of the County and (nonprofessional) employees of public school divisions are automatically covered by a VRS Retirement Plan upon employment. This is an agent multiple-employer plan 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.

***Benefit Structures***

The System administers three different benefit structures for covered employees – Plan 1, Plan 2 and Hybrid. Each of these benefit structures has different eligibility criteria, as detailed below.

- a. Employees hired before July 1, 2010, vested as of January 1, 2013, and have not taken a refund, are covered under Plan 1, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced retirement benefit beginning at age 65 with at least 5 years of service credit or age 50 with at least 30 years of service credit. Non-hazardous duty employees may retire with a reduced benefit as early as age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit. Hazardous duty employees (law enforcement officers, firefighters, and sheriffs) are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.
- b. Employees hired on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013 are covered under Plan 2, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit or when the sum of their age and service equals 90. Non-hazardous duty employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. Hazardous duty employees are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.
- c. Non-hazardous duty employees hired on or after January 1, 2014 are covered by the Hybrid Plan combining the features of a defined benefit plan and a defined contribution plan. Plan 1 and Plan 2 members also had the option of opting into this plan during the election window held January 1 – April 30, 2014 with an effective date of July 1, 2014. Employees covered by this plan are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit, or when the sum of their age and service equal 90. Employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. For the defined contribution component, members are eligible to receive distributions upon leaving employment, subject to restrictions.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**23. PENSION PLAN – CONTINUED**

***Plan Description continued***

***Average Final Compensation and Service Retirement Multiplier***

The VRS defined benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the employee's average final compensation multiplied by the employee's total service credit. Under Plan 1, average final compensation is the average of the employee's 36 consecutive months of highest compensation and the multiplier is 1.7% for non-hazardous duty employees, 1.85% for sheriffs and regional jail superintendents, and 1.7% or 1.85% for hazardous duty employees as elected by the employer. Under Plan 2, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the retirement multiplier is 1.65% for non-hazardous duty employees, 1.85% for sheriffs and regional jail superintendents, and 1.7% or 1.85% for hazardous duty employees as elected by the employer. Under the Hybrid Plan, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the multiplier is 1.00%. For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.

***Cost-of-Living Adjustment (COLA) in Retirement and Death and Disability Benefits***

Retirees with an unreduced benefit or with a reduced benefit with at least 20 years of service credit are eligible for an annual COLA beginning July 1 after one full calendar year from the retirement date. Retirees with a reduced benefit and who have less than 20 years of service credit are eligible for an annual COLA beginning on July 1 after one calendar year following the unreduced retirement eligibility date. Under Plan 1, the COLA cannot exceed 5.00%. Under Plan 2 and the Hybrid Plan, the COLA cannot exceed 3.00%. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia, as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

***Employees Covered by Benefit Terms***

As of the June 30, 2018 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<b>Primary Government</b>	<b>Component Unit School Board Nonprofessional</b>
Inactive members or their beneficiaries currently receiving benefits	198	86
Inactive members:		
Vested inactive members	41	27
Non-vested inactive members	81	44
Inactive members active elsewhere in VRS	84	32
Total inactive members	206	103
Active members	273	180
Total covered employees	<u>677</u>	<u>369</u>

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**23. PENSION PLAN – CONTINUED**

***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 County's contractually required employer contribution rate for the year ended June 30, 2020 was 7.64% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017.

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 County were \$938,533 and \$897,129 for the years ended June 30, 2020 and June 30, 2019, respectively.

The Component Unit School Board's contractually required employer contribution rate for nonprofessional employees for the year ended June 30, 2020 was 3.69% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017.

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 Component Unit School Board's nonprofessional employees were \$90,480 and \$94,785 for the years ended June 30, 2020 and June 30, 2019, respectively.

***Net Pension Liability***

The net pension liability (NPL) 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. The County's and Component Unit School Board's (nonprofessional) net pension liabilities were measured as of June 30, 2019. The total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation performed as of June 30, 2018, and rolled forward to the measurement date of June 30, 2019.

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**23. PENSION PLAN – CONTINUED**

***Actuarial Assumptions – General Employees***

The total pension liability for General Employees in the County's and Component Unit School Board's (nonprofessional) Retirement Plan was based on an actuarial valuation as of June 30, 2018, 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, 2019.

Inflation	2.5%
Salary increases, including inflation	3.5% – 5.35%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation*

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

Mortality rates:

All Others (Non-10 Largest) – Non-Hazardous Duty: 15% of deaths are assumed to be service related

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**23. PENSION PLAN – CONTINUED**

***Actuarial Assumptions – General Employees continued***

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14% to 15%
Discount Rate	Decreased rate from 7% to 6.75%

***Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits***

The total pension liability for Public Safety employees with Hazardous Duty Benefits in the County's Retirement Plan was based on an actuarial valuation as of June 30, 2018, 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, 2019.

Inflation	2.5%
Salary increases, including inflation	3.5% – 4.75%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation*

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

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**23. PENSION PLAN – CONTINUED**

***Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits continued***

Mortality rates:

All Others (Non 10 Largest) - Hazardous Duty: 45% of deaths are assumed to be service related

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020; males 90% of rates; females set forward 1 year.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 1 year, 1.0% increase compounded from ages 70 to 90; females set forward 3 years.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years; unisex using 100% male.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016 except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates, and lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better fit experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60% to 45%
Discount Rate	Decreased rate from 7% to 6.75%

***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:



**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**23. PENSION PLAN – CONTINUED**

***Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits continued***

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates, and lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better fit experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60% to 45%
Discount Rate	Decreased rate from 7% to 6.75%

***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:

<u>Asset Class (Strategy)</u>	<u>Target Allocation</u>	<u>Arithmetic Long-Term Expected Rate of Return</u>	<u>Weighted Average Long-Term Expected Rate of Return</u>
Public Equity	34.00%	5.61%	1.91%
Fixed Income	15.00%	0.88%	0.13%
Credit Strategies	14.00%	5.13%	0.72%
Real Assets	14.00%	5.27%	0.74%
Private Equity	14.00%	8.77%	1.23%
MAPS-Multi-Asset Public Strategies	6.00%	3.52%	0.21%
PIP-Private Investment Part	3.00%	6.29%	0.19%
Total	100.00%		5.13%
		Inflation	2.50%
	*Expected arithmetic nominal return		7.63%

\* The above allocation provides a one-year return of 7.63%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. 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.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**23. 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; the County and Component Unit School Board (nonprofessional) was also provided with an opportunity to use an alternative employer contribution rate. For the year ended June 30, 2019, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017 actuarial valuations, whichever was greater. Through the fiscal year ended June 30, 2019, the rate contributed by the school division for the VRS Teacher Retirement Plan was 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, 2019 on, participating employers and school divisions 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***

	<b>Primary Government</b>		
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances at June 30, 2018	\$ 59,329,884	\$ 59,161,161	\$ 168,723
Changes for the year:			
Service cost	1,268,964	-	1,268,964
Interest	4,032,880	-	4,032,880
Changes in assumptions	1,720,389		1,720,389
Differences between expected and actual experience	161,557	-	161,557
Contributions - employer	-	897,263	(897,263)
Contributions - employee	-	696,872	(696,872)
Net investment income	-	3,887,497	(3,887,497)
Benefit payments, including refunds of employee contributions	(3,434,638)	(3,434,638)	-
Administrative expenses	-	(39,414)	39,414
Other changes	-	(2,442)	2,442
Net changes	3,749,152	2,005,138	1,744,014
Balances at June 30, 2019	\$ 63,079,036	\$ 61,166,299	\$ 1,912,737

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**23. PENSION PLAN – CONTINUED**

***Changes in Net Pension Liability***

	<b>Component School Board (nonprofessional)</b>		
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (Asset) (a) - (b)</b>
Balances at June 30, 2018	\$ 12,223,212	\$ 13,290,624	\$ (1,067,412)
Changes for the year:			
Service cost	268,105	-	268,105
Interest	832,871	-	832,871
Changes of assumptions	320,187	-	320,187
Differences between expected and actual experience	25,602	-	25,602
Contributions - employer	-	95,195	(95,195)
Contributions - employee	-	137,777	(137,777)
Net investment income	-	872,720	(872,720)
Benefit payments, including refunds of employee contributions	(650,123)	(650,123)	-
Administrative expenses	-	(8,872)	8,872
Other changes	-	(548)	548
Net changes	<u>796,642</u>	<u>446,149</u>	<u>350,493</u>
Balances at June 30, 2019	<u>\$ 13,019,854</u>	<u>\$ 13,736,773</u>	<u>\$ (716,919)</u>

***Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate***

The following presents the net pension liability of the County and Component Unit School Board (nonprofessional) using the discount rate of 6.75%, as well as what the County's and Component Unit School Board's (nonprofessional) 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:

	<b>Rate</b>		
	<b>(5.75%)</b>	<b>(6.75%)</b>	<b>(7.75%)</b>
County's			
Net Pension Liability (Asset)	\$ 9,696,979	\$ 1,912,737	\$ 4,317,879
Component Unit School Board's (nonprofessional)			
Net Pension Liability (Asset)	\$ 661,826	\$ (716,919)	\$ (1,831,588)

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**23. PENSION PLAN – CONTINUED**

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

For the year ended June 30, 2020, the County and Component Unit School Board (nonprofessional) recognized pension expense of \$1,026,024 and \$48,005, respectively. At June 30, 2020, the County and Component Unit School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Primary Government</u>		<u>Component Unit School Board (nonprofessional)</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 317,757	\$ 90,060	\$ 16,224	\$ 24,889
Change in assumptions	1,182,767	28,511	202,902	-
Change in proportionate share	9,592	9,592	-	-
Net difference between projected and actual earnings on pension plan investments	-	537,404	-	117,656
Employer contributions subsequent to the measurement date	938,533	-	90,480	-
Total	<u>\$ 2,448,649</u>	<u>\$ 665,567</u>	<u>\$ 309,606</u>	<u>\$ 142,545</u>

\$938,533 and \$90,480 reported as deferred outflows of resources related to pensions resulting from the County's and Component Unit School Board's (nonprofessional) contributions, respectively, subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<u>Year ended June 30</u>	<u>Primary Government</u>	<u>School Board (nonprofessional)</u>
2021	621,351	99,773
2022	80,668	(29,379)
2023	104,949	(2,351)
2024	37,581	8,538
Thereafter	-	-

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**23. PENSION PLAN – CONTINUED**

***Pension Plan Data***

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2019 Comprehensive Annual Financial Report (Annual Report). A copy of the 2019 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2019-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

**Component Unit School Board (professional)**

***Plan Description***

All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Retirement Plan upon employment. This is a cost-sharing multiple employer plan administered by the Virginia Retirement System (the system). Additional information related to the plan description is included in the first section of this note.

***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 employer contribution rate for the year ended June 30, 2020 was 15.68% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017. 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 \$4,363,784 and \$4,317,242 for the years ended June 30, 2020 and June 30, 2019, respectively.

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

At June 30, 2020, the school division reported a liability of \$44,335,323 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2019 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. 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, 2019 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2019, the school division's proportion was 0.33688% as compared to 0.34568% at June 30, 2018.

For the year ended June 30, 2020, the school division recognized pension expense of \$4,321,202. 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, 2020 (Continued)

**23. PENSION PLAN – CONTINUED**

**Component Unit School Board (professional) continued**

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

At June 30, 2020, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 2,838,978
Change in assumptions	4,390,236	-
Net difference between projected and actual earnings on pension plan investments	-	973,498
Changes in proportion and differences between employer contributions and proportionate share of contributions	333,205	1,205,448
Employer contributions subsequent to the measurement date	4,363,784	-
Total	\$ 9,087,225	\$ 5,017,924

\$4,363,784 reported as deferred outflows of resources related to pensions resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<b>Year ended June 30</b>	
2021	(333,851)
2022	(1,024,353)
2023	251,438
2024	550,289
Thereafter	261,994

**COUNTY OF ACCOMACK, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**

At June 30, 2020 (Continued)

**23. PENSION PLAN – CONTINUED**

**Component Unit School Board (professional) continued**

***Actuarial Assumptions***

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2018, 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, 2019.

Inflation	2.5%
Salary increases, including inflation	3.5% – 5.95%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation*

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

**Mortality rates:**

**Pre-Retirement:**

RP-2014 White Collar Employee Rates to age 80, White Collar Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020.

**Post-Retirement:**

RP-2014 White Collar Employee Rates to age 49, White Collar Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males 1% increase compounded from ages 70 to 90; females set back 3 years with 1.5% increase compounded from ages 65 to 75 and 2.0% increase compounded from ages 75 to 90.

**Post-Disablement:**

RP-2014 Disability Mortality Rates projected with Scale BB to 2020; 115% of rates for males and females.

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**23. PENSION PLAN – CONTINUED**

**Component Unit School Board (professional) continued**

***Actuarial Assumptions continued***

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study are as follows:

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

***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, 2019, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

		<b><u>Teacher Employee Retirement Plan</u></b>
Total Pension Liability	\$	49,683,336
Plan Fiduciary Net Position		<u>36,522,769</u>
Employers' Net Pension Liability	\$	<u><u>13,160,567</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		73.51%

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.

The long-term expected rate of return and discount rate information previously described also apply to this plan.



**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**23. PENSION PLAN – CONTINUED**

**Component Unit School Board (professional) continued**

***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 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:

	<b>Rate</b>		
	<b>(5.75%)</b>	<b>(6.75%)</b>	<b>(7.75%)</b>
School division's proportionate share of the VRS Teacher Employee Retirement Plan Net Pension Liability (Asset)	\$ 66,743,921	\$ 44,335,323	\$ 25,807,562

***Pension Plan Fiduciary Net Position***

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2019 Comprehensive Annual Financial Report (Annual Report). A copy of the 2019 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2019-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

**Primary Government and Component Unit School Board**

***Aggregate Pension Information***

	<b>VRS Pension Plans</b>			
	<b>Deferred Outflows</b>	<b>Deferred Inflows</b>	<b>Net Pension Liability (Asset)</b>	<b>Pension Expense</b>
Primary Government	\$ 2,448,649	\$ 665,567	\$ 1,912,737	\$ 1,026,024
Component Unit School Board				
School Board Nonprofessional	309,606	142,545	(716,919)	48,005
School Board Professional	9,087,225	5,017,924	44,335,323	4,321,202
	\$ 9,396,831	\$ 5,160,469	\$ 43,618,404	\$ 4,369,207

**COUNTY OF ACCOMACK, VIRGINIA**  
NOTES TO FINANCIAL STATEMENTS

At June 30, 2020 (Continued)

**24. 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 1<sup>st</sup> 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, 2019, there were 36 employees enrolled in the Early Retirement Option Program with balances that are recognized in the financial statements. The liability recognized in the financial statements as of June 30, 2019 was \$285,666 for the program

## 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, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14% to 15%
Discount Rate	Decreased rate from 7% to 6.75%

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

**Notes to Required Supplementary Information: (Continued)**

2. Pension Related Information Notes: (Continued)

All Others (Non 10 Largest) –Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates, and lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better fit experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60% to 45%
Discount Rate	Decreased rate from 7% to 6.75%

Component Unit School Board - Professional Employees:

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

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

### Notes to Required Supplementary Information: (Continued)

#### 3. Health Insurance OPEB Related Information Notes:

County:

Valuation Date: 06/30/2018

Measurement Date: 06/30/2020

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	2.75%
Salary Increases	2.50%
Medical Trend Rate	6.00% initially, grading down to 4.50% ultimate
Discount Rate	6.77%
Investment Rate of Return	7.00%
Retirement Age	The average age at retirement is 62
Mortality Rates	The mortality rates for active and healthy retirees was calculated using the RP-2014 tables, fully generational, projected using two-dimensional mortality improvement scale MP-2016.

School Board:

Valuation Date: 06/30/2018

Measurement Date: 06/30/2020

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	2.45%
Inflation	2.75%
Healthcare Trend Rate	6.00% initially, grading down to 4.50% ultimate
Salary Increases	2.50%
Medical Trend Rate	6.50% initially, grading down to 4.50% ultimate
Retirement Age	The average age at retirement is 62
Mortality Rates	The mortality rates for active and healthy retirees was calculated using the RP-2014 tables adjusted to 2006, fully generational, projected using two-dimensional mortality improvement scale MP-2016.

## 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, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Non-Largest Ten Locality Employers - General Employees

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

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

### Notes to Required Supplementary Information: (Continued)

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

Non-Largest Ten Locality Employers - - Hazardous Duty Employees:

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

#### 5. Teacher Health Insurance Credit Plan Related Information Notes:

- a. Changes of benefit terms – There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.
- b. Changes of assumptions – The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

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

### Notes to Required Supplementary Information: (Continued)

6. Group Life Insurance Plan Related Information Notes:

- a. Changes of benefit terms – There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.
- b. Changes of assumptions – The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Teachers

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



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

**Notes to Required Supplementary Information: (Continued)**

6. Group Life Insurance Plan Related Information Notes: (Continued)

Non-Largest Ten Locality Employers - General Employees

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

Non-Largest Ten Locality Employers - General Employees

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

**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, 2019**

Exhibit 12

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

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, 2019**

**Exhibit 13**

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

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, 2011 THROUGH JUNE 30, 2020**

**Exhibit 14**

<b>Date</b>	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Employer's Covered Payroll</b>	<b>Contributions as a % of Covered Payroll</b>
<b>Primary Government:</b>					
2020	\$ 938,533	\$ 938,533	\$ -	\$ 12,908,703	7.27%
2019	897,129	897,129	-	12,252,470	7.32%
2018	915,072	915,072	-	11,682,982	7.83%
2017	912,017	912,017	-	11,301,324	8.07%
2016	1,111,094	1,111,094	-	11,022,754	10.08%
2015	922,916	922,916	-	10,896,299	8.47%
2014	912,555	912,555	-	10,773,964	8.47%
2013	866,920	866,920	-	10,235,185	8.47%
2012	415,570	415,570	-	9,664,418	4.30%
2011	422,892	422,892	-	9,834,701	4.30%
<b>Component Unit School Board (nonprofessional):</b>					
2020	\$ 90,480	\$ 90,480	\$ -	\$ 2,922,208	3.10%
2019	94,785	94,785	-	2,959,628	3.20%
2018	111,026	111,026	-	2,962,415	3.75%
2017	123,405	123,405	-	2,952,275	4.18%
2016	212,780	212,780	-	2,867,655	7.42%
2015	219,121	219,121	-	2,953,111	7.42%
2014	265,967	265,967	-	2,985,035	8.91%
2013	269,665	269,665	-	3,026,538	8.91%
2012	226,208	226,208	-	2,960,840	7.64%
2011	221,848	221,848	-	2,903,770	7.64%
<b>Component Unit School Board (professional):</b>					
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, 2019**

**Exhibit 15**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Employer's Proportion of the Net Pension Liability (Asset)	0.35461%	0.34623%	0.34113%	0.34367%	0.34568%	0.33688%
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
Employer's Covered Payroll	\$ 25,913,927	\$ 25,755,930	\$ 26,020,312	\$ 25,773,854	\$ 28,050,143	\$28,232,714
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%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.88%	70.68%	68.28%	72.92%	74.81%	73.51%

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, 2020**

Exhibit 16

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

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, 2020**

**Exhibit 17**

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

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 PLAN  
FOR THE YEARS ENDED JUNE 30, 2017 THROUGH JUNE 30, 2020**

**Exhibit 18**

<b>Date</b>	<b>Actuarially Determined Contribution</b>	<b>Contributions in Relation to Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Employer's Covered Payroll</b>	<b>Contributions as a % of Covered Payroll</b>
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 PLAN  
FOR THE YEARS ENDED JUNE 30, 2017 THROUGH JUNE 30, 2020**

**Exhibit 19**

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

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 AND JUNE 30, 2019**

**Exhibit 20**

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

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  
HEALTH INSURANCE CREDIT PROGRAM (HIC)  
FOR THE YEARS ENDED JUNE 30, 2015 THROUGH JUNE 30, 2020**

**Exhibit 21**

<b>Date</b>	<b>Contractually Required Contribution (1)</b>	<b>Contributions in Relation to Contractually Required Contribution (2)</b>	<b>Contribution Deficiency (Excess) (3)</b>	<b>Employer's Covered Payroll (4)</b>	<b>Contributions as a % of Covered Payroll (5)</b>
2020	\$ 30,407	\$ 30,407	\$ -	\$ 6,757,058	0.45%
2019	28,781	28,781	-	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, 2019**

**Exhibit 22**

<b>Date (1)</b>	<b>Employer's Proportion of the Net HIC OPEB Liability (Asset) (2)</b>	<b>Employer's Proportionate Share of the Net HIC OPEB Liability (Asset) (3)</b>	<b>Employer's Covered Payroll (4)</b>	<b>Employer's Proportionate Share of the Net HIC OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)</b>	<b>Plan Fiduciary Net Position as a Percentage of Total HIC OPEB Liability (6)</b>
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  
TEACHER EMPLOYEE HEALTH INSURANCE CREDIT PROGRAM (HIC)  
FOR THE YEARS ENDED JUNE 30, 2011 THROUGH JUNE 30, 2020**

**Exhibit 23**

<b>Date</b>	<b>Contractually Required Contribution (1)</b>	<b>Contributions in Relation to Contractually Required Contribution (2)</b>	<b>Contribution Deficiency (Excess) (3)</b>	<b>Employer's Covered Payroll (4)</b>	<b>Contributions as a % of Covered Payroll (5)</b>
2020	\$ 345,158	\$ 345,158	\$ -	\$ 28,763,204	1.20%
2019	338,793	338,793	-	28,232,714	1.20%
2018	344,237	344,237	-	27,986,765	1.23%
2017	301,512	301,512	-	27,163,246	1.11%
2016	275,703	275,703	-	26,009,740	1.06%
2015	272,867	272,867	-	25,742,149	1.06%
2014	287,854	287,854	-	25,932,800	1.11%
2013	275,371	275,371	-	24,808,159	1.11%
2012	144,954	144,954	-	24,159,045	0.60%
2011	141,517	141,517	-	23,586,215	0.60%

**COUNTY OF ACCOMACK, VIRGINIA  
SCHEDULE OF COUNTY AND SCHOOL BOARD'S SHARE OF NET OPEB LIABILITY  
GROUP LIFE INSURANCE PROGRAM  
FOR THE YEAR ENDED JUNE 30, 2019**

**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:					
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):					
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):					
2019	0.1443%	\$ 2,347,494	\$28,280,300	8.30%	52.00%
2018	0.1475%	2,240,000	28,050,143	7.99%	51.22%
2017	0.1473%	2,216,000	27,163,246	8.16%	48.86%

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

**COUNTY OF ACCOMACK, VIRGINIA  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
GROUP LIFE INSURANCE PROGRAM  
FOR THE YEARS ENDED JUNE 30, 2011 THROUGH JUNE 30, 2020**

**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>
<b>County:</b>					
2020	\$ 67,263	\$ 67,263	\$ -	\$ 12,935,137	0.52%
2019	63,787	63,787	-	12,266,740	0.52%
2018	60,752	60,752	-	11,682,982	0.52%
2017	58,801	58,801	-	11,307,877	0.52%
2016	53,032	53,032	-	11,048,241	0.48%
2015	52,316	52,316	-	10,899,210	0.48%
2014	51,715	51,715	-	10,773,964	0.48%
2013	49,146	49,146	-	10,238,758	0.48%
2012	27,110	27,110	-	9,682,063	0.28%
2011	27,540	27,540	-	9,835,841	0.28%
<b>School Board (Nonprofessional)</b>					
2020	\$ 15,243	\$ 15,243	\$ -	\$ 2,931,384	0.52%
2019	15,453	15,453	-	2,971,717	0.52%
2018	15,405	15,405	-	2,962,415	0.52%
2017	15,352	15,352	-	2,952,275	0.52%
2016	13,765	13,765	-	2,867,655	0.48%
2015	14,175	14,175	-	2,953,111	0.48%
2014	14,328	14,328	-	2,985,035	0.48%
2013	14,527	14,527	-	3,026,538	0.48%
2012	8,290	8,290	-	2,960,840	0.28%
2011	8,131	8,131	-	2,903,770	0.28%
<b>School Board (Professional)</b>					
2020	\$ 149,673	\$ 149,673	\$ -	\$ 28,783,201	0.52%
2019	147,058	147,058	-	28,280,300	0.52%
2018	145,861	145,861	-	28,050,143	0.52%
2017	141,249	141,249	-	27,163,246	0.52%
2016	124,847	124,847	-	26,009,740	0.48%
2015	123,562	123,562	-	25,742,149	0.48%
2014	124,477	124,477	-	25,932,800	0.48%
2013	120,683	120,683	-	25,142,188	0.48%
2012	67,644	67,644	-	24,158,427	0.28%
2011	66,095	66,095	-	23,605,362	0.28%

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Exhibit 26**  
**Page 1 of 4**

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
General property taxes	\$ 24,132,138	\$ 24,201,104	\$ 24,855,852	\$ 654,748
Other local taxes	7,767,315	7,799,028	8,135,798	336,770
Permits, fees and licenses	378,300	378,300	337,076	(41,224)
Fines and forfeitures	70,000	70,000	57,685	(12,315)
Revenue from the use of money and property	475,566	475,566	513,922	38,356
Charges for services	353,788	501,277	645,594	144,317
Miscellaneous	-	7,380	126,608	119,228
Recovered costs	144,230	406,729	460,856	54,127
Intergovernmental	7,045,977	7,300,701	9,452,532	2,151,831
Total revenues	40,367,314	41,140,085	44,585,923	3,445,838
<b>Expenditures:</b>				
General government administration:				
Legislative:				
Board of supervisors	142,519	142,519	115,526	26,993
General and financial administration:				
County administrator	356,060	406,672	300,289	106,383
Human resources	233,743	249,802	227,919	21,883
Legal services	230,685	232,668	214,283	18,385
Commissioner of the revenue	290,721	292,996	275,095	17,901
County assessor	628,993	655,835	621,796	34,039
Treasurer	583,334	643,309	552,117	91,192
Finance	704,608	708,133	550,455	157,678
Information technology	913,818	917,217	838,375	78,842
Risk management	308,054	308,054	306,603	1,451
Total general and financial administration	4,250,016	4,414,686	3,886,932	527,754
Board of elections:				
Electoral board	61,742	67,019	50,025	16,994
Registrar	185,352	206,997	196,937	10,060
Total board of elections	247,094	274,016	246,962	27,054
Total general government administration	4,639,629	4,831,221	4,249,420	581,801
Judicial administration:				
Courts:				
Circuit court	87,727	88,236	71,035	17,201
General district court	11,471	11,471	12,111	(640)
Chief magistrate	16,938	16,938	4,066	12,872
Juvenile and domestic relations court	13,650	13,650	6,175	7,475
Clerk of the circuit court	451,414	499,374	505,634	(6,260)
Sheriff court services	566,290	589,945	424,238	165,707
Commissioner of accounts	214	214	-	214
Victim and witness assistance	95,050	109,203	93,466	15,737
Total courts	1,242,754	1,329,031	1,116,725	212,306
Commonwealth's attorney	415,390	419,039	411,360	7,679
Total judicial administration	1,658,144	1,748,070	1,528,085	219,985
Public safety:				
Law enforcement and traffic control:				
Sheriff law enforcement	2,469,511	2,976,993	2,780,540	196,453



**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2020 (continued)**

**Exhibit 26**  
**Page 2 of 4**

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Public safety: (continued)				
Fire and rescue services:				
Volunteer fire and rescue	\$ 265,110	\$ 285,360	\$ 223,492	\$ 61,868
Emergency medical services	-	74,982	37,226	37,756
Payments to 911 commission	600,219	637,483	619,933	17,550
Total fire and rescue services	865,329	997,825	880,651	117,174
Correction and detention:				
Jail	2,332,026	2,044,776	1,826,387	218,389
Juvenile probation	132,619	133,056	185,281	(52,225)
Community correction	-	96,452	80,604	15,848
Total correction and detention	2,464,645	2,274,284	2,092,272	182,012
Other protection:				
Building and zoning	513,636	519,249	500,770	18,479
Ordinance enforcement	73,498	74,014	58,651	15,363
Animal control	127,818	128,807	112,806	16,001
Regional animal control facility	107,095	107,570	72,928	34,642
S.P.C.A. supplement	5,921	6,316	6,316	-
Emergency management	113,323	255,607	2,011,361	(1,755,754)
Medical examiner	5,000	5,000	4,766	234
E.S. Coalition Against Domestic Violence supplement	20,000	20,000	20,000	-
Cleanup/disposal of hazardous materials	30,000	58,756	15,513	43,243
Total other protection	996,291	1,175,319	2,803,111	(1,627,792)
Total public safety	6,795,776	7,424,421	8,556,574	(1,132,153)
Public works:				
Maintenance of highways, streets, bridges and sidewalks				
Storm drainage	257,211	585,377	273,122	312,255
	257,211	585,377	273,122	312,255
Sanitation and waste removal:				
General operations	226,238	261,211	261,167	44
Refuse disposal	1,047,195	1,047,195	1,142,997	(95,802)
Refuse collection	697,084	723,193	718,030	5,163
Maintenance garage	183,258	377,231	329,154	48,077
Litter control	353,798	331,535	307,311	24,224
Total sanitation and waste removal	2,507,573	2,740,365	2,758,659	(18,294)
Maintenance of buildings and grounds:				
Buildings and grounds	1,127,059	1,526,514	1,213,470	313,044
Total public works	3,891,843	4,852,256	4,245,251	607,005
Health and welfare:				
Health:				
Local health department supplement	670,122	670,122	670,122	-
Rural health dental program supplement	30,971	30,971	30,971	-
Total health	701,093	701,093	701,093	-
Mental health and mental retardation:				
Community services board supplement	200,036	200,036	200,036	-

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2020 (continued)**

**Exhibit 26**  
**Page 3 of 4**

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Health and welfare: (continued)				
Welfare:				
Property tax relief for the elderly	\$ 144,525	\$ 144,525	\$ 153,806	\$ (9,281)
Area agency on aging supplement	23,430	23,430	23,430	-
Total welfare	<u>167,955</u>	<u>167,955</u>	<u>177,236</u>	<u>(9,281)</u>
Total health and welfare	<u>1,069,084</u>	<u>1,069,084</u>	<u>1,078,365</u>	<u>(9,281)</u>
Education:				
Contribution to School Board component unit	18,096,162	20,494,892	17,555,890	2,939,002
Community College supplement	41,028	41,028	41,028	-
Total education	<u>18,137,190</u>	<u>20,535,920</u>	<u>17,596,918</u>	<u>2,939,002</u>
Parks, recreation and cultural:				
Parks and recreation:				
Recreation administration and maintenance	324,480	246,156	239,193	6,963
Summer food program	-	62,901	59,277	3,624
Boating facilities	35,830	20,975	38,083	(17,108)
Total parks and recreation	<u>360,310</u>	<u>330,032</u>	<u>336,553</u>	<u>(6,521)</u>
Cultural enrichment:				
Translator television	74,457	291,699	275,475	16,224
Contribution to Public Library component unit	417,079	417,079	417,079	-
Total cultural enrichment	<u>491,536</u>	<u>708,778</u>	<u>692,554</u>	<u>16,224</u>
Total parks, recreation and cultural	<u>851,846</u>	<u>1,038,810</u>	<u>1,029,107</u>	<u>9,703</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	-
Erosion and sediment	135,290	136,262	133,516	2,746
Planning	400,748	490,807	360,620	130,187
Enterprise Zone incentives	-	25,000	-	25,000
Tourism Commission supplement	86,853	146,628	146,628	-
Chamber of Commerce supplement	171,258	132,233	22,916	109,317
Star Transit public transportation supplement	176,800	176,800	173,800	3,000
Transportation District Commission supplement	6,704	6,704	6,704	-
Small Business Development Center supplement	4,607	4,607	4,607	-
Total planning and community development	<u>1,067,178</u>	<u>1,203,959</u>	<u>933,709</u>	<u>270,250</u>
Environmental management:				
Johnsongrass/gypsy moth control program	12,714	12,802	1,540	11,262
Chincoteague water study grant match	50,000	100,000	-	100,000
Soil and Water Conservation District supplement	21,154	21,154	21,154	-
Contribution to Planning Dist. Commission component unit	27,221	27,221	27,221	-
Resource Conservation and Dev. Council supplement	9,999	9,999	9,999	-
Total environmental management	<u>121,088</u>	<u>171,176</u>	<u>59,914</u>	<u>111,262</u>
Cooperative extension program	97,812	116,184	76,272	39,912
Total community development	<u>1,286,078</u>	<u>1,491,319</u>	<u>1,069,895</u>	<u>421,424</u>
Nondepartmental:				
Contingency	204,142	23,184	-	23,184

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2020 (continued)**

**Exhibit 26**  
**Page 4 of 4**

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Debt service	\$ 290,646	\$ 290,646	\$ 290,646	\$ -
Total expenditures	38,824,378	43,304,931	39,644,261	3,660,670
Revenues over (under) expenditures	1,542,936	(2,164,846)	4,941,662	7,106,508
Other Financing Sources (Uses):				
Transfers in	128,760	139,260	128,760	(10,500)
Transfers out	(2,733,139)	(5,690,915)	(4,559,537)	1,131,378
Total other financing sources (uses)	(2,604,379)	(5,551,655)	(4,430,777)	1,120,878
Net changes in fund balance	(1,061,443)	(7,716,501)	510,885	8,227,386
Fund balance, beginning of year	21,277,363	21,277,363	21,277,363	-
Fund balance, end of year	\$ 20,215,920	\$ 13,560,862	\$ 21,788,248	\$ 8,227,386

**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, 2020**

**Exhibit 27**

	Budgeted Amounts		Actual	Variance from
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Miscellaneous	\$ -	\$ -	\$ 5,690	\$ 5,690
Intergovernmental	3,454,645	3,497,711	3,280,787	(216,924)
Total revenues	<u>3,454,645</u>	<u>3,497,711</u>	<u>3,286,477</u>	<u>(211,234)</u>
<b>Expenditures:</b>				
<b>Health and welfare:</b>				
Welfare administration	3,326,598	3,178,690	3,098,842	79,848
Public assistance	675,265	675,775	628,269	47,506
Fuel administration	39,057	39,057	-	39,057
Local only administration	79,731	261,519	101,259	160,260
CSA Coordinator local only	-	67,932	58,016	9,916
Local staff and operations	-	91,037	88,085	2,952
Service pass-through	150,293	-	-	-
Total expenditures	<u>4,270,944</u>	<u>4,314,010</u>	<u>3,974,471</u>	<u>339,539</u>
Revenues over (under) expenditures	<u>(816,299)</u>	<u>(816,299)</u>	<u>(687,994)</u>	<u>128,305</u>
<b>Other financing sources (uses):</b>				
Transfers in	816,299	816,299	687,994	(128,305)
Total other financing sources (uses)	<u>816,299</u>	<u>816,299</u>	<u>687,994</u>	<u>(128,305)</u>
Net changes in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2020**

**Exhibit 28**

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
General property taxes	\$ 39,000	\$ 39,000	\$ 48,877	\$ 9,877
Miscellaneous	-	-	-	-
Recovered Costs	-	5,025	5,025	-
Intergovernmental	-	8,676	8,676	-
Total revenues	39,000	52,701	62,578	9,877
<b>Expenditures:</b>				
Public safety:				
Fire and rescue services:				
Emergency medical services	4,131,674	4,176,053	2,834,584	1,341,469
Total expenditures	4,131,674	4,176,053	2,834,584	1,341,469
Revenues over (under) expenditures	(4,092,674)	(4,123,352)	(2,772,006)	1,351,346
<b>Other financing sources (uses):</b>				
Transfers out	(129,760)	(129,760)	(129,760)	-
Total other financing sources (uses)	(129,760)	(129,760)	(129,760)	-
Net changes in fund balance	(4,222,434)	(4,253,112)	(2,901,766)	1,351,346
Fund balance, beginning of year	3,144,371	3,144,371	3,144,371	-
Fund balance, end of year	\$ (1,078,063)	\$ (1,108,741)	\$ 242,605	\$ 1,351,346



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## **Other Supplementary Information**



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# 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.



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**COUNTY OF ACCOMACK, VIRGINIA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
AT JUNE 30, 2020**

**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
<b>Assets:</b>											
Cash and investments	\$ 62,079	\$ 191	\$ 46,038	\$ 12,644	\$ 82,278	\$ 203,408	\$ 16,102	\$	\$ 120,299	\$ 670,152	\$ 1,213,191
Receivables (net):											
Taxes, including penalties	-	-	-	-	-	-	31,846		-	1,187,749	1,219,595
Accounts / other	526	-	-	2,685	-	-	-		2,688	-	5,899
Due from other governmental entities:											
Commonwealth of Virginia	-	-	-	-	-	-	-		123,722	-	123,722
Federal government	-	-	-	-	-	15,880	-		-	-	15,880
<b>Total assets</b>	<b>62,605</b>	<b>191</b>	<b>46,038</b>	<b>15,329</b>	<b>82,278</b>	<b>219,288</b>	<b>47,948</b>		<b>246,709</b>	<b>1,857,901</b>	<b>2,578,287</b>
<b>Liabilities:</b>											
Accounts payable	496	191	25,459	92	8,816	16,036	3,994		82,951	201,079	339,114
Wages payable	-	-	-	7,067	-	-	-		-	-	7,067
Due to other government entities:											
Northampton County	-	-	-	-	-	-	-		96,614	-	96,614
Interfund payable	-	-	-	2,594	-	-	-		67,144	-	69,738
Unearned revenues	-	-	-	-	45,826	-	-		-	-	45,826
<b>Total liabilities</b>	<b>496</b>	<b>191</b>	<b>25,459</b>	<b>9,753</b>	<b>54,642</b>	<b>16,036</b>	<b>3,994</b>		<b>246,709</b>	<b>201,079</b>	<b>558,359</b>
<b>Deferred Inflows of Resources:</b>											
Deferred property tax revenue	-	-	-	-	-	-	17,964		-	760,560	778,524
Unavailable revenue - property taxes	-	-	-	-	-	-	1,540		-	76,389	77,929
<b>Total deferred inflow of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,504</b>		<b>-</b>	<b>836,949</b>	<b>856,453</b>
<b>Fund Balances:</b>											
Restricted for:											
Fire and Rescue	-	-	-	-	27,636	-	-		-	-	27,636
Mosquito Control	-	-	-	-	-	-	24,450		-	-	24,450
Judicial Administration	-	-	11,667	-	-	-	-		-	-	11,667
Courthouse Security	-	-	-	5,576	-	-	-		-	-	5,576
Fire and Rescue	-	-	-	-	-	-	-		-	-	-
Law Library	62,109	-	-	-	-	-	-		-	-	62,109
Law Enforcement	-	-	8,912	-	-	-	-		-	-	8,912
Community Development	-	-	-	-	-	203,252	-		-	-	203,252
Assigned to:											
Fire and Rescue	-	-	-	-	-	-	-		-	819,873	819,873
<b>Total fund balances</b>	<b>62,109</b>	<b>-</b>	<b>20,579</b>	<b>5,576</b>	<b>27,636</b>	<b>203,252</b>	<b>24,450</b>		<b>-</b>	<b>819,873</b>	<b>1,163,475</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 62,605</b>	<b>\$ 191</b>	<b>\$ 46,038</b>	<b>\$ 15,329</b>	<b>\$ 82,278</b>	<b>\$ 219,288</b>	<b>\$ 47,948</b>		<b>\$ 246,709</b>	<b>\$ 1,857,901</b>	<b>\$ 2,578,287</b>

**COUNTY OF ACCOMACK, VIRGINIA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

**Exhibit 30**

	Special Revenue						Special Revenue			Total Nonmajor Governmental Funds
	Law Library Fund	Stormwater Ordinance Fund	Drug Seizures Fund	Courthouse Security Fund	Fire Programs Fund	Rehabilitation Projects Fund	Captains Cove Greenbackville Mosquito Control Fund	Comprehensive Youth Services Fund	Consolidated Fire and Rescue Fund	
<b>Revenues:</b>										
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,099	\$ -	\$ 1,604,062	\$ 1,659,161
Other local taxes				67,356						67,356
Permits, fees and licenses	-	11,576								11,576
Revenue from the use of money and property			16		19	32				67
Charges for services	7,623	40,232								47,855
Miscellaneous			2,063		7,000			65,507		74,570
Recovered costs					6,700	3,236				9,936
Intergovernmental			3,331		133,011	15,880		486,797	41,180	680,199
<b>Total revenues</b>	<b>7,623</b>	<b>51,808</b>	<b>5,410</b>	<b>67,356</b>	<b>146,730</b>	<b>19,148</b>	<b>55,099</b>	<b>552,304</b>	<b>1,645,242</b>	<b>2,550,720</b>
<b>Expenditures:</b>										
Judicial administration	2,706		323	114,666						117,695
Public safety			26,556		159,249				1,343,948	1,529,753
Health and welfare							38,789	642,424		681,213
Community development		124,607				16,036				140,643
<b>Total expenditures</b>	<b>2,706</b>	<b>124,607</b>	<b>26,879</b>	<b>114,666</b>	<b>159,249</b>	<b>16,036</b>	<b>38,789</b>	<b>642,424</b>	<b>1,343,948</b>	<b>2,469,304</b>
Revenues over (under) expenditures	4,917	(72,799)	(21,469)	(47,310)	(12,519)	3,112	16,310	(90,120)	301,294	81,416
<b>Other financing sources (uses):</b>										
Transfers in		72,799		49,584	16,000			90,120		228,503
<b>Total other financing sources (uses)</b>		<b>72,799</b>		<b>49,584</b>	<b>16,000</b>			<b>90,120</b>		<b>228,503</b>
<b>Net change in fund balances</b>	<b>4,917</b>	<b>-</b>	<b>(21,469)</b>	<b>2,274</b>	<b>3,481</b>	<b>3,112</b>	<b>16,310</b>	<b>-</b>	<b>301,294</b>	<b>309,919</b>
Fund balance, beginning of year	57,192		42,048	3,302	24,155	200,140	8,140		518,579	853,556
<b>Fund balance, end of year</b>	<b>\$ 62,109</b>	<b>\$ -</b>	<b>\$ 20,579</b>	<b>\$ 5,576</b>	<b>\$ 27,636</b>	<b>\$ 203,252</b>	<b>\$ 24,450</b>	<b>\$ -</b>	<b>\$ 819,873</b>	<b>\$ 1,163,475</b>

**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, 2020**

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	11,576	(19,327)	-	-	-	-
Revenue from the use of money and property	-	-	-	-	-	-	-	-	-	-	16	16
Charges for services	7,000	7,000	7,623	623	-	-	40,232	40,232	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	2,063	2,063
Recovered costs	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	2,000	2,000	3,331	1,331
Total revenues	7,000	7,000	7,623	623	30,903	30,903	51,808	20,905	2,000	2,000	5,410	3,410
Expenditures:												
Judicial administration	7,000	64,192	2,706	61,486	-	-	-	-	-	11,183	323	10,860
Public safety	-	-	-	-	-	-	-	-	2,000	32,865	26,556	6,309
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	-
Community development	-	-	-	-	191,434	192,870	124,607	68,263	-	-	-	-
Total expenditures	7,000	64,192	2,706	61,486	191,434	192,870	124,607	68,263	2,000	44,048	26,879	17,169
Revenues over (under) expenditures	-	(57,192)	4,917	62,109	(160,531)	(161,967)	(72,799)	89,168	-	(42,048)	(21,469)	20,579
Other financing sources (uses):												
Transfers in	-	-	-	-	160,531	160,531	72,799	(87,732)	-	-	-	-
Total other financing sources (uses)	-	-	-	-	160,531	160,531	72,799	(87,732)	-	-	-	-
Net changes in fund balance	-	(57,192)	4,917	62,109	-	(1,436)	-	1,436	-	(42,048)	(21,469)	20,579
Fund balance, beginning of year	57,192	57,192	57,192	-	-	-	-	-	42,048	42,048	42,048	-
Fund balance, end of year	\$ 57,192	\$ -	\$ 62,109	\$ 62,109	\$ -	\$ (1,436)	\$ -	\$ 1,436	\$ 42,048	\$ -	\$ 20,579	\$ 20,579

**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, 2020 (continued)**

**Exhibit 31**  
**Page 2**

	Courthouse Security Fund				Fire Programs Fund				Rehabilitation Projects Fund				
	Budgeted Amounts		Actual	Variance From	Budgeted Amounts		Actual	Variance From	Budgeted Amounts		Actual	Variance From	
	Original	Final		Final Budget	Original	Final		Final Budget	Original	Final		Final Budget	
			Positive				Positive				Positive		
			(Negative)				(Negative)				(Negative)		
Revenues:													
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	80,000	80,000	67,356	(12,644)	-	-	-	-	-	-	-	-	-
Permits, privilege fees and licenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from the use of money and property	-	-	-	-	-	-	19	19	-	-	32	32	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	7,000	7,000	7,000	-	-	-	-	-	-
Recovered costs	-	-	-	-	6,700	6,700	6,700	-	-	-	3,236	3,236	-
Intergovernmental	-	-	-	-	59,000	178,837	133,011	(45,826)	-	710,000	15,880	(694,120)	-
Total revenues	80,000	80,000	67,356	(12,644)	72,700	192,537	146,730	(45,807)	-	710,000	19,148	(690,852)	-
Expenditures:													
Judicial administration	80,000	83,302	114,666	(31,364)	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	88,700	236,428	159,249	77,179	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-	910,140	16,036	894,104	-
Total expenditures	80,000	83,302	114,666	(31,364)	88,700	236,428	159,249	77,179	-	910,140	16,036	894,104	-
Revenues over (under) expenditures	-	(3,302)	(47,310)	(44,008)	(16,000)	(43,891)	(12,519)	31,372	-	(200,140)	3,112	203,252	-
Other financing sources (uses):													
Transfers in	-	-	49,584	49,584	16,000	16,000	16,000	-	-	-	-	-	-
Total other financing sources (uses)	-	-	49,584	49,584	16,000	16,000	16,000	-	-	-	-	-	-
Net changes in fund balance	-	(3,302)	2,274	5,576	-	(27,891)	3,481	31,372	-	(200,140)	3,112	203,252	-
Fund balance, beginning of year	3,302	3,302	3,302	-	24,155	24,155	24,155	-	200,140	200,140	200,140	-	-
Fund balance, end of year	\$ 3,302	\$ -	\$ 5,576	\$ 5,576	\$ 24,155	\$ (3,736)	\$ 27,636	\$ 31,372	\$ 200,140	\$ -	\$ 203,252	\$ 203,252	-

**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, 2020 (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	\$ 43,151	\$ 43,151	\$ 55,099	\$ 11,948	\$ -	\$ -	\$ -	\$ -	\$ 1,539,279	\$ 1,539,279	\$ 1,604,062	\$ 64,783
Other local taxes	-	-	-	-	-	-	-	-	-	-	-	-
Permits, privilege fees and licenses	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from the use of money and property	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	65,507	65,507	-	-	-	-
Recovered costs	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	879,100	879,100	486,797	(392,303)	41,188	41,188	41,180	(8)
Total revenues	43,151	43,151	55,099	11,948	879,100	879,100	552,304	(326,796)	1,580,467	1,580,467	1,645,242	64,775
Expenditures:												
Judicial administration	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	1,580,467	2,099,046	1,343,948	755,098
Health and welfare	43,151	51,291	38,789	12,502	1,132,016	1,132,016	642,424	489,592	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	43,151	51,291	38,789	12,502	1,132,016	1,132,016	642,424	489,592	1,580,467	2,099,046	1,343,948	755,098
Revenues over (under) expenditures	-	(8,140)	16,310	24,450	(252,916)	(252,916)	(90,120)	162,796	-	(518,579)	301,294	819,873
Other financing sources (uses):												
Transfers in	-	-	-	-	252,916	252,916	90,120	(162,796)	-	-	-	-
Total other financing sources (uses)	-	-	-	-	252,916	252,916	90,120	(162,796)	-	-	-	-
Net changes in fund balance	-	(8,140)	16,310	24,450	-	-	-	-	-	(518,579)	301,294	819,873
Fund balance, beginning of year	8,140	8,140	8,140	-	-	-	-	-	518,579	518,579	518,579	-
Fund balance, end of year	\$ 8,140	\$ -	\$ 24,450	\$ 24,450	\$ -	\$ -	\$ -	\$ -	\$ 518,579	\$ -	\$ 819,873	\$ 819,873

**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, 2020 (continued)**

**Exhibit 31**  
**Page 4**

	Total Nonmajor Governmental Funds				Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual		
	Original	Final			
Revenues:					
General property taxes	\$ 1,582,430	\$ 1,582,430	\$ 1,659,161	\$ 76,731	
Other local taxes	80,000	80,000	67,356	(12,644)	
Permits, privilege fees and licenses	30,903	30,903	11,576	(19,327)	
Revenue from the use of money and property	-	-	67	67	
Charges for services	7,000	7,000	47,855	40,855	
Miscellaneous	7,000	7,000	74,570	67,570	
Recovered costs	6,700	6,700	9,936	3,236	
Intergovernmental	981,288	1,811,125	680,199	(1,130,926)	
Total revenues	<u>2,695,321</u>	<u>3,525,158</u>	<u>2,550,720</u>	<u>(974,438)</u>	
Expenditures:					
Judicial administration	87,000	158,677	117,695	40,982	
Public safety	1,671,167	2,368,339	1,529,753	838,586	
Health and welfare	1,175,167	1,183,307	681,213	502,094	
Community development	191,434	1,103,010	140,643	962,367	
Total expenditures	<u>3,124,768</u>	<u>4,813,333</u>	<u>2,469,304</u>	<u>2,344,029</u>	
Revenues over (under) expenditures	<u>(429,447)</u>	<u>(1,288,175)</u>	<u>81,416</u>	<u>1,369,591</u>	
Other financing sources (uses):					
Transfers in	429,447	429,447	228,503	(200,944)	
Total other financing sources (uses)	<u>429,447</u>	<u>429,447</u>	<u>228,503</u>	<u>(200,944)</u>	
Net changes in fund balance	-	(858,728)	309,919	1,168,647	
Fund balance, beginning of year	853,556	853,556	853,556	-	
Fund balance, end of year	<u>\$ 853,556</u>	<u>\$ (5,172)</u>	<u>\$ 1,163,475</u>	<u>\$ 1,168,647</u>	



**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COUNTY DEBT SERVICE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Exhibit 32**

	Budgeted Amounts		Actual	Variance from
	Original	Final		Final Budget
				(Negative)
Revenues:				
General property taxes	\$ 2,943,915	\$ 2,943,915	\$ 3,038,752	\$ 94,837
Miscellaneous	-	-	66,981	66,981
Intergovernmental	82,376	82,376	82,359	(17)
Total revenues	3,026,291	3,026,291	3,188,092	161,801
Expenditures:				
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	-	-	-
Revenues over (under) expenditures	3,026,291	3,026,291	3,188,092	161,801
Net changes in fund balance	3,026,291	3,026,291	3,188,092	161,801
Fund balance, beginning of year	374,229	374,229	374,229	-
Fund balance, end of year	\$ 3,400,520	\$ 3,400,520	\$ 3,562,321	\$ 161,801

**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, 2020**

**Exhibit 33**

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Investment earnings	\$ -	\$ -	\$ 26,919	\$ 26,919
Miscellaneous revenue	-	775,000	-	(775,000)
Recovered costs	-	-	2,500	2,500
Intergovernmental	-	1,374,552	1,958,574	584,022
Total revenues	-	2,149,552	1,987,993	(161,559)
<b>Expenditures:</b>				
General government administration	326,221	326,221	16,980	309,241
Public safety	-	675,423	535,343	140,080
Public works	607,190	2,037,197	1,879,980	157,217
Parks and recreation	116,000	6,165,690	2,499,806	3,665,884
Community development	-	1,657,010	133,693	1,523,317
Total expenditures	1,049,411	10,861,541	5,065,802	5,795,739
Revenues over (under) expenditure	(1,049,411)	(8,711,989)	(3,077,809)	5,634,180
<b>Other financing sources (uses):</b>				
Lease revenue bonds issued	-	-	2,086,000	2,086,000
Transfers in	1,049,411	5,902,660	3,025,028	(2,877,632)
Transfers out	-	10,500	-	(10,500)
Total other financing sources (uses)	1,049,411	5,913,160	5,111,028	(802,132)
Net changes in fund balance	-	(2,798,829)	2,033,219	4,832,048
Fund balance, beginning of year	1,272,853	1,272,853	1,272,853	-
Fund balance, end of year	\$ 1,272,853	\$ (1,525,976)	\$ 3,306,072	\$ 4,832,048

# 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.



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**COUNTY OF ACCOMACK, VIRGINIA  
COMBINING STATEMENT OF NET POSITION  
NONMAJOR PROPRIETARY FUNDS  
AT JUNE 30, 2020**

**Exhibit 34**

	Business-type Activities - Enterprise Funds		
	Nonmajor Funds		
	Water and Sewer Fund	Parks and Recreation Revolving Fund	Total
<b>Assets:</b>			
Current assets:			
Cash and investments	\$ 246,626	\$ 4,604	\$ 251,230
Accounts receivable (net of allowance for uncollectibles)	47,571	-	47,571
Total current assets	<u>294,197</u>	<u>4,604</u>	<u>298,801</u>
Noncurrent assets:			
Capital Assets (net of accumulated depreciation):			
Buildings	268	-	268
Improvements other than buildings	26,664	-	26,664
Machinery and equipment	226,266	5,903	232,169
Construction in progress	570,660	-	570,660
Total capital assets	<u>823,858</u>	<u>5,903</u>	<u>829,761</u>
Total assets	<u>1,118,055</u>	<u>10,507</u>	<u>1,128,562</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	170,516	737	171,253
Retainage payable	26,471	-	26,471
Due to Customers	1,269	-	1,269
Interfund payables	-	3,977	3,977
Total current liabilities	<u>198,256</u>	<u>4,714</u>	<u>202,970</u>
Total liabilities	<u>198,256</u>	<u>4,714</u>	<u>202,970</u>
<b>Net Position:</b>			
Investment in capital assets	823,858	5,903	829,761
Unrestricted	95,941	(110)	95,831
Total net position	<u>\$ 919,799</u>	<u>\$ 5,793</u>	<u>\$ 925,592</u>

**COUNTY OF ACCOMACK, VIRGINIA  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 NONMAJOR PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2020**

**Exhibit 35**

	Business-type Activities - Enterprise Funds		
	Nonmajor Funds		
	Water and Sewer Fund	Parks and Recreation Revolving Fund	Total
Operating revenues:			
Charges for services	\$ 337,309	\$ 28,754	\$ 366,063
Other operating revenue	-	60	60
Total operating revenues	<u>337,309</u>	<u>28,814</u>	<u>366,123</u>
Operating expenses:			
Personnel services and fringe benefits	-	1,830	1,830
Other operating expenses	414,924	19,512	434,436
Depreciation	14,173	998	15,171
Total operating expenses	<u>429,097</u>	<u>22,340</u>	<u>451,437</u>
Operating income (loss)	<u>(91,788)</u>	<u>6,474</u>	<u>(85,314)</u>
Transfers:			
Transfers in	418,006	-	418,006
Total transfers	<u>418,006</u>	<u>-</u>	<u>418,006</u>
Changes in net position	326,218	6,474	332,692
Total net position, beginning of year	593,581	(681)	592,900
Total net position, end of year	<u>\$ 919,799</u>	<u>\$ 5,793</u>	<u>\$ 925,592</u>

**COUNTY OF ACCOMACK, VIRGINIA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

**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	\$ 326,115	\$ 28,917	\$ 355,032
Payments to suppliers	(410,381)	(22,382)	(432,763)
Payments to employees and benefits paid on behalf of employees	(189)	(1,991)	(2,180)
Other receipts	-	60	60
Net cash provided by (used for) operating activities	<u>(84,455)</u>	<u>4,604</u>	<u>(79,851)</u>
Cash flows from capital and related financing activities:			
Purchase of capital assets	(455,566)	-	(455,566)
Transfer from (to) the General Fund	418,006	-	418,006
Net cash provided by (used for) capital and related financing activities	<u>(37,560)</u>	<u>-</u>	<u>(37,560)</u>
Net increase (decrease) in cash and cash equivalents	(122,015)	4,604	(117,411)
Cash and cash equivalents, beginning of year	368,641	-	368,641
Cash and cash equivalents, end of year	<u>\$ 246,626</u>	<u>\$ 4,604</u>	<u>\$ 251,230</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (91,788)	\$ 6,474	\$ (85,314)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation	14,173	998	15,171
Changes in assets and liabilities:			
(Increase) Decrease in accounts receivable	(11,193)	162	(11,031)
Increase (Decrease) in accrued payroll costs	-	(161)	(161)
Increase (Decrease) in accounts payable	4,353	(2,869)	1,484
Total adjustments	<u>(6,840)</u>	<u>(2,868)</u>	<u>(9,708)</u>
Net cash provided by (used for) operating activities	<u>\$ (84,455)</u>	<u>\$ 4,604</u>	<u>\$ (79,851)</u>



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# Agency Funds

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

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



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**COUNTY OF ACCOMACK, VIRGINIA  
 COMBINING STATEMENT OF NET POSITION  
 AGENCY FUNDS  
 AT JUNE 30, 2020**

**Exhibit 37**

	Agency Funds		
	Special Welfare Fund	Sheriff Canteen Fund	Total Agency Funds
<b><u>Assets:</u></b>			
Cash and investments held by Treasurer	\$ 71,254	\$ -	\$ 71,254
Cash and investments in custody of others	-	189,869	189,869
Total assets	71,254	189,869	261,123
<b><u>Liabilities:</u></b>			
Amounts held for social service clients	71,254	-	71,254
Amounts held for others	-	189,869	189,869
Total liabilities	\$ 71,254	\$ 189,869	\$ 261,123

**COUNTY OF ACCOMACK, VIRGINIA  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2020**

**Exhibit 38**

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
<b>Special Welfare Fund:</b>				
<b><u>Assets:</u></b>				
Cash and investments	\$ 43,668	\$ 133,308	\$ 105,722	\$ 71,254
<b><u>Liabilities:</u></b>				
Amount held for social service clients	43,668	133,308	105,722	71,254
<b>Sheriff Canteen Fund:</b>				
<b><u>Assets:</u></b>				
Cash and investments	166,332	354,065	330,528	189,869
<b><u>Liabilities:</u></b>				
Amount held for others	166,332	354,065	330,528	189,869
<b>Totals-All Agency Funds:</b>				
<b><u>Assets:</u></b>				
Cash and investments	210,000	487,373	436,250	261,123
<b><u>Liabilities:</u></b>				
Amount held for social service clients	43,668	133,308	105,722	71,254
Amount held for others	166,332	354,065	330,528	189,869
Total Liabilities	\$ 210,000	\$ 487,373	\$ 436,250	\$ 261,123

## 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.



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**COUNTY OF ACCOMACK, VIRGINIA  
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD  
COMBINING BALANCE SHEET-GOVERNMENTAL FUNDS  
AT JUNE 30, 2020**

**Exhibit 39**

	Major Funds		Nonmajor Fund		Total Governmental Funds
	School Operating Fund	School Capital Projects Fund	School Cafeteria Fund		
<b>Assets:</b>					
Cash and investments	\$ 250,949	\$ 9	\$ 628,233	\$	879,191
Accounts receivable, net	170,186	-	-	-	170,186
Due from the Commonwealth	1,445,599	-	-	-	1,445,599
Due from the Federal Government	1,017,253	-	-	-	1,017,253
Total assets	2,883,987	9	628,233		3,512,229
<b>Liabilities:</b>					
Accounts payable	2,220,553	-	15,158	-	2,235,711
Wages and benefits payable	40,888	-	-	-	40,888
Unearned revenue	675,781	-	-	-	675,781
Total liabilities	2,937,222	-	15,158		2,952,380
<b>Fund Balances:</b>					
Restricted:					
Education	(53,235)	-	-	-	(53,235)
Capital Projects	-	9	-	-	9
Assigned:					
Food Services	-	-	613,075	-	613,075
Total fund balances	(53,235)	9	613,075		559,849
Total liabilities and fund balances	\$ 2,883,987	\$ 9	\$ 628,233		

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	
Buildings, net of depreciation	46,449,135	
Improvements other than buildings, net of depreciation	2,205,976	
Machinery and equipment, net of depreciation	5,887,683	
School Board capital assets in primary government, net of depreciation	(11,081,720)	
Total capital assets		44,435,936

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

Net pension asset	716,919	
Deferred inflows related to pensions	(5,160,469)	
Deferred inflows related to OPEB	(465,976)	
Total other long-term assets		(4,909,526)

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

Compensated absences	(1,717,092)	
Net OPEB liability	(10,032,871)	
Net termination benefit obligation	(166,595)	
Net pension liability	(44,335,323)	
Deferred outflows related to pensions	9,396,831	
Deferred outflows related to OPEB	1,379,469	
Net adjustment		(45,475,581)

Total net position		\$ (5,389,322)
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**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, 2020**

**Exhibit 40**

	Major Funds		Nonmajor Fund	Total Governmental Funds
	School Operating Fund	School Capital Projects Fund	School Cafeteria Fund	
<b>Revenues:</b>				
Revenue from the use of money and property	\$ -	\$ 3	\$ 2,408	\$ 2,411
Charges for services	64,914	-	204,174	269,088
Miscellaneous	228,724	-	32,009	260,733
Recovered costs	213,200	-	-	213,200
From the local government	17,555,890	-	-	17,555,890
From the Commonwealth	34,989,674	-	36,108	35,025,782
From the Federal Government	3,934,238	-	2,283,011	6,217,249
<b>Total revenues</b>	<b>56,986,640</b>	<b>3</b>	<b>2,557,710</b>	<b>59,544,353</b>
<b>Expenditures:</b>				
<b>Education:</b>				
Instruction	40,291,899	-	-	40,291,899
Administration of schools	1,152,272	-	-	1,152,272
Attendance and health services	1,686,399	-	-	1,686,399
Operation and maintenance services	5,492,751	-	-	5,492,751
Pupil transportation services	4,504,165	-	-	4,504,165
Technology Services	3,770,489	-	-	3,770,489
Food services	8,388	-	2,634,385	2,642,773
<b>Total expenditures</b>	<b>56,906,363</b>	<b>-</b>	<b>2,634,385</b>	<b>59,540,748</b>
Revenues over (under) expenditures	80,277	3	(76,675)	3,605
<b>Other financing sources (uses):</b>				
Transfers in	-	-	250,000	250,000
Transfers out	(250,000)	-	-	(250,000)
<b>Total other financing sources (uses)</b>	<b>(250,000)</b>	<b>-</b>	<b>250,000</b>	<b>-</b>
<b>Net changes in fund balance</b>	<b>(169,723)</b>	<b>3</b>	<b>173,325</b>	<b>3,605</b>
Fund balance, beginning of year	116,488	6	439,750	556,244
<b>Fund balance, end of year</b>	<b>\$ (53,235)</b>	<b>\$ 9</b>	<b>\$ 613,075</b>	<b>\$ 559,849</b>

Net changes in fund balance per above \$ 3,605

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	3,038,698	
Depreciation on capital assets	(2,835,151)	
Net adjustment		203,547

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net assets. (85,916)

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 Board. 1,148,309

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	(2,559)	
OPEB expense	(25,880)	
Net termination benefit obligation	119,071	
Pension expense	83,621	
Net adjustment		174,253

Change in net position of governmental activities \$ 1,443,798



**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, 2020**

**Exhibit 41**

	Budgeted Amounts		Actual	Variance from
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Charges for services	\$ 121,000	\$ 121,000	\$ 64,914	\$ (56,086)
Miscellaneous	131,484	327,592	228,724	(98,868)
Recovered costs	175,000	175,000	213,200	38,200
From the local government	18,081,454	20,480,184	17,555,890	(2,924,294)
From the Commonwealth	33,789,774	35,372,936	34,989,674	(383,262)
From the Federal Government	182,730	4,071,962	3,934,238	(137,724)
Total revenues	<u>52,481,442</u>	<u>60,548,674</u>	<u>56,986,640</u>	<u>(3,562,034)</u>
<b>Expenditures:</b>				
<b>Education:</b>				
Instruction	37,201,693	41,817,462	40,291,899	1,525,563
Administration of schools	1,160,379	1,160,996	1,152,272	8,724
Attendance and health services	1,665,065	1,665,764	1,686,399	(20,635)
Operation and maintenance services	5,514,414	6,736,020	5,492,751	1,243,269
Pupil transportation services	3,413,421	4,539,171	4,504,165	35,006
Technology services	3,221,965	4,452,096	3,770,489	681,607
Food services	7,997	8,997	8,388	609
Total expenditures	<u>52,184,934</u>	<u>60,380,506</u>	<u>56,906,363</u>	<u>3,474,143</u>
Revenues over (under) expenditures	<u>296,508</u>	<u>168,168</u>	<u>80,277</u>	<u>(87,891)</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	159,821	-	(159,821)
Transfers out	296,508	327,989	(250,000)	(577,989)
Total other financing sources (uses)	<u>296,508</u>	<u>487,810</u>	<u>(250,000)</u>	<u>(737,810)</u>
Net changes in fund balance	593,016	655,978	(169,723)	(825,701)
Fund balance, beginning of year	116,488	116,488	116,488	-
Fund balance, end of year	<u>\$ 709,504</u>	<u>\$ 772,466</u>	<u>\$ (53,235)</u>	<u>\$ (825,701)</u>

**COUNTY OF ACCOMACK, VIRGINIA  
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD  
STATEMENT OF FIDUCIARY NET POSITION-AGENCY FUNDS  
AT JUNE 30, 2020**

**Exhibit 42**

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	<u>School Activities Fund</u>
<b><u>Assets:</u></b>	
Cash and investments in custody of others	<u>\$ 805,854</u>
<b><u>Liabilities:</u></b>	
Amounts held for school activities	<u>\$ 805,854</u>

**COUNTY OF ACCOMACK, VIRGINIA  
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES-AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

**Exhibit 43**

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
<b>School Activities Fund:</b>				
<b><u>Assets:</u></b>				
Cash and investments in custody of others	\$ 729,634	\$ 1,157,204	\$ 1,080,984	\$ 805,854
<b><u>Liabilities:</u></b>				
Amounts held for school activities	\$ 729,634	\$ 1,157,204	\$ 1,080,984	\$ 805,854



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## **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**



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**COUNTY OF ACCOMACK, VIRGINIA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS**  
**AT JUNE 30, 2020**

**Exhibit 44**

	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		
<b><u>Assets:</u></b>								
Cash and investments	\$ 1,229,585	\$ 666,674	\$ 71,011	\$ 62,947	\$ 49,703	\$ 118,884	\$ 2,198,804	
Restricted cash and cash equivalents	440,050	-	-	-	-	-	440,050	
Accounts receivables, net	159,106	-	-	-	-	-	159,106	
Loan receivables	59,950	-	-	-	-	-	59,950	
Due from other governmental entities	-	-	-	39,844	-	-	39,844	
Inventories	-	187,400	-	-	-	-	187,400	
Prepaid expenses	17,723	14,293	-	-	-	-	32,016	
Unconditional promises to give	-	291,803	-	-	-	-	291,803	
Capital Assets (net of accumulated depreciation):								
Land	161,581	5,000	-	-	-	293,591	460,172	
Buildings	-	412,787	-	-	-	-	412,787	
Improvements other than buildings	133,542	-	-	-	-	-	133,542	
Machinery and equipment	20,104	24,358	-	-	-	3,314	47,776	
Net pension asset	146,389	-	-	-	-	-	146,389	
<b>Total assets</b>	<b>2,368,030</b>	<b>1,602,315</b>	<b>71,011</b>	<b>102,791</b>	<b>49,703</b>	<b>415,789</b>	<b>4,609,639</b>	
<b><u>Deferred Outflows of Resources:</u></b>								
Pension deferrals	169,432	30,383	-	-	-	-	199,815	
<b>Total deferred outflows of resources</b>	<b>169,432</b>	<b>30,383</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>199,815</b>	
<b><u>Liabilities:</u></b>								
Accounts payable	37,022	7,922	602	2,100	-	-	47,646	
Wages and benefits payable	11,548	2,187	-	-	-	-	13,735	
Unearned revenues	487,852	7,750	9,530	-	-	-	505,132	
Noncurrent liabilities:								
Due in more than one year- compensated absences	106,749	21,595	-	-	-	-	128,344	
Due in more than one year- term loan	-	900,000	-	-	-	-	900,000	
Due in more than one year- net pension liability	-	13,538	-	-	-	-	13,538	
<b>Total liabilities</b>	<b>643,171</b>	<b>952,992</b>	<b>10,132</b>	<b>2,100</b>	<b>-</b>	<b>-</b>	<b>1,608,395</b>	
<b><u>Deferred Inflows of Resources:</u></b>								
Items related to measurement of net pension liability	51,473	22,826	-	-	-	-	74,299	
<b><u>Net Position:</u></b>								
Investment in capital assets	315,227	442,145	-	-	-	296,905	1,054,277	
Restricted	500,000	263,726	-	-	-	-	763,726	
Unrestricted	1,027,591	(48,991)	60,879	100,691	49,703	118,884	1,308,757	
<b>Total net position</b>	<b>\$ 1,842,818</b>	<b>\$ 656,880</b>	<b>\$ 60,879</b>	<b>\$ 100,691</b>	<b>\$ 49,703</b>	<b>\$ 415,789</b>	<b>\$ 3,126,760</b>	

**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, 2020**

**Exhibit 45**

	Component Units						Total Nonmajor, Discretely Presented, Component Units
	Planning District Commission	Eastern Shore Public Library	Quinby Harbor Committee	Captains Cove Greenbackville Mosquito Control Commission	Greenbackville Harbor Committee	Economic Development Authority	
Operating revenues:							
Operating grants and contributions	\$ 180,525	\$ 482,258	\$ -	\$ -	\$ -	\$ -	\$ 662,783
Use of property	42,000	84	-	-	-	-	42,084
Charges for services	1,194,187	14,421	21,838	63,239	20,500	-	1,314,185
Miscellaneous	-	20,963	-	-	-	4,883	25,846
Total operating revenues	<u>1,416,712</u>	<u>517,726</u>	<u>21,838</u>	<u>63,239</u>	<u>20,500</u>	<u>4,883</u>	<u>2,044,898</u>
Operating expenses:							
General and administration	20,474	-	10,551	391	7,204	-	38,620
Contractual services	-	114,418	-	20,600	-	24,000	159,018
Personnel	-	501,785	-	-	-	-	501,785
Materials and supplies	-	188,592	-	31,506	-	339	220,437
Other operating expenses	-	38,900	1,309	-	842	1,469	42,520
Project expenses	1,363,360	-	-	-	-	-	1,363,360
Contribution	-	-	-	-	25,000	-	25,000
Depreciation	21,264	25,233	-	-	-	780	47,277
Total operating expenses	<u>1,405,098</u>	<u>868,928</u>	<u>11,860</u>	<u>52,497</u>	<u>33,046</u>	<u>26,588</u>	<u>2,398,017</u>
Operating income (loss)	<u>11,614</u>	<u>(351,202)</u>	<u>9,978</u>	<u>10,742</u>	<u>(12,546)</u>	<u>(21,705)</u>	<u>(353,119)</u>
Nonoperating revenues (expenses):							
Contributions from local government	102,924	565,789	-	-	-	-	668,713
Contributions to local government	-	(1,257,000)	-	-	-	-	(1,257,000)
Investment earnings	16,698	-	6	-	106	45	16,855
Interest and fees on loans	-	(44,142)	-	-	-	-	(44,142)
State grants	-	500,000	-	-	-	-	500,000
GASB 68 pension benefit	(16,699)	-	-	-	-	-	(16,699)
Interest expense	-	-	-	-	-	-	-
Gain (loss) on sale of assets	-	-	-	-	-	15,263	15,263
Total nonoperating revenues (expenses)	<u>102,923</u>	<u>(235,353)</u>	<u>6</u>	<u>-</u>	<u>106</u>	<u>15,308</u>	<u>(117,010)</u>
Changes in net position	114,537	(586,555)	9,984	10,742	(12,440)	(6,397)	(470,129)
Total net position, beginning of year	1,728,281	1,243,434	50,895	89,949	62,143	422,187	3,596,889
Total net position, end of year	<u>\$ 1,842,818</u>	<u>\$ 656,879</u>	<u>\$ 60,879</u>	<u>\$ 100,691</u>	<u>\$ 49,703</u>	<u>\$ 415,790</u>	<u>\$ 3,126,760</u>



**COUNTY OF ACCOMACK, VIRGINIA  
STATEMENT OF CASH FLOWS  
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2020**

**Exhibit 46**

	Economic Development Authority
Cash flows from operating activities:	
Receipts from customers	\$ 62
Payments to suppliers	(28,903)
Other receipts	4,883
Net cash provided by (used for) operating activities	(23,958)
Cash flows from capital and related financing activities:	
Proceeds from the sale of capital assets	23,350
Net cash provided by (used for) capital and related financing activities	23,350
Cash flows from investing activities:	
Interest income	45
Net increase (decrease) in cash and cash equivalents	(563)
Cash and cash equivalents at beginning of the year	119,447
Cash and cash equivalents at end of year	118,884
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:	
Operating income (loss)	(21,705)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:	
Depreciation	780
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	62
Increase (decrease) in accounts payable	(3,095)
Total adjustments	(3,033)
Net cash provided by (used for) operating activities	\$ (23,958)



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## **Supporting Schedules**



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**COUNTY OF ACCOMACK, VIRGINIA  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

**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	\$ 13,275,984	\$ 13,344,950	\$ 13,597,189	\$ 252,239
Real and personal public service taxes	1,738,740	1,738,740	1,789,484	50,744
Personal property taxes	6,160,844	6,160,844	6,475,367	314,523
Machinery and tools taxes	2,346,570	2,346,570	2,331,391	(15,179)
Penalties - all taxes	300,000	300,000	331,511	31,511
Interest - all taxes	310,000	310,000	330,910	20,910
Total general property taxes	24,132,138	24,201,104	24,855,852	654,748
Other local taxes:				
Local sales and use taxes	3,995,344	3,995,344	4,398,808	403,464
Consumers' utility and consumption taxes	1,182,000	1,182,000	1,109,000	(73,000)
Public service corporation license taxes	56,000	56,000	62,950	6,950
Communications tax	900,000	900,000	852,193	(47,807)
Motor vehicle licenses	551,171	551,171	586,500	35,329
Bank stock taxes	30,000	30,000	9,849	(20,151)
Taxes on recordation and wills	324,000	324,000	415,123	91,123
Hotel and motel room taxes	650,000	681,713	625,177	(56,536)
Business, professional and occupational license taxes	55,000	55,000	55,326	326
Other local taxes	23,800	23,800	20,872	(2,928)
Total other local taxes	7,767,315	7,799,028	8,135,798	336,770
Permits, Privilege Fees and Licenses:				
Animal licenses	11,000	11,000	5,790	(5,210)
Building and zoning permits	261,000	261,000	249,284	(11,716)
Health department permits	33,500	33,500	19,100	(14,400)
Land use application fees	45,000	45,000	49,350	4,350
Erosion & sediment control	12,000	12,000	1,130	(10,870)
Wetlands fees	5,000	5,000	10,122	5,122
Other licenses and permits	10,800	10,800	2,300	(8,500)
Total permits, privilege fees and licenses	378,300	378,300	337,076	(41,224)
Fines and forfeitures	70,000	70,000	57,685	(12,315)
Revenue from use of money and property:				
From use of money	8,500	8,500	36,034	27,534
From use of property	467,066	467,066	458,052	(9,014)
Total revenue from use of money and property	475,566	475,566	494,086	18,520
Charges for services:				
General government administration charges	213,633	213,633	315,534	101,901
Judicial administration charges	3,000	3,000	2,499	(501)
Public safety charges	67,155	209,364	286,190	76,826
Public works charges	70,000	70,000	61,207	(8,793)
Community development charges	-	5,280	-	(5,280)
Total charges for services	353,788	501,277	665,430	164,153
Miscellaneous revenue	-	7,380	126,608	119,228

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020 (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	\$ 147,175	\$ 140,129	\$ (7,046)
Judicial administration	19,842	19,842	19,877	35
Public safety	35,288	35,288	28,238	(7,050)
Public works	3,000	180,759	196,278	15,519
Health and welfare	-	-	48,163	48,163
Nondepartmental (Insurance recoveries)	-	23,665	28,171	4,506
Total recovered costs	144,230	406,729	460,856	54,127
Total revenue from local sources	33,321,337	33,839,384	35,133,391	1,294,007
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Motor vehicle carrier's tax	30,000	30,000	24,819	(5,181)
Rolling stock tax	2,000	2,000	2,516	516
Mobile home titling tax	52,000	52,000	76,003	24,003
Tax on deeds (grantor)	84,000	84,000	67,010	(16,990)
Personal Property Tax Relief Act	2,866,680	2,866,680	2,866,103	(577)
Total noncategorical aid	3,034,680	3,034,680	3,036,451	1,771
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	365,961	369,316	345,223	(24,093)
Sheriff	2,702,132	2,757,754	2,757,754	-
Commissioner of the revenue	113,499	114,605	111,941	(2,664)
Treasurer	124,950	126,911	126,911	-
Registrar / electoral board	42,317	62,702	62,702	-
Clerk of circuit court	292,181	328,594	328,594	-
Jail	206,756	206,756	215,800	9,044
Total shared expenses	3,847,796	3,966,638	3,948,925	(17,713)
Other categorical aid:				
Litter control	-	25,434	17,080	(8,354)
"Four for Life" program	-	74,982	37,226	(37,756)
Juvenile crime control act	36,268	36,268	36,269	1
Victim / witness assistance grant	93,233	26,652	26,652	-
Community corrections grant	-	96,452	80,604	(15,848)
Hazardous materials response grants	30,000	30,000	32,223	2,223
Other	4,000	9,595	8,409	(1,186)
Total other categorical aid	163,501	299,383	238,463	(60,920)
Total revenue from the Commonwealth	7,045,977	7,300,701	7,223,839	(76,862)
Revenue from the Federal Government:				
Payments in lieu of taxes	28,750	28,750	29,584	834

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020 (continued)**

**Schedule 1**  
**Page 3 of 8**

Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Intergovernmental (continued)				
Revenue from the Federal Government: (continued)				
Noncategorical aid:				
Refuge revenue sharing	\$ 81,000	\$ 81,000	\$ 80,120	\$ (880)
Indirect costs	54,000	54,000	111,442	57,442
Total noncategorical aid	<u>135,000</u>	<u>135,000</u>	<u>191,562</u>	<u>56,562</u>
Categorical aid:				
Summer food service program	-	62,901	(27,513)	(90,414)
Homeland security related grants	-	65,113	55,334	(9,779)
CARES Act	-	58,030	1,876,240	1,818,210
Selective enforcement grant	-	-	23,415	23,415
Victim / witness assistance grant	-	79,932	66,814	(13,118)
Other	-	15,357	13,257	(2,100)
Total categorical aid	<u>-</u>	<u>281,333</u>	<u>2,007,547</u>	<u>1,726,214</u>
Total revenue from the Federal Government	<u>163,750</u>	<u>445,083</u>	<u>2,228,693</u>	<u>1,783,610</u>
Total General Fund	<u>40,531,064</u>	<u>41,585,168</u>	<u>44,585,923</u>	<u>3,000,755</u>
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Revenue from local sources:				
Miscellaneous revenue	-	-	5,690	5,690
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Welfare	1,504,352	1,461,342	1,121,444	(339,898)
Revenue from the Federal Government:				
Categorical aid:				
Welfare	1,950,293	2,036,369	2,159,343	122,974
Total Virginia Public Assistance Fund	<u>3,454,645</u>	<u>3,497,711</u>	<u>3,286,477</u>	<u>(211,234)</u>
Comprehensive Youth Services Fund:				
Revenue from local sources:				
Miscellaneous revenue:				
From Northampton County	100,274	100,274	65,507	(34,767)
Total miscellaneous revenue	<u>100,274</u>	<u>100,274</u>	<u>65,507</u>	<u>(34,767)</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Comprehensive Services Act pooled services grants	759,205	759,205	465,223	(293,982)
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>486,797</u>	<u>(292,029)</u>
Total Comprehensive Youth Services Fund	<u>879,100</u>	<u>879,100</u>	<u>552,304</u>	<u>(326,796)</u>

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020 (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)				
Law Library Fund:				
Revenue from local sources:				
Charges for services				
Law Library fees	\$ 7,000	\$ 7,000	\$ 7,623	\$ 623
Stormwater Ordinance Fund:				
Revenue from local sources:				
Permits, Privilege Fees and Licenses:				
Stormwater permits	30,903	30,903	51,808	20,905
Drug Seizures Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	16	16
Miscellaneous revenue:				
Other	-	-	2,063	2,063
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical Aid:				
Drug forfeitures and seizures	-	-	3,331	3,331
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	5,410	3,410
Courthouse Security Fund:				
Revenue from local sources:				
Other local taxes:				
Court security fees	80,000	80,000	67,356	(12,644)
Fire Programs Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	19	19
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	178,837	133,011	(45,826)
Total Fire Programs Fund	72,700	192,537	146,730	(45,807)
Rehabilitation Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	32	32
Recovered costs:				
Grant project income	-	-	3,236	3,236
Total revenue from local sources	-	-	3,268	3,268
Revenue from the Federal Government:				
Categorical aid:				
Neighborhood planning and rehab grants	-	710,000	15,880	(694,120)
Total Rehabilitation Projects Fund	-	710,000	19,148	(690,852)



**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020 (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	\$ 42,151	\$ 42,151	\$ 54,152	\$ 12,001
Penalties - all taxes	500	500	350	(150)
Interest - all taxes	500	500	597	97
Total Greenbackville Mosquito Control Fund	43,151	43,151	55,099	11,948
Consolidated Emergency Medical Services Fund				
Revenue from local sources:				
General property taxes:				
Real property taxes	3,341,470	3,372,148	3,492,558	120,410
Public service taxes	571,832	571,832	573,305	1,473
Personal property taxes	164,558	164,558	167,974	3,416
Machinery and tools taxes	48,705	48,705	53,474	4,769
Penalties - all taxes	31,000	31,000	53,486	22,486
Interest - all taxes	39,000	39,000	48,877	9,877
Total general property taxes	4,196,565	4,227,243	4,389,674	162,431
Miscellaneous revenue:				
Other	-	-	9,443	9,443
Recovered costs:				
Insurance recoveries	-	5,025	5,025	-
Total recovered costs	-	5,025	5,025	-
Total revenue from local sources	4,196,565	4,232,268	4,404,142	171,874
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	64,964	64,964	65,567	603
Categorical Aid:				
Rescue squad assistance fund grant	-	8,676	8,676	-
Total revenue from the Commonwealth	64,964	73,640	74,243	603
Total Consolidated Emergency Medical Services Fund	4,261,529	4,305,908	4,478,385	172,477
Consolidated Fire and Rescue Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	1,217,417	1,217,417	1,271,543	54,126
Public service taxes	158,828	158,828	159,381	553
Personal property taxes	100,327	100,327	99,981	(346)
Machinery and tools taxes	30,707	30,707	33,511	2,804
Penalties - all taxes	12,000	12,000	18,863	6,863
Interest - all taxes	20,000	20,000	20,783	783
Total revenue from local sources	1,539,279	1,539,279	1,604,062	64,783

**COUNTY OF ACCOMACK, VIRGINIA  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020 (continued)**

**Schedule 1  
Page 6 of 8**

Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Special Revenue Funds: (continued)				
Consolidated Fire and Rescue Fund: (continued)				
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	\$ 41,188	\$ 41,188	\$ 41,180	\$ (8)
Total Consolidated Fire and Rescue Fund	1,580,467	1,580,467	1,645,242	64,775
Total Special Revenue Funds	10,411,495	11,328,777	10,315,582	(1,013,195)
Capital Projects Funds:				
County Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	-	-	26,919	26,919
Recovered costs:				
From Hazard mitigation grant homeowners	-	-	2,500	2,500
Miscellaneous revenue:				
Donations	-	850,000	-	(850,000)
From other local governments	-	775,000	775,000	-
Total miscellaneous revenue	-	1,625,000	775,000	(850,000)
Total revenue from local sources	-	1,625,000	804,419	(820,581)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Harbor improvement grants	-	493,000	224,022	(268,978)
Virginia Brownfields assistance funds	-	35,000	85,000	50,000
Hazard mitigation funds	-	302,012	-	(302,012)
Library construction funds	-	1,374,552	874,552	(500,000)
Total revenue from the Commonwealth	-	2,204,564	1,183,574	(1,020,990)
Revenue from the Federal Government:				
Categorical aid:				
Hazard mitigation funds	-	1,132,547	-	(1,132,547)
Total County Capital Projects Fund	-	4,962,111	1,987,993	(2,974,118)
Debt Service Funds:				
County Debt Service Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	2,267,721	2,267,721	2,390,061	122,340
Public service taxes	340,159	340,159	296,137	(44,022)
Personal property taxes	202,189	202,189	198,948	(3,241)
Machinery and tools taxes	61,214	61,214	67,008	5,794
Penalties - all taxes	33,158	33,158	38,084	4,926
Interest - all taxes	39,474	39,474	48,514	9,040
Total general property taxes	2,943,915	2,943,915	3,038,752	94,837
Miscellaneous Revenue:				
Other	-	-	66,981	66,981
Total revenue from local sources	2,943,915	2,943,915	3,105,733	161,818
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	82,376	82,376	82,359	(17)
Total revenue from the Commonwealth	82,376	82,376	82,359	(17)
Total County Debt Service Fund	3,026,291	3,026,291	3,188,092	161,801
Total revenue-Primary Government	53,968,850	60,902,347	60,077,590	(824,757)

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020 (continued)**

**Schedule 1**  
**Page 7 of 8**

Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
School Board Component Unit:				
School Operating Fund:				
Charges for services:				
Tuition	\$ 1,000	\$ 1,000	\$ 5,774	\$ 4,774
Driver education	20,000	20,000	13,845	(6,155)
Medicaid	100,000	100,000	45,295	(54,705)
Total charges for services	121,000	121,000	64,914	(56,086)
Miscellaneous revenue:				
E-rate	101,484	297,592	196,108	(101,484)
Miscellaneous	30,000	30,000	32,616	2,616
Total miscellaneous revenue	131,484	327,592	228,724	(98,868)
Recovered costs:				
Miscellaneous	175,000	175,000	213,200	38,200
Revenue from local government:				
Contribution from Accomack County, Virginia	18,081,454	20,480,184	17,555,890	(2,924,294)
Total revenue from local sources	18,508,938	21,103,776	18,062,728	(3,041,048)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Sales tax contribution	5,391,666	5,391,666	5,430,720	39,054
Basic school aid	15,677,220	15,677,220	15,676,786	(434)
Education of the gifted	158,291	158,291	158,842	551
Remedial education	1,052,527	1,052,527	1,042,229	(10,298)
Special education	1,883,666	1,883,666	1,890,223	6,557
School breakfast	318,767	318,767	319,877	1,110
Vocational education	411,557	411,557	412,990	1,433
Social Security	981,406	981,406	984,822	3,416
Retirement	2,168,590	2,168,590	2,176,139	7,549
Group life insurance	66,482	66,482	66,714	232
Governor's School	7,101	7,101	7,101	-
Special Education - homebound	11,960	11,960	16,193	4,233
Special Education - private tuition	229,888	229,888	247,237	17,349
Vocational education-occupational	46,738	46,738	52,786	6,048
Industry based certification	5,000	5,000	9,319	4,319
At risk	1,480,624	1,480,624	1,485,601	4,977
Trans courses	16,710	16,710	16,773	63
Four year old preschool program	487,242	487,242	542,270	55,028
Mentor teacher program	3,921	3,921	8,005	4,084
English as a second language	556,161	556,161	546,550	(9,611)
K-3 initiative	564,367	564,367	930,270	365,903
Lottery	1,158,526	2,088,796	1,162,757	(926,039)
Educational technology grant SOL web base	-	503,314	505,433	2,119
Reading intervention	121,558	121,558	130,241	8,683
Career prep academy	-	40,000	65,082	25,082
SOL algebra readiness	-	109,578	109,578	-
Compensation supplement	989,806	989,806	985,882	(3,924)
Other	-	-	9,254	9,254
Total revenue from the Commonwealth	33,789,774	35,372,936	34,989,674	(383,262)

**COUNTY OF ACCOMACK, VIRGINIA  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020 (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	\$ 182,730	\$ 182,730	\$ 131,374	\$ (51,356)
Title I	-	2,020,311	2,013,725	(6,586)
Title I C-Migrant education	-	210,431	193,470	(16,961)
Title II	-	242,258	241,930	(328)
Title III	-	79,628	65,135	(14,493)
Title IV	-	160,168	58,261	(101,907)
Title VI	-	104,051	71,889	(32,162)
Title VI-B Special Education	-	1,072,385	1,014,348	(58,037)
CARES Act	-	-	144,106	144,106
Total revenue from the Federal Government	182,730	4,071,962	3,934,238	(137,724)
Total School Operating Fund	52,481,442	60,548,674	56,986,640	(3,562,034)
Special Revenue Funds:				
School Cafeteria Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From the use of money	2,500	2,500	2,408	(92)
Charges for services:				
Meal charges	-	-	204,174	204,174
Miscellaneous:				
Donations	-	-	32,009	32,009
Total revenue from local sources	2,500	2,500	238,591	204,082
Intergovernmental				
Revenue from the Commonwealth:				
Categorical aid:				
School food payments	26,000	26,000	36,108	10,108
Revenue from the Federal Government:				
Categorical aid:				
School food payments	2,971,500	2,971,500	2,283,011	(688,489)
Total School Cafeteria Fund	3,000,000	3,000,000	2,557,710	(442,290)
Total Special Revenue Funds	3,000,000	3,000,000	2,557,710	(442,290)
Capital Projects Fund:				
School Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From the use of money	-	-	3	3
Total revenue-School Board Component Unit	55,481,442	63,548,674	59,544,353	(4,004,321)
Grand total revenue-Primary Government and School Board Component Unit	\$ 109,450,292	\$ 124,451,021	\$ 119,621,943	\$ (4,829,078)

**COUNTY OF ACCOMACK, VIRGINIA  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENED JUNE 30, 2020**

**Schedule 2  
Page 1 of 7**

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government:				
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 142,519	\$ 142,519	\$ 115,526	\$ 26,993
General and financial administration:				
County administrator	356,060	406,672	300,289	106,383
Human Resources	233,743	249,802	227,919	21,883
Legal services	230,685	232,668	214,283	18,385
Commissioner of the revenue	290,721	292,996	275,095	17,901
County assessor	628,993	655,835	621,796	34,039
Treasurer	583,334	643,309	552,117	91,192
Finance	704,608	708,133	550,455	157,678
Information technology	913,818	917,217	838,375	78,842
Risk management	308,054	308,054	306,603	1,451
Total general and financial administration	4,250,016	4,414,686	3,886,932	527,754
Board of elections:				
Electoral board	61,742	67,019	50,025	16,994
Registrar	185,352	206,997	196,937	10,060
Total board of elections	247,094	274,016	246,962	27,054
Total general government administration	4,639,629	4,831,221	4,249,420	581,801
Judicial administration:				
Courts:				
Circuit court	87,727	88,236	71,035	17,201
General district court	11,471	11,471	12,111	(640)
Chief magistrate	16,938	16,938	4,066	12,872
Juvenile and domestic relations court	13,650	13,650	6,175	7,475
Clerk of the circuit court	451,414	499,374	505,634	(6,260)
Sheriff court services	566,290	589,945	424,238	165,707
Commissioner of accounts	214	214	-	214
Victim and witness assistance	95,050	109,203	93,466	15,737
Total courts	1,242,754	1,329,031	1,116,725	212,306
Commonwealth's attorney	415,390	419,039	411,360	7,679
Total judicial administration	1,658,144	1,748,070	1,528,085	219,985
Public safety:				
Law enforcement and traffic control:				
Sheriff law enforcement	2,469,511	2,976,993	2,780,540	196,453
Fire and rescue services:				
Volunteer fire and rescue	265,110	285,360	223,492	61,868
Emergency medical services	-	74,982	37,226	37,756
Payments to 911 commission	600,219	637,483	619,933	17,550
Total fire and rescue services	865,329	997,825	880,651	117,174
Correction and detention:				
Jail	2,332,026	2,044,776	1,826,387	218,389
Juvenile probation	132,619	133,056	185,281	(52,225)
Community correction	-	96,452	80,604	15,848
Total correction and detention	2,464,645	2,274,284	2,092,272	182,012

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020 (Continued)**

Schedule 2  
Page 2 of 7

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Public safety: (continued)				
Other protection:				
Building and zoning	\$ 513,636	\$ 519,249	\$ 500,770	\$ 18,479
Ordinance Enforcement	73,498	74,014	58,651	15,363
Animal control	127,818	128,807	112,806	16,001
Regional animal control facility	107,095	107,570	72,928	34,642
S.P.C.A. supplement	5,921	6,316	6,316	-
Emergency management	113,323	255,607	2,011,361	(1,755,754)
Medical examiner	5,000	5,000	4,766	234
E.S. Coalition Against Domestic Violence supplement	20,000	20,000	20,000	-
Cleanup/disposal of hazardous materials	30,000	58,756	15,513	43,243
Total other protection	996,291	1,175,319	2,803,111	(1,627,792)
Total public safety	6,795,776	7,424,421	8,556,574	(1,132,153)
Public works:				
Maintenance of streets, bridges and sidewalks:				
Storm drainage	257,211	585,377	273,122	312,255
Sanitation and waste removal:				
General operations	226,238	261,211	261,167	44
Refuse disposal	1,047,195	1,047,195	1,142,997	(95,802)
Refuse collection	697,084	723,193	718,030	5,163
Maintenance garage	183,258	377,231	329,154	48,077
Litter control	353,798	331,535	307,311	24,224
Total sanitation and waste removal	2,507,573	2,740,365	2,758,659	(18,294)
Maintenance of buildings and grounds:				
Buildings and grounds	1,127,059	1,526,514	1,213,470	313,044
Total public works	3,891,843	4,852,256	4,245,251	607,005
Health and welfare:				
Health:				
Local health department supplement	670,122	670,122	670,122	-
Rural health dental program supplement	30,971	30,971	30,971	-
Total health	701,093	701,093	701,093	-
Mental health and mental retardation:				
Community services board supplement	200,036	200,036	200,036	-
Welfare:				
Property tax relief for seniors, disabled and veterans	144,525	144,525	153,806	(9,281)
Area agency on aging supplement	23,430	23,430	23,430	-
Total welfare	167,955	167,955	177,236	(9,281)
Total health and welfare	1,069,084	1,069,084	1,078,365	(9,281)
Education:				
Contribution to School Board component unit	18,096,162	20,494,892	17,555,890	2,939,002
Community College supplement	41,028	41,028	41,028	-
Total education	18,137,190	20,535,920	17,596,918	2,939,002

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020 (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	\$ 324,480	\$ 246,156	\$ 239,193	\$ 6,963
Summer food program	-	62,901	59,277	3,624
Boating facilities	35,830	20,975	38,083	(17,108)
Total parks and recreation	360,310	330,032	336,553	(6,521)
Cultural enrichment:				
Translator television	74,457	291,699	275,475	16,224
Contribution to Public Library component unit	417,079	417,079	417,079	-
Total cultural enrichment	491,536	708,778	692,554	16,224
Total parks, recreation and cultural	851,846	1,038,810	1,029,107	9,703
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	-
Erosion and sediment	135,290	136,262	133,516	2,746
Planning	400,748	490,807	360,620	130,187
Enterprise Zone incentives	-	25,000	-	25,000
Tourism Commission supplement	86,853	146,628	146,628	-
Wallops Research Park	171,258	132,233	22,916	109,317
Star Transit public transportation supplement	176,800	176,800	173,800	3,000
Transportation District Commission supplement	6,704	6,704	6,704	-
Small Business Development Center supplement	4,607	4,607	4,607	-
Total planning and community development	1,067,178	1,203,959	933,709	270,250
Environmental management:				
Johnsongrass/gypsy moth control program	12,714	12,802	1,540	11,262
Chincoteague water study grant match	50,000	100,000	-	100,000
Soil and Water Conservation District supplement	21,154	21,154	21,154	-
Contribution to Planning Dist. Commission component unit	27,221	27,221	27,221	-
Resource Conservation and Dev. Council supplement	9,999	9,999	9,999	-
Total environmental management	121,088	171,176	59,914	111,262
Cooperative extension program	97,812	116,184	76,272	39,912
Total community development	1,286,078	1,491,319	1,069,895	421,424
Nondepartmental:				
Contingency	204,142	23,184	-	23,184
Total nondepartmental	204,142	23,184	-	23,184
Debt service:				
Principal	224,000	224,000	224,000	-
Interest and fiscal charges	66,646	66,646	66,646	-
Total debt service	290,646	290,646	290,646	-
Total General Fund	38,824,378	43,304,931	39,644,261	3,660,670

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020 (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	\$ 3,296,598	\$ 3,178,690	\$ 3,098,842	\$ 79,848
Public assistance	675,265	675,774	628,269	47,505
Fuel administration	39,057	39,057	-	39,057
Local only administration	79,731	261,519	101,259	160,260
CSA coordinator	-	67,932	58,016	9,916
Local staff and operations	-	91,037	88,085	2,952
Pass-through	150,293	1	-	1
Total welfare/social services	<u>4,240,944</u>	<u>4,314,010</u>	<u>3,974,471</u>	<u>339,539</u>
Comprehensive Youth Services Fund:				
Health and welfare:				
Welfare:				
CSA pooled services for youth and families	1,162,016	1,132,016	642,424	489,592
Total welfare	<u>1,162,016</u>	<u>1,132,016</u>	<u>642,424</u>	<u>489,592</u>
Law Library Fund:				
Judicial administration:				
Courts:				
Law library books	7,000	64,192	2,706	61,486
Stormwater Ordinance Fund:				
Community development:				
Environmental management:				
Stormwater ordinance	191,434	192,870	124,607	68,263
Drug Seizures Fund:				
Judicial administration:				
Commonwealth's attorney	-	11,183	323	10,860
Public safety:				
Law enforcement and traffic control:				
Sheriff	2,000	32,865	26,556	6,309
Total drug seizures fund	<u>2,000</u>	<u>44,048</u>	<u>26,879</u>	<u>17,169</u>
Fire Programs Fund:				
Public safety:				
Fire and rescue services:				
Payments to fire companies	30,000	30,000	30,000	-
Fire training center and other	58,700	206,428	129,249	77,179
Total fire and rescue services	<u>88,700</u>	<u>236,428</u>	<u>159,249</u>	<u>77,179</u>
Rehabilitation Projects Fund:				
Community development:				
Planning and community development:				
CDBG program income costs	-	200,140	16,036	184,104
CDBG Neighborhood grants	-	710,000	-	710,000
Total planning and community development	<u>-</u>	<u>910,140</u>	<u>16,036</u>	<u>894,104</u>
Captains Cove/Greenbackville Mosquito Control				
Health and welfare:				
Health:				
Contribution to mosquito control commission	43,151	51,291	38,789	12,502
Consolidated Emergency Medical Services:				
Public safety:				
Fire and Rescue Services:				
Emergency Medical Services	4,131,674	4,176,053	2,834,584	1,341,469



**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020 (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: (continued)				
Consolidated Fire and Rescue Services:				
Public safety:				
Fire and Rescue Services:				
Payments to volunteer fire and rescue companies	\$ 1,580,467	\$ 2,099,046	\$ 1,343,948	\$ 755,098
Courthouse Security Fund:				
Judicial administration:				
Courts:				
Court security	80,000	83,302	114,666	(31,364)
Total Special Revenue Funds	11,527,386	13,303,396	9,278,359	4,025,037
Capital Project Funds:				
County Capital Projects Fund:				
General government administration:				
Financial software	273,221	273,221	-	273,221
Equipment replacement	53,000	53,000	16,980	36,020
Annex building renovations	-	258,584	258,090	494
Total general government administration	326,221	584,805	275,070	309,735
Judicial administration:				
Circuit Courthouse repairs	452,190	1,558,366	1,542,256	16,110
Public safety:				
Building permit software	-	43,853	-	43,853
E911 building improvements	-	161,747	15,833	145,914
Emergency operations center and generator	-	631,570	535,343	96,227
Total public safety	-	837,170	551,176	285,994
Public works:				
Dump truck	90,000	58,500	53,801	4,699
Health and welfare:				
Building improvements	65,000	-	10,000	(10,000)
Parks, recreation and cultural:				
Quinby and Greenbackville Harbor improvements	-	660,278	391,695	268,583
Folly Creek Bay Facility improvements	116,000	530,860	483,384	47,476
Regional Library	-	4,974,552	1,624,727	3,349,825
Total parks, recreation and cultural	116,000	6,165,690	2,499,806	3,665,884
Community development:				
Derelict building removal program	-	146,948	133,693	13,255
Hazard mitigation grant	-	1,510,062	-	1,510,062
Total community development	-	1,657,010	133,693	1,523,317
Total County capital projects fund	1,049,411	10,861,541	5,065,802	5,795,739
Debt Service Funds:				
County Debt Service Fund:				
Debt Service:				
Principal	2,113,406	2,113,406	2,125,305	(11,899)
Interest and fiscal charges	1,052,162	1,052,162	1,010,277	41,885
Total County Debt Service Fund	3,165,568	3,165,568	3,135,582	29,986
Total expenditures-Primary Government	54,566,743	70,635,436	57,124,004	13,511,432

**COUNTY OF ACCOMACK, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020 (Continued)**

Schedule 2  
Page 6 of 7

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
School Board Component Unit:				
School Operating Fund:				
Education:				
Instruction Costs:				
Classroom instruction	\$ 30,474,826	\$ 34,582,244	\$ 32,493,463	\$ 2,088,781
Guidance services	1,180,107	1,180,637	1,046,208	134,429
Homebound instruction	53,928	53,928	200,899	(146,971)
Improvement of instruction	1,141,458	1,649,279	2,059,016	(409,737)
Media services	853,793	853,793	839,055	14,738
Office of the principal	3,497,581	3,497,581	3,543,638	(46,057)
Other	-	-	109,620	(109,620)
Total instruction costs	<u>37,201,693</u>	<u>41,817,462</u>	<u>40,291,899</u>	<u>1,525,563</u>
Administration of schools:				
Board services	39,925	39,925	65,907	(25,982)
Executive administration services	395,586	396,203	382,467	13,736
Personnel services	273,916	273,916	232,103	41,813
Fiscal services	450,952	450,952	471,795	(20,843)
Total administration of schools	<u>1,160,379</u>	<u>1,160,996</u>	<u>1,152,272</u>	<u>8,724</u>
Attendance and health services:				
Attendance services	101,870	101,870	116,964	(15,094)
Health services	698,839	699,538	691,685	7,853
Psychological services	311,368	311,368	313,183	(1,815)
Speech/audiology services	552,988	552,988	564,567	(11,579)
Total attendance and health services	<u>1,665,065</u>	<u>1,665,764</u>	<u>1,686,399</u>	<u>(20,635)</u>
Operation and maintenance services:				
Management and direction	223,495	223,621	219,921	3,700
Building services	5,002,583	6,101,402	5,011,998	1,089,404
Grounds services	228,261	228,261	160,936	67,325
Vehicle services (other than pupil transportation)	60,075	60,075	45,453	14,622
Building replacement	-	122,661	54,443	68,218
Total operation and maintenance services	<u>5,514,414</u>	<u>6,736,020</u>	<u>5,492,751</u>	<u>1,243,269</u>
Pupil transportation services:				
Management and direction	166,377	166,377	174,611	(8,234)
Vehicle operation services	2,624,244	3,749,994	2,873,507	876,487
Transportation monitoring	-	-	166,767	(166,767)
Vehicle maintenance services	622,800	622,800	1,289,280	(666,480)
Total pupil transportation services	<u>3,413,421</u>	<u>4,539,171</u>	<u>4,504,165</u>	<u>35,006</u>
Food Services:				
Food services	7,997	8,997	8,388	609
Technology services:				
Classroom instruction	2,047,965	3,010,856	2,565,778	445,078
Instructional support	978,376	1,245,616	1,067,433	178,183
Administration	112,484	112,484	44,160	68,324
Pupil transportation	9,640	9,640	1,700	7,940
Attendance and health	3,500	3,500	4,445	(945)
Operations and maintenance	70,000	70,000	86,973	(16,973)
Total technology services	<u>3,221,965</u>	<u>4,452,096</u>	<u>3,770,489</u>	<u>681,607</u>
Total school operating fund	<u>52,184,934</u>	<u>60,380,506</u>	<u>56,906,363</u>	<u>3,474,143</u>

**COUNTY OF ACCOMACK, VIRGINIA  
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2020 (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:				
School Cafeteria Fund:				
Education:				
School Food Services:				
Operating costs	\$ 3,000,000	\$ 3,000,000	\$ 2,634,385	\$ 365,615
Total expenditures-School Board Component Unit	55,184,934	63,380,506	59,540,748	3,839,758
Grand total expenditures-Primary Government and School Board Component Unit	\$ 109,751,677	\$ 134,015,942	\$ 116,664,752	\$ 17,351,190



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# **Statistical Section**

# Statistical Section

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<b>Revenue Capacity</b> These schedules contain information to help the reader assess the county's most significant local revenue source, the property tax.	211
<b>Debt Capacity</b> 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. <b>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.</b>	218
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place.	220
<b>Operating Information</b> 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.	222

**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**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 2,465,664	\$ 2,537,440	\$ 3,943,220	\$ 6,875,692	\$ 12,266,262	\$ 13,323,383	\$ 13,614,036	\$ 14,803,829	17,160,190	18,979,478
Restricted	1,389,519	1,337,183	1,101,726	2,426,616	2,473,955	2,857,003	3,090,508	3,263,176	3,889,773	5,506,458
Unrestricted	15,554,168	16,447,789	15,455,876	14,182,780	12,746,931	14,877,956	15,740,171	17,084,745	19,707,467	21,665,052
Total governmental activities net position	\$ 19,409,351	\$ 20,322,412	\$ 20,500,822	\$ 23,485,088	\$ 27,487,148	\$ 31,058,342	\$ 32,444,715	\$ 35,151,750	40,757,430	46,150,988
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 2,108,712	\$ 1,542,541	\$ 5,334,897	\$ 6,902,698	\$ 7,817,113	\$ 8,016,703	\$ 10,949,377	\$ 10,996,279	14,262,266	14,043,997
Restricted	(2,436,917)	(1,696,621)	(1,164,425)	(1,713,962)	(2,054,143)	(2,043,261)	(5,228,893)	(5,389,385)	(6,382,791)	(5,316,800)
Total business-type activities net position	\$ (328,205)	\$ (154,080)	\$ 4,170,472	\$ 5,188,736	\$ 5,762,970	\$ 5,973,442	\$ 5,720,484	\$ 5,606,894	7,879,475	8,727,197
<b>Primary government:</b>										
Net investment in capital assets	\$ 4,574,376	\$ 4,079,981	\$ 9,278,117	\$ 13,778,390	\$ 20,083,375	\$ 21,340,086	\$ 24,563,413	\$ 25,800,108	31,422,456	33,023,475
Restricted	1,389,519	1,337,183	1,101,726	2,426,616	2,473,955	2,857,003	3,090,508	3,263,176	3,889,773	5,506,458
Unrestricted	13,117,251	14,751,168	14,291,451	12,468,818	10,692,788	12,834,695	10,511,278	11,695,360	13,324,676	16,348,252
Total primary government net position	\$ 19,081,146	\$ 20,168,332	\$ 24,671,294	\$ 28,673,824	\$ 33,250,118	\$ 37,031,784	\$ 38,165,199	\$ 40,758,644	48,636,905	54,878,185

\* 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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Primary Government:</b>	-									
<b>Expenses</b>										
Governmental activities:										
General government administration	\$ 3,176,953	\$ 3,339,183	\$ 3,585,175	\$ 3,498,049	\$ 3,530,381	\$ 4,213,237	\$ 4,176,949	\$ 4,235,991	\$ 3,869,051	\$ 4,297,569
Judicial administration	1,541,877	1,442,643	1,573,104	1,557,904	1,523,767	1,626,300	1,698,149	1,524,872	1,847,818	2,006,203
Public safety	8,982,920	9,141,427	10,579,063	10,083,890	10,051,732	10,799,876	12,137,511	11,411,784	12,521,804	13,191,818
Public works	3,303,409	3,382,833	3,721,236	3,586,061	3,879,310	4,046,470	4,295,837	4,434,819	4,295,730	5,103,434
Health and welfare	5,652,391	5,681,716	5,839,666	5,719,077	5,899,788	5,961,155	6,163,082	5,945,902	5,772,749	5,978,222
Education	18,095,238	18,511,045	18,475,654	18,708,789	19,091,856	19,185,216	19,514,650	19,334,027	17,990,881	19,035,647
Parks, recreation and cultural	1,038,188	1,037,589	1,014,589	961,633	894,436	1,048,256	1,271,895	1,239,140	1,301,533	484,488
Community development	1,657,666	4,106,234	1,430,468	1,599,584	1,577,928	2,002,473	1,877,300	1,884,504	2,034,036	2,042,957
Interest on long-term debt	2,042,318	1,927,969	1,700,378	1,761,930	1,539,381	1,469,186	1,337,937	1,134,137	1,082,502	1,108,961
Total governmental activities expenses	45,490,960	48,570,639	47,919,333	47,476,917	47,988,579	50,352,169	52,473,310	51,145,176	50,716,104	53,249,299
Business-type activities:										
Landfill	2,522,546	2,783,554	2,126,739	2,579,104	2,951,816	2,548,558	3,401,827	3,569,289	4,080,602	2,341,369
Airport	-	-	375,864	825,992	731,287	670,222	700,391	691,014	739,944	950,832
Water and Sewer	236,253	126,703	153,116	596,534	243,334	203,169	314,703	504,664	389,764	429,097
Parks and Recreation	76,628	64,896	81,476	56,470	48,959	69,436	54,955	39,181	45,253	22,340
Total business-type activities expenses	2,835,427	2,975,153	2,737,195	4,058,100	3,975,396	3,491,385	4,471,876	4,804,148	5,255,563	3,743,638
expenses	48,326,387	51,545,792	50,656,528	51,535,017	51,963,975	53,843,554	56,945,186	55,949,324	55,971,667	56,992,937
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government administration	363,578	294,422	303,205	455,246	429,272	464,325	396,076	340,487	575,757	511,896
Judicial administration	95,242	96,434	94,495	100,293	89,168	76,993	108,135	81,468	117,902	89,391
Public safety	431,555	603,751	601,672	417,064	452,767	470,058	508,284	490,759	549,903	637,054
Public works	115,016	129,728	157,961	248,997	207,649	330,896	269,613	242,352	206,417	222,129
Health and welfare	339,200	313,962	296,399	300,016	433,837	406,018	398,651	455,688	450,225	483,752
Education	-	-	-	-	-	-	-	-	-	66,981
Parks, recreation and cultural	283,305	93,772	96,514	227,902	72,419	63,915	72,873	72,873	61,009	66,839
Community development	57,156	77,943	64,579	66,137	129,832	201,284	120,274	33,380	39,463	66,295
Operating grants and contributions	8,437,999	7,655,170	8,116,557	9,481,299	8,288,541	8,838,571	8,929,145	8,437,334	8,623,343	10,195,625
Capital grants and contributions	160,367	2,965,210	271,414	785,074	4,143,748	91,253	39,520	335,000	1,364,751	1,958,574
revenues	10,283,418	12,230,392	10,002,796	12,082,028	14,247,233	10,943,313	10,842,571	10,489,341	11,988,770	14,298,536
Business-type activities:										
Charges for services:										
Landfill	2,587,858	2,556,568	2,764,529	2,423,020	2,832,220	2,944,380	3,209,523	2,892,852	3,289,632	3,179,687
Airport	-	-	143,170	319,374	288,003	242,236	253,556	295,816	251,371	245,010
Water and Sewer	223,069	203,836	218,395	215,641	270,507	200,897	217,078	278,763	305,519	337,309
Parks and recreation	52,753	61,826	55,165	63,196	53,942	49,740	53,444	38,385	35,092	28,814
Operating grants and contributions - Airp	-	-	14,652	149,934	20,108	52,142	33,597	28,595	26,435	23,451
Capital grants and contributions - Airpor	-	-	-	-	1,048,914	-	47,703	451,081	3,260,031	158,077
revenues	2,863,680	2,822,230	3,195,911	3,171,165	4,513,694	3,489,395	3,814,901	3,985,492	7,168,080	3,972,348
revenues	13,147,098	15,052,622	13,198,707	15,253,193	18,760,927	14,432,708	14,657,472	14,474,833	19,156,850	18,270,884



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

Table 2

Page 2 of 2

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Primary Government:</b>										
<b>Net (Expense)/Revenue<sup>1</sup></b>										
Governmental activities	(35,207,542)	(36,340,247)	(37,916,537)	(35,394,889)	(33,741,346)	(39,408,856)	(41,630,739)	(40,655,835)	(38,727,334)	(38,950,763)
Business-type activities	28,253	(152,923)	458,716	(886,935)	538,298	(1,990)	(656,975)	(818,656)	1,912,517	228,710
Total primary government net expense	(35,179,289)	(36,493,170)	(37,457,821)	(36,281,824)	(33,203,048)	(39,410,846)	(42,287,714)	(41,474,491)	(36,814,817)	(38,722,053)
<b>General Revenues and Other</b>										
<b>Changes in Net Position</b>										
Governmental activities:										
Taxes:										
General property taxes	29,221,909	27,583,562	28,500,128	28,872,306	29,258,518	31,940,238	32,114,931	33,963,969	32,888,029	33,053,958
Local sales and use taxes	2,863,318	3,623,339	3,618,865	3,358,791	3,579,831	3,583,326	3,659,682	3,746,741	4,273,866	4,398,807
Consumer utility taxes	1,043,339	986,409	1,089,368	1,005,667	1,144,722	1,069,085	1,105,834	1,164,856	872,078	1,008,870
Communication taxes	987,303	1,087,470	1,052,114	1,034,212	1,025,176	994,827	970,374	940,038	1,042,562	852,193
Other local taxes	1,291,448	1,591,001	1,592,735	1,775,122	1,779,509	1,836,328	1,866,503	1,839,972	2,106,890	1,943,284
Grants and contributions not restricted to specific programs	3,349,305	3,320,843	3,319,642	3,365,464	3,368,175	3,367,776	3,423,576	3,400,198	3,433,736	3,446,703
Investment earnings	8,272	1,967	10,954	22,857	13,120	9,583	8,463	46,368	5,907	62,170
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	-
Other revenue	368,768	596,723	189,259	845,326	291,288	378,396	61,481	329,248	70,010	197,348
Transfers	(121,343)	(25,800)	(1,134,135)	(1,900,590)	(164,935)	(199,509)	(193,732)	(758,393)	(360,064)	(619,012)
Total governmental activities	39,012,319	38,765,514	38,238,930	38,379,155	40,295,404	42,980,050	43,017,112	44,672,997	44,333,014	44,344,321
Business-type activities:										
Investment earnings	7,047	8,312	9,985	4,311	3,446	11,347	20,285	11,662	-	-
Gain on sale of capital assets	90,115	-	-	-	-	1,533	190,000	-	-	-
Other revenue	-	-	2,770,557	298	3,457	73	-	-	-	-
Transfers	121,343	25,800	1,134,135	1,900,590	164,937	199,509	193,732	758,393	360,064	619,012
Total business-type activities	218,505	34,112	3,914,677	1,905,199	171,840	212,462	404,017	770,055	360,064	619,012
Total primary government	39,230,824	38,799,626	42,153,607	40,284,354	40,467,244	43,192,512	43,421,129	45,443,052	44,693,078	44,963,333
<b>Change in Net Position</b>										
Governmental activities	3,804,777	2,425,267	322,393	2,984,266	6,554,058	3,571,194	1,386,373	4,017,162	5,605,680	5,393,558
Business-type activities	246,758	(118,811)	4,373,393	1,018,264	710,138	210,472	(252,958)	(48,601)	2,272,581	847,722
Total primary government	\$ 4,051,535	\$ 2,306,456	\$ 4,695,786	\$ 4,002,530	\$ 7,264,196	\$ 3,781,666	\$ 1,133,415	\$ 3,968,561	\$ 7,878,261	\$ 6,241,280

<sup>1</sup> 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**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Fund:</b>										
Nonspendable	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	\$ 104,700	104,700	104,700
Restricted	5,792	9,603	24,890	30,326	31,047	32,053	32,053	33,123	36,196	36,210
Committed	4,695,521	6,100,065	6,860,389	7,632,118	8,415,423	9,210,477	10,017,457	10,836,542	11,355,486	11,802,717
Assigned	3,113,920	5,663,962	5,077,891	3,376,508	3,093,131	3,221,067	4,505,194	6,268,339	6,782,375	7,484,909
Unassigned	4,093,028	2,066,357	1,862,007	1,680,028	1,426,505	1,804,578	2,312,267	1,253,151	2,998,606	2,359,712
<b>Total general fund</b>	<b>12,012,961</b>	<b>13,944,687</b>	<b>13,929,877</b>	<b>12,823,680</b>	<b>13,070,806</b>	<b>14,372,875</b>	<b>16,971,671</b>	<b>18,495,855</b>	<b>21,277,363</b>	<b>21,788,248</b>
<b>All Other Governmental Funds:</b>										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	2,732,804	2,792,758	2,485,291	5,475,920	3,032,136	2,824,950	3,058,455	3,230,053	3,853,577	5,428,753
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	445,376	83,910	17,810	874,755	1,034,644	5,050,567	3,305,886	739,763	1,791,432	4,125,945
<b>Total other governmental funds</b>	<b>3,178,180</b>	<b>2,876,668</b>	<b>2,503,101</b>	<b>6,350,675</b>	<b>4,066,780</b>	<b>7,875,517</b>	<b>6,364,341</b>	<b>3,969,816</b>	<b>5,645,009</b>	<b>9,554,698</b>
<b>Total governmental funds</b>	<b>\$15,191,141</b>	<b>\$16,821,355</b>	<b>\$16,432,978</b>	<b>\$19,174,355</b>	<b>\$17,137,586</b>	<b>\$22,248,392</b>	<b>\$23,336,012</b>	<b>\$22,465,671</b>	<b>26,922,372</b>	<b>31,342,946</b>

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

**Table 4**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
General property taxes	\$28,064,416	\$27,099,918	\$28,514,924	\$29,203,123	\$29,317,410	\$32,205,174	\$32,945,616	\$28,790,706	34,482,574	33,943,439
Other local taxes	6,946,687	6,999,466	7,353,082	7,173,792	7,529,238	7,483,566	7,602,393	7,691,607	8,295,397	8,203,154
Permits, fees and licenses	330,675	292,070	345,459	429,010	474,442	463,126	364,692	372,036	414,763	348,652
Fines and forfeitures	75,136	74,866	71,617	76,395	65,622	54,318	84,220	57,413	85,100	57,685
Revenue from the use of money and property	340,938	355,759	361,817	368,898	339,413	327,381	336,728	361,763	479,705	521,072
Charges for services	384,621	411,358	410,393	450,270	406,926	509,555	440,922	500,255	577,701	713,285
Miscellaneous	791,820	254,129	349,418	973,391	381,084	474,631	189,950	4,651,616	1,172,085	217,785
Recovered costs	487,134	471,604	404,211	482,952	354,927	530,191	513,209	304,507	420,779	471,617
Intergovernmental	11,772,915	13,809,384	11,547,042	13,491,118	15,800,464	12,297,600	12,392,241	12,172,532	12,308,343	15,600,901
<b>Total revenues</b>	<b>49,194,342</b>	<b>49,768,554</b>	<b>49,357,963</b>	<b>52,648,949</b>	<b>54,669,526</b>	<b>54,345,542</b>	<b>54,869,971</b>	<b>54,902,435</b>	<b>58,236,447</b>	<b>60,077,590</b>
<b>Expenditures</b>										
General government administration	3,027,586	3,233,212	3,446,289	3,624,767	3,784,605	4,290,115	3,975,056	4,278,092	4,143,102	4,266,400
Judicial administration	1,433,434	1,335,238	1,450,005	1,511,769	1,487,014	1,600,418	1,541,907	1,567,617	1,801,593	3,188,036
Public safety	8,826,388	8,875,289	10,984,465	11,672,064	10,510,653	11,183,476	11,817,851	8,227,494	13,255,537	13,456,254
Public works	3,758,181	3,395,947	3,834,542	3,893,852	4,212,124	4,557,952	5,151,776	6,332,721	4,575,540	5,189,964
Health and welfare	5,490,104	5,483,394	5,571,278	5,730,164	5,907,665	6,053,390	5,881,513	9,406,439	6,268,765	5,744,049
Education	15,583,300	16,035,534	16,035,534	16,304,689	16,709,372	16,820,374	17,150,107	16,871,374	16,479,494	17,596,918
Parks, recreation and cultural	1,001,101	1,273,121	885,719	1,486,121	1,425,756	1,046,266	1,074,410	2,093,966	1,714,682	2,653,834
Community development	1,565,892	4,046,635	1,526,050	2,872,289	7,558,117	2,628,054	1,678,827	1,511,201	1,677,219	1,602,321
Debt service:										
Principal	2,395,373	2,469,866	3,119,689	3,304,267	3,343,822	3,676,217	3,910,930	3,485,653	2,383,892	2,349,305
Interest	2,093,191	2,012,299	1,758,634	1,709,446	1,602,232	1,528,965	1,406,242	1,239,826	1,119,857	1,076,923
<b>Total expenditures</b>	<b>45,174,550</b>	<b>48,160,535</b>	<b>48,612,205</b>	<b>52,109,428</b>	<b>56,541,360</b>	<b>53,385,227</b>	<b>53,588,619</b>	<b>55,014,383</b>	<b>53,419,681</b>	<b>57,124,004</b>
<b>Excess of revenues over (under) expenditures</b>	<b>4,019,792</b>	<b>1,608,019</b>	<b>745,758</b>	<b>539,521</b>	<b>(1,871,834)</b>	<b>960,315</b>	<b>1,281,352</b>	<b>(111,948)</b>	<b>4,816,766</b>	<b>2,953,586</b>
<b>Other Financing Sources (Uses)</b>										
Issuance of debt (includes premiums/discounts)	-	4,263,000	-	10,904,973	-	4,350,000	-	-	-	2,086,000
Payments to refunded bond escrow agents	-	(4,263,000)	-	(6,802,527)	-	-	-	-	-	-
Transfers in	1,091,580	1,324,601	1,351,662	2,032,221	2,104,275	1,727,343	2,427,762	1,948,596	2,986,224	4,070,285
Transfers out	(1,117,380)	(1,643,941)	(2,485,797)	(3,932,811)	(2,269,210)	(1,926,852)	(2,621,494)	(2,706,989)	(3,346,289)	(4,689,297)
<b>Total other financing sources (uses)</b>	<b>(25,800)</b>	<b>(319,340)</b>	<b>(1,134,135)</b>	<b>2,201,856</b>	<b>(164,935)</b>	<b>4,150,491</b>	<b>(193,732)</b>	<b>(758,393)</b>	<b>(360,065)</b>	<b>1,466,988</b>
<b>Net change in fund balances</b>	<b>\$ 3,993,992</b>	<b>\$ 1,288,679</b>	<b>\$ (388,377)</b>	<b>\$ 2,741,377</b>	<b>\$ (2,036,769)</b>	<b>\$ 5,110,806</b>	<b>\$ 1,087,620</b>	<b>\$ (870,341)</b>	<b>4,456,701</b>	<b>4,420,574</b>
Debt service as a % of noncapital expenditures	9.94%	9.54%	10.43%	10.50%	10.23%	10.15%	10.35%	9.26%	6.91%	6.63%

**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
2011	3,380,611,410	678,014,822	657,292,500	291,946,100	4,423,972,632	0.480	4,715,918,732	93.81%
2012	2,924,021,460	636,396,590	624,792,100	274,869,000	3,910,341,150	0.550	4,185,210,150	93.43%
2013	2,932,083,560	638,622,345	620,948,600	270,528,700	3,921,125,805	0.550	4,191,654,505	93.55%
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%

**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.

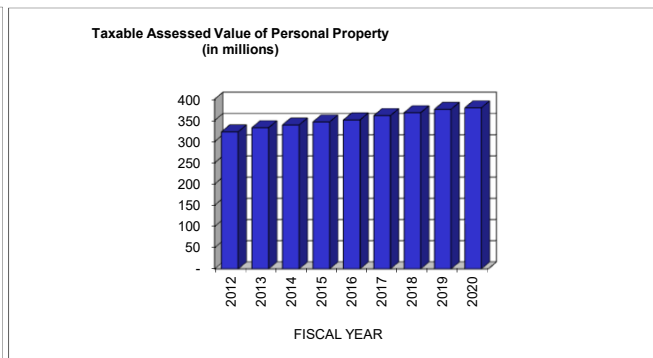
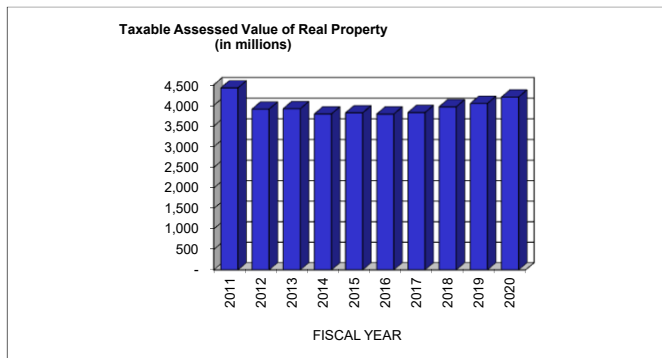
**COUNTY OF ACCOMACK, VIRGINIA  
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PERSONAL PROPERTY  
LAST TEN FISCAL YEARS**

Table 5B

Fiscal Year Ending June 30,	Motor Vehicles & Other	Mobile Homes	Machinery & Tools	Total Taxable Assessed Value	Total Direct Personal Property Tax Rate
2011	267,566,954	40,019,511	19,421,352	327,007,817	3.75
2012	273,560,910	31,692,295	17,919,794	323,172,999	3.72
2013	280,470,080	30,525,805	21,945,775	332,941,660	3.72
2014	287,138,572	29,964,327	22,255,434	339,358,333	3.72
2015	292,169,603	29,721,982	24,593,224	346,484,809	3.72
2016	301,471,966	29,194,660	20,668,398	351,335,024	3.72
2017	311,113,331	29,253,592	21,042,517	361,409,440	3.72
2018	323,346,910	25,264,307	19,649,014	368,260,231	3.72
2019	326,844,145	25,697,743	23,730,041	376,271,929	3.72
2020	329,717,739	26,233,482	23,825,793	379,777,014	3.72

**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)<sup>1</sup>

LAST TEN FISCAL YEARS

Table 6

Type of tax	2011					2012					2013					2014				
	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
<b>Real Property</b>																				
County Direct Rates:																				
General	0.30	0.30	0.30	0.30	0.30	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.395	0.395	0.395	0.395	0.395
Debt Service	0.08	0.08	0.08	0.08	0.08	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.095	0.095	0.095	0.095	0.095
Emergency Medical Service	0.05	0.05	0.05	0.05	-	0.06	0.06	0.06	0.06	-	0.06	0.06	0.06	0.06	-	0.090	0.090	0.090	0.090	-
Fire and Rescue	0.03	0.02	0.02	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mosquito Control <sup>2</sup>	0.02	-	-	-	-	0.02	-	-	-	-	0.02	-	-	-	-	0.025	-	-	-	-
Total real property direct rates	0.48	0.45	0.45	0.46	0.38	0.55	0.53	0.53	0.53	0.47	0.55	0.53	0.53	0.53	0.47	0.605	0.580	0.580	0.580	0.490
Overlapping Governments:																				
Town of Chincoteague	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.07	-	-	-	-	0.07
Town of Saxis	0.12	-	-	-	-	-	0.17	-	-	-	-	0.17	-	-	-	-	0.17	-	-	-
Town of Hallwood	0.09	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-
Town of Bloxom	-	0.10	-	-	-	-	0.10	-	-	-	-	0.16	-	-	-	-	0.16	-	-	-
Town of Parksley	-	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-
Town of Tangier	0.35	-	-	-	-	-	-	0.35	-	-	-	-	0.35	-	-	-	-	0.35	-	-
Town of Accomac	-	-	0.05	-	-	-	-	0.05	-	-	-	-	0.07	-	-	-	-	0.07	-	-
Town of Onley	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-
Town of Onancock	-	-	0.20	-	-	-	-	0.20	-	-	-	-	0.25	-	-	-	-	0.25	-	-
Town of Melfa	-	-	-	0.05	-	-	-	-	0.05	-	-	-	-	0.05	-	-	-	-	0.05	-
Town of Wachapreague	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.16	-	-	-	-	0.13	-
Town of Keller	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.12	-	-	-	-	0.12	-
Town of Painter	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.10	-	-	-	-	0.10	-
Town of Belle Haven	-	-	-	0.085	-	-	-	-	0.085	-	-	-	-	0.085	-	-	-	-	0.085	-
<b>Personal Property</b>																				
Overlapping Governments:																				
General	3.48	3.48	3.48	3.48	3.48	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	0.06	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Emergency Medical Service	0.09	0.09	0.09	0.09	-	0.09	0.09	0.09	0.09	-	0.09	0.09	0.09	0.09	-	0.09	0.09	0.09	0.09	-
Fire and Rescue	0.08	0.05	0.05	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total personal prop. direct rates	3.75	3.72	3.72	3.72	3.54	3.72	3.72	3.72	3.72	3.63	3.72	3.72	3.72	3.72	3.63	3.72	3.72	3.72	3.72	3.63
Overlapping Governments:																				
Town of Chincoteague	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85
Town of Saxis	0.50	-	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-
Town of Hallwood	0.48	-	-	-	-	0.48	-	-	-	-	0.48	-	-	-	-	0.48	-	-	-	-
Town of Bloxom	-	0.30	-	-	-	-	0.30	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-
Town of Parksley	-	0.80	-	-	-	-	0.80	-	-	-	-	1.30	-	-	-	-	1.30	-	-	-
Town of Tangier	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town of Accomac	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-
Town of Onley	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-
Town of Onancock	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-
Town of Melfa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town of Wachapreague	-	-	-	-	-	-	-	-	-	-	-	-	-	0.16	-	-	-	-	0.13	-
Town of Keller	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.15	-	-	-	-	0.15	-
Town of Painter	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-
Town of Belle Haven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

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

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



**COUNTY OF ACCOMACK, VIRGINIA  
 PRINCIPAL PROPERTY TAXPAYERS<sup>1</sup>  
 CURRENT YEAR AND NINE YEARS AGC**

**Table 7**

Taxpayer	2020			2011		
	Total Assessed Valuation	Rank	Percentage of Total Assessed Value <sup>1</sup>	Total Assessed Valuation	Rank	Percentage of Total Assessed Value <sup>1</sup>
Eastern Shore Solar LLC	\$ 176,739,197	1	3.94%	\$ -	-	-
Commonwealth Chesapeake Corporation	103,711,328	2	2.31%	\$ 179,214,489	1	3.55%
A&N Electric Cooperative	89,872,589	3	2.01%	\$ 70,295,545	2	1.39%
Delmarva Power & Light Company	31,433,585	4	0.70%	9,425,647	10	0.19%
Old Dominion Electric Cooperative	26,008,098	5	0.58%	\$ 10,475,718	8	0.21%
Perdue	24,776,130	6	0.55%	\$ 26,930,137	4	0.59%
Tyson	22,600,158	7	0.50%	24,121,401	5	48.00%
Verizon Virginia LLC	15,552,636	8	0.35%	44,907,333	3	0.89%
Walmart	10,991,227	9	0.25%	11,152,300	7	0.22%
Chincoteague Hotel LLC	9,363,300	10	0.21%	-	-	-
Captains Cove Group LLC	-	-	-	\$ 22,837,400	6	45.00%
Madonia, Batista or Evelyn Madonia	-	-	-	\$ 10,394,185	9	0.21%

**Source:** Accomack County Finance Office

<sup>1</sup> Total assessed value obtained from Table 5A & 5B.

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

**Table 8  
Page 1 of 2**

Fiscal Year	Property Tax Type	Month / Year Due	Collected within the Fiscal Year of Levy					Total Collections		
			Original Levy <sup>3</sup>	Adjustments	Adjusted Levy	Amount	Percent of Adjusted Levy	Collected in Subsequent Periods	Amount	Percent of Adjusted Levy
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	5,268,414	-	5,268,414	4,469,918	84.8%	-	4,469,918	84.8%
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	2,985	10,259,520	9,729,810	94.8%	-	9,729,810	94.8%
2020	Real Estate-Special Assess.	12/2019	15,443	-	15,443	7,174	46.5%	-	7,174	46.5%
2020	Personal Property-Regular Supp	04/2020	179,517	46,590	132,927	83,351	62.7%	-	83,351	62.7%
2020	Personal Property-Regular	08/2020	5,753,556	706,054	5,047,503	1,421,647	28.2%	-	1,421,647	28.2%
2020	Real Estate-Public Svc. Corp. <sup>4</sup>	08/2020	1,394,183	-	1,394,183	122,658	8.8%	-	122,658	8.8%
2020	Personal Property-Public Svc. Corp. <sup>4</sup>	08/2020	37,811	-	37,811	1,759	4.7%	-	1,759	4.7%
2020	Real Estate-Regular	08/2020	10,756,365	(15,291)	10,771,656	4,184,953	38.9%	-	4,184,953	38.9%
	Total		\$ 35,169,633	\$ 798,626	\$ 34,371,007	\$ 21,464,820	62.5%	-	21,464,820	62.5%
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	456,121	4,981,285	4,421,421	88.8%	231,846	4,653,267	93.4%
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	11,958	10,048,815	9,558,100	95.1%	229,375	9,787,475	97.4%
2019	Real Estate-Special Assess.	12/2018	15,443	-	15,443	11,176	72.4%	2,614	13,789	89.3%
2019	Personal Property-Regular	03/2019	138,142	13,956	124,186	84,200	67.8%	-	84,200	67.8%
2019	Personal Property-Regular	06/2019	5,649,938	107,371	4,849,464	4,084,096	84.2%	268,293	4,352,389	89.7%
2019	Real Estate-Public Svc. Corp. <sup>4</sup>	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. <sup>4</sup>	06/2019	39,752	2,332	37,419	37,419	100.0%	-	37,419	100.0%
2019	Real Estate-Regular	06/2019	10,262,597	6,799	10,255,798	9,092,713	88.7%	794,699	9,887,412	96.4%
	Total		\$ 34,611,389	\$ 684,042	\$ 33,234,244	\$ 29,715,101	89.4%	\$ 2,022,685	\$ 31,737,786	95.5%
2018	Personal Property-Public Svc. Corp.	12/2017	42,988	6,028	36,960	36,960	100.0%	-	36,960	100.0%
2018	Personal Property-Regular	12/2017	5,362,590	544,569	4,818,021	4,178,908	86.7%	377,866	4,556,774	94.6%
2018	Real Estate-Public Svc. Corp.	12/2017	1,787,627	(187,700)	1,975,327	1,975,327	100.0%	-	1,975,327	100.0%
2018	Real Estate-Regular	12/2017	10,184,855	12,629	10,172,226	9,652,025	94.9%	336,294	9,988,319	98.2%
2018	Real Estate-Special Assess.	12/2017	4,172	-	4,172	2,167	51.9%	766	2,933	70.3%
2018	Personal Property-Regular	03/2018	169,693	14,551	155,142	128,749	83.0%	21,459	150,208	96.8%
2018	Personal Property-Regular	06/2018	5,504,655	900,772	4,603,883	3,917,067	85.1%	411,847	4,328,914	94.0%
2018	Real Estate-Public Svc. Corp. <sup>4</sup>	06/2018	1,410,673	29,031	1,381,641	1,074,116	77.7%	307,525	1,381,641	100.0%
2018	Personal Property-Public Svc. Corp. <sup>4</sup>	06/2018	37,506	519	36,986	37,469	101.3%	(483)	36,986	100.0%
2018	Real Estate-Regular	06/2018	10,058,743	15,145	10,043,599	8,989,582	89.5%	832,146	9,821,728	97.8%
	Total		\$ 34,563,502	\$ 1,335,545	\$ 33,227,956	\$ 29,992,370	90.3%	\$ 2,287,420	\$ 32,279,790	97.1%
2017	Personal Property-Public Svc. Corp.	12/2016	43,800	-	43,800	43,800	100.0%	-	43,800.00	100.0%
2017	Real Estate-Roll Back Taxes	12/2016	49,037	-	49,037	49,037	100.0%	-	49,036.56	100.0%
2017	Personal Property-Regular	12/2016	5,164,557	471,908	4,692,649	4,127,858	88.0%	330,385.17	4,458,242.83	95.0%
2017	Real Estate-Public Svc. Corp.	12/2016	923,300	(29,816)	953,116	953,116	100.0%	-	953,116.00	100.0%
2017	Real Estate-Regular	12/2016	10,174,102	86,889	10,087,213	9,611,265	95.3%	376,104.75	9,987,369.44	99.0%
2017	Real Estate-Special Assess.	12/2016	4,172	-	4,172	2,268	54.4%	743.96	3,011.96	72.2%
2017	Personal Property-Regular	03/2017	222,105	39,498	182,607	141,387	77.4%	22,421.66	163,808.66	89.7%
2017	Personal Property-Regular	06/2017	5,298,107	941,720	4,356,388	3,797,030	87.2%	336,034.62	4,133,064.51	94.9%
2017	Real Estate-Public Svc. Corp. <sup>4</sup>	06/2017	893,813	46,543	847,270	847,270	100.0%	-	847,269.60	100.0%
2017	Personal Property-Public Svc. Corp. <sup>4</sup>	06/2017	42,988	-	42,988	42,988	100.0%	(6,028)	36,960.00	86.0%
2017	Real Estate-Regular	06/2017	10,185,171	10,917	10,174,253	9,096,150	89.4%	925,044.12	10,021,194.12	98.5%
	Total		\$ 33,001,152	\$ 1,567,660	\$ 31,433,491	\$ 28,712,167	91.3%	\$ 1,984,706	\$ 30,696,874	97.7%
2016	Personal Property-Public Svc. Corp.	12/2015	93,927	-	93,927	93,927	100.0%	-	93,927	100.0%
2016	Personal Property-Regular	12/2015	4,877,654	464,669	4,412,984	3,905,489	88.5%	314,479	4,219,968	95.6%
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	84,601	9,744,378	9,185,938	94.3%	496,373	9,682,311	99.4%
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%	18,719	147,735	92.8%
2016	Personal Property-Regular	06/2016	5,114,678	903,073	4,211,605	3,686,183	87.5%	349,397	4,035,580	95.8%
2016	Real Estate-Public Svc. Corp. <sup>4</sup>	06/2016	863,998	29,487	834,511	834,511	100.0%	-	834,511	100.0%
2016	Personal Property-Public Svc. Corp. <sup>4</sup>	06/2016	46,964	912	46,052	46,052	100.0%	-	46,052	100.0%
2016	Real Estate-Regular	06/2016	10,174,102	87,898	10,086,204	9,006,032	89.3%	1,001,871	10,007,903	99.2%
	Total		\$ 32,862,663	\$ 1,576,426	\$ 31,286,237	\$ 28,583,187	91.4%	\$ 2,181,408	\$ 30,764,595	98.3%



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

**Table 8  
Page 2 of 2**

Year	Property Tax Type	Year Due	Original Levy <sup>3</sup>	Adjustments	Adjusted Levy	Collected within the Fiscal Year of Levy			Total Collections	
						Amount	Levy	Subsequent	Amount	of
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	432,902	4,153,156	3,613,511	87.0%	539,275	4,152,785	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	89,013	9,664,799	9,086,273	94.0%	539,270	9,625,543	99.6%
2015	Real Estate-Special Assess.	12/2014	4,172	89	4,083	2,293	56.2%	985	3,278	80.3%
2015	Personal Property-Regular	03/2015	164,969	35,135	129,834	92,254	71.1%	31,402	123,656	95.2%
2015	Personal Property-Regular	06/2015	5,015,816	896,831	4,118,985	3,426,729	83.2%	529,296	3,956,025	96.0%
2015	Real Estate-Regular	06/2015	9,828,979	85,783	9,743,193	8,279,637	85.0%	1,410,922	9,690,559	99.5%
2015	Total		\$ 31,141,309	\$ 1,539,752	\$ 29,601,554	\$ 26,270,465	88.7%	\$ 3,068,885	\$ 29,339,350	99.1%
2014	Real Estate-Roll Back Taxes	08/2013	1,957	-	1,957	1,957	100.0%	-	1,957	100.0%
2014	Personal Property-Public Svc. Corp.	12/2013	79,229	-	79,229	78,033	98.5%	1,196	79,229	100.0%
2014	Personal Property-Regular	12/2013	4,582,007	396,519	4,185,488	3,631,896	86.8%	371,447	4,003,343	95.6%
2014	Real Estate-Public Svc. Corp.	12/2013	1,577,174	-	1,577,174	1,562,467	99.1%	14,707	1,577,174	100.0%
2014	Real Estate-Regular	12/2013	9,301,052	89,006	9,212,046	8,671,064	94.1%	506,658	9,177,723	99.6%
2014	Real Estate-Special Assess.	12/2013	4,172	89	4,083	2,378	58.2%	900	3,278	80.3%
2014	Personal Property-Regular	03/2014	162,951	8,361	154,590	110,950	71.8%	29,898	140,848	91.1%
2014	Personal Property-Regular	06/2014	4,751,142	272,780	4,478,363	3,398,176	75.9%	878,485	4,276,661	95.5%
2014	Real Estate-Regular	06/2014	9,753,812	89,013	9,664,799	8,566,104	88.6%	1,059,438	9,625,543	99.6%
2014	Total		\$ 30,213,495	\$ 855,767	\$ 29,357,728	\$ 26,023,025	88.6%	\$ 2,862,730	\$ 28,885,755	98.4%
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	418,541	3,942,812	3,435,520	87.1%	381,326	3,816,846	96.8%
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	113,577	9,167,350	8,557,067	93.3%	586,488	9,143,555	99.7%
2013	Real Estate-Special Assess.	12/2012	4,172	89	4,083	1,966	48.2%	1,646	3,612	88.5%
2013	Personal Property-Regular	04/2013	230,699	15,185	215,513	157,646	73.1%	45,827	203,473	94.4%
2013	Personal Property-Regular	06/2013	4,723,284	280,142	4,443,141	3,198,351	72.0%	1,042,198	4,240,548	95.4%
2013	Real Estate-Regular	06/2013	9,301,052	87,411	9,213,641	8,052,980	87.4%	1,130,874	9,183,854	99.7%
2013	Total		\$ 29,657,411	\$ 914,945	\$ 28,742,466	\$ 25,141,673	87.5%	\$ 3,206,141	\$ 28,347,814	98.6%
2012	Real Estate-Roll Back Taxes	09/2011	5,487	-	5,487	5,487	100.0%	-	5,487	100.0%
2012	Personal Property-Public Svc. Corp.	12/2011	80,442	-	80,442	79,925	99.4%	516	80,442	100.0%
2012	Personal Property-Regular	12/2011	4,351,341	465,549	3,885,792	3,370,153	86.7%	415,116	3,785,269	97.4%
2012	Real Estate-Public Svc. Corp.	12/2011	1,424,539	-	1,424,539	1,409,649	99.0%	14,890	1,424,539	100.0%
2012	Real Estate-Regular	12/2011	8,970,567	93,753	8,876,815	8,281,800	93.3%	571,566	8,853,366	99.7%
2012	Real Estate-Special Assess.	12/2011	4,172	89	4,083	1,776	43.5%	1,902	3,678	90.1%
2012	Personal Property-Regular	02/2012	155,361	16,411	138,950	106,708	76.8%	23,823	130,531	93.9%
2012	Personal Property-Regular	06/2012	4,497,340	306,095	4,191,245	3,179,983	75.9%	874,227	4,054,210	96.7%
2012	Real Estate-Regular	06/2012	9,280,927	115,120	9,165,807	8,084,420	88.2%	1,058,821	9,143,241	99.8%
2012	Total		\$ 28,770,176	\$ 997,016	\$ 27,773,160	\$ 24,519,902	88.3%	\$ 2,960,860	\$ 27,480,762	98.9%
2011	Personal Property-Public Svc. Corp.	12/2010	79,299	-	79,299	78,783	99.3%	516	79,299	100.0%
2011	Personal Property-Regular	12/2010	4,526,770	502,331	4,024,439	3,461,327	86.0%	487,359	3,948,686	98.1%
2011	Real Estate-Public Svc. Corp.	12/2010	1,468,489	-	1,468,489	1,453,043	98.9%	15,446	1,468,489	100.0%
2011	Real Estate-Regular	12/2010	8,907,898	73,820	8,834,079	8,190,243	92.7%	613,947	8,804,190	99.7%
2011	Real Estate-Roll Back Taxes	12/2010	15,119	-	15,119	15,119	100.0%	-	15,119	100.0%
2011	Real Estate-Special Assess.	03/2011	4,172	89	4,083	2,051	50.2%	1,626	3,678	90.1%
2011	Personal Property-Regular	06/2011	4,397,670	349,075	4,048,595	3,126,275	77.2%	817,610	3,943,886	97.4%
2011	Personal Property-Regular	06/2011	145,034	4,273	140,761	89,230	63.4%	47,705	136,935	97.3%
2011	Real Estate-Regular	06/2011	8,970,567	100,432	8,870,135	7,777,688	87.7%	1,077,042	8,854,730	99.8%
2011	Total		\$ 28,515,019	\$ 1,030,019	\$ 27,485,000	\$ 24,193,760	88.0%	\$ 3,061,253	\$ 27,255,012	99.2%

<sup>(1)</sup> This schedule is prepared using the cash basis of accounting.

<sup>(2)</sup> Does not include penalty or interest.

<sup>(3)</sup> 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.

<sup>(4)</sup> 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.

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

**Table 9**

Fiscal Year	Governmental Activities				Business-type Activities			Total Primary Government	Per Capita <sup>1</sup>	Percentage of Personal Income <sup>1</sup>
	General Obligation Bonds				Lease Revenue Bonds	General Obligation Bonds <sup>2</sup>	Capital Leases			
	Literary Fund Loans	Va. Public School Authority Bonds	Qualified Zone Academy Bonds	Bond Premiums and Discounts						
2011	3,834,456	31,712,181	634,234	967,703	5,748,000	2,112,000	-	45,008,574	1,352	2.91%
2012	3,373,947	29,785,242	551,816	897,596	5,748,000	2,203,000	-	42,559,601	1,278	2.62%
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	2.41%
2015	-	24,235,524	289,027	934,846	10,010,978	1,293,000	-	36,763,375	1,115	2.11%
2016	-	21,942,094	193,841	850,385	12,988,922	979,000	-	36,954,242	1,122	2.83%
2017	-	19,557,283	96,076	776,336	11,486,519	659,000	1,240,313	33,815,527	1,039	2.55%
2018	-	16,573,425	78,882	705,994	10,225,582	333,000	972,596	28,889,479	887	2.08%
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	770	1.82%

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

<sup>1</sup> See Table 11 for population and personal income data.

<sup>2</sup> 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	Total	Less: Amounts Available in Debt Service Fund	Net General Bonded Debt	Percentage of Estimated Actual Taxable Value of Property <sup>2,3</sup>	Per Capita <sup>3</sup>
2011	38,292,871	38,292,871	1,389,519	36,903,352	0.83%	1,109
2012	35,914,005	35,914,005	1,337,183	34,576,822	0.88%	1,038
2013	30,943,961	30,943,961	1,101,726	29,842,235	0.76%	904
2014	28,426,837	28,426,837	1,616,021	26,810,816	0.71%	812
2015	25,817,551	25,817,551	1,402,488	24,415,063	0.64%	740
2016	23,114,935	23,114,935	1,180,940	21,933,995	0.58%	666
2017	20,312,359	20,312,359	863,859	19,448,500	0.51%	598
2018	16,985,307	16,985,307	264,736	16,720,571	0.42%	516
2019	15,304,732	15,304,732	374,229	14,930,503	0.37%	460
2020	13,902,876	13,902,876	426,739	13,476,137	0.32%	412

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

<sup>1</sup> Excludes lease revenue bonds and capital leases.

<sup>2</sup> Includes real and personal property estimated actual taxable value.

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

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

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

**Table 11**

Year	Population <sup>1</sup>	Personal Income (expressed in thousands) <sup>2</sup>	Per Capita Personal Income <sup>2</sup>	Unemployment Rate <sup>4</sup>	School Enrollment <sup>3</sup>
2011	33,287	\$1,546,000	\$34,181	7.30%	5,030
2012	33,314	\$1,626,900	\$35,733	6.90%	5,092
2013	33,005	\$1,627,200	\$37,628	6.50%	5,132
2014	32,998	\$1,681,000	\$36,960	5.70%	5,310
2015	32,973	\$1,745,300	\$38,683	5.20%	5,326
2016	32,947	\$1,304,585	\$39,412	4.60%	5,349
2017	32,545	\$1,324,623	\$40,701	4.30%	5,229
2018	32,412	\$1,386,063	42,764	3.80%	5,016
2019	32,439	\$1,387,093	42,923	3.20%	4,934
2020	32,742	N/A	N/A	8.10%	5,215

N/A - Not available

<sup>1</sup> Source: U.S. Census Bureau Mid Year Estimates/December 2019

<sup>2</sup> Source: U.S. Bureau of Economic Analysis

<sup>3</sup> Source: Accomack County School Board

<sup>4</sup> Source: Virginia Employment Commission/2020 unemployment rate as of June 2020

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

**Table 12**

Employer	2020			2011		
	Employees	Rank	Percentage of Total County Employment <sup>1</sup>	Employees	Rank	Percentage of Total County Employment <sup>1</sup>
Perdue Products	1000+	1	6.44%	1000+	1	5.64%
Tyson Farms	1000+	2	6.44%	1000+	2	5.64%
Accomack County School Board	500-999	3	6.44%	500-999	3	2.82%
Riverside Regional Medical Center	250-499	4	1.61%	-	-	-
County of Accomack	250-499	5	1.61%	250-499	4	1.41%
National Aeronautics & Space Administration	250-499	6	1.61%	100-249	6	0.56%
Walmart	100-249	7	0.64%	250-499	5	1.41%
Eastern Shore Rural Health System	100-249	8	0.64%	-	-	-
Eastern Shore Community Services	100-249	9	0.64%	100-249	8	0.56%
Ingenicomm, Inc	100-249	10	0.64%	-	-	-
Kings Choice	-	-	-	100-249	9	0.56%
The Cube Corporation	-	-	-	100-249	7	0.56%
Eastern Shore Community College	-	-	-	100-249	10	0.56%
			26.74%			19.75%

**Source:** Virginia Employment Commission

<sup>1</sup>Percentage of total County employment based on total employment as of June 30.

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

**Table 13**

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General government administration</b>										
Commonwealth of Virginia)	11.0	10.0	10.0	10.0	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	33.5	32.0	30.0	32.0	32.0	30.0	29.0	30.0	30.0	30.0
<b>Judicial administration</b>										
Commonwealth of Virginia)	19.8	17.8	17.8	15.8	15.8	15.8	15.8	15.8	15.8	16.0
Other	2.0	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	3.0
<b>Public Safety</b>										
Commonwealth of Virginia)	62.7	62.7	63.7	63.7	63.7	63.7	63.7	64.7	64.7	64.7
Firefighters and emergency medical personnel	31.5	31.5	35.0	38.0	41.5	43.5	52.5	52.5	58.5	60.0
Other	13.0	13.0	13.0	13.0	13.0	12.5	11.5	11.5	11.5	9.0
<b>Public Works</b>										
Refuse collection and litter control	23.2	23.2	20.9	24.4	24.4	25.2	25.2	25.2	25.2	25.2
Refuse disposal	14.5	14.5	13.5	13.5	13.5	14.5	14.5	14.5	14.5	14.5
Building and grounds	14.8	14.8	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3
Wastewater treatment	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	-	-
Storm drainage	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0
<b>Health and welfare</b>										
Social services and welfare	64.0	64.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0
Other	3.0	3.0	0.0	0.0	0.0	0.0	0.0	0.0	-	1.0
<b>Parks, recreation and cultural</b>	5.0	5.0	4.5	4.8	4.8	5.3	5.3	5.3	5.3	5.3
<b>Community development<sup>4</sup></b>	9.0	6.5	11.0	12.0	12.0	13.5	13.5	13.5	13.5	13.5
<b>Total primary government</b>	<u>311.0</u>	<u>304.5</u>	<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>

**Source:** Accomack County Finance Office

<sup>1</sup>Temporary and seasonal employees and School Board employees are excluded from this table.

<sup>2</sup> 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 14

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Assessor										
Taxable real estate number of parcels	39,707	39,786	39,800	39,844	39,847	39,895	39,851	39,854	39,911	39,959
Tax-exempt real estate number of parcels	936	940	941	943	955	962	968	972	970	982
Number of parcels enrolled in land use program	1,995	2,005	1,977	1,873	1,837	1,462	1,427	1,301	1,308	1,411
Commissioner of Revenue										
Mobile homes	3,418	3,253	3,169	3,152	3,139	3,092	3,949	3,912	4,034	3,927
vehicles	35,762	29,327	23,808	24,846	25,330	24,572	38,174	37,749	26,664	37,240
PPTRA tax credit percentages (vehicle value <\$1,000;\$1,000-\$20,000)	100%;51%	100%;49%	100%;49%	100%;49%	100%;46%	100%;46%	100%;44%	100%;44%	100%;42%	100%, 40%
Finance										
Vendor checks issued	10,049	10,117	9,555	9,844	8,234	8,681	8,987	9,716	8,778	7,634
Annual County payroll checks/direct deposits	6,658	9,019	9,072	9,133	8,725	8,675	8,746	8,097	9,052	8,656
Annual School Board payroll checks/direct deposits	26,908	27,270	28,271	26,728	26,060	28,856	27,605	27,346	27,017	26,487
Treasurer										
Real estate bills created	78,926	79,026	79,092	79,152	79,042	79,184	79,180	79,138	79,250	79,146
Personal property bills created	67,789	66,814	66,378	68,132	68,579	68,710	68,621	66,022	65,966	66,394
Judicial Administration										
Clerk of Court										
Deed book recordings	5,085	4,781	5,374	5,203	4,497	6,159	4,997	4,946	4,803	5,124
Judgments	3,338	2,869	2,706	2,420	2,705	2,032	1,450	1,818	1,771	2,830
Public Safety										
Fire and Emergency Services										
Emergency responses <sup>1</sup>	3,635	4,490	4,751	5,542	5,887	4,635	5,860	6,498	7,443	7,901
Patients transported <sup>1</sup>	2,508	2,582	2,724	2,882	3,350	2,428	2,521	3,003	3,060	2,866
Fire responses <sup>1</sup>	370	361	406	247	281	216	327	355	457	512
Fire investigations	N/A	N/A	N/A	N/A	N/A					
Fire inspections					N/A					
EMS turn-out time when fully staffed <sup>1</sup>	2.4 minutes	3.8 minutes	3.2 minutes	2.4 minutes	2.7 minutes	2.3 minutes	2.54 minutes	2.55 minutes	4.5 minutes	2.9
EMS drive time when fully staffed <sup>1</sup>	11.3 minutes	15.6 minutes	11.6 minutes	12.1 minutes	13.27 minutes	12.53 minutes	13.30 minutes	13.0 minutes	12.53 minutes	12.8
EMS response time when fully staffed <sup>1</sup>	13 minutes	19.2 minutes	16.6 minutes	15.3 minutes	16.39 minutes	16.17 minutes	16.14 minutes	16.03 minutes	16.38 minutes	16.25
Jail										
Average daily inmate population	1	81	104	104	104	106	100	105	105	100
Sheriff's Office										
Physical arrests	893	1,038	1,673	1,262	1,450	1,563	1,830	1,917	2,587	1,360
Traffic violations	469	934	577	637	500	356	910	639	1,240	1,552
Health and Welfare										
Comprehensive Services Act										
Youth receiving services	55	20	21	23	45	32	29	32	30	21
Social Services										
Medicaid Recipients	5,183	5,235	5,244	5,279	5,412	5,483	5,110	5,331	6,168	6,806
Food Stamp Recipients	3,901	4,257	4,419	4,404	4,081	3,754	3,482	3,191	3,160	3,121
Households receiving Heating Assistance	2,899	2,749	1,949	1,818	1,821	1,680	1,505	1,440	1,399	1,340
Households receiving Cooling Assistance	944	718	593	548	586	528	513	533	533	505
Community Development										
Building permits issued	723	692	729	663	631	692	753	727	754	752
Other Funds										
Landfills										
Billable tons of refuse disposed	38,466	37,028	39,614	35,484	43,474	42,289	44,905	40,721	41,748	37,218
Tons of recycled materials <sup>c</sup>	8,448	9,062	12,346	5,828	16,617	23,274	40,620	47,592	N/A	2,733

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

**Table 15**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Function</b>										
<b>Public Safety</b>										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol units <sup>1</sup>	51	48	53	48	52	51	51	52	53	56
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
<b>Public Works</b>										
County owned buildings	35	36	37	39	39	40	45	44	47	47
Square foot in buildings	151,849	153,049	153,149	161,549	162,797	164,297	167,094	169,316	195,800	197,455
Refuse collection sites (staffed) <sup>2</sup>	6	6	6	6	6	7	7	7	7	2
Refuse collection sites (unstaffed)	1	1	-	-	-	-	-	-	-	-
Active landfills	2	2	1	1	1	1	1	1	1	1
Solid waste transfer stations	-	-	1	1	1	1	1	1	1	1
Refuse collection vehicles <sup>2</sup>	4	4	4	4	4	4	4	4		5
<b>Parks, Recreation and Cultural</b>										
Athletic fields	18	18	18	18	18	18	18	20	20	20
Tennis courts	1	1	1	1	1	1	1	1	1	1
<b>Fishing/boating facilities:</b>										
Dock and/or ramp facilities	15	15	15	15	15	15	15	15	15	17
Low impact water access site	9	9	9	9	9	9	9	9	9	5
Pier or bulkhead only	3	3	3	3	3	3	3	3	3	5
<b>Community Development</b>										
Number of T-hangar buildings	2	2	2	2	2	2	2	2	2	2
Number of T-hangar units	18	18	18	18	18	18	18	18	18	18
Length of runway	5000'	5000'	5000'	5000'	5000'	5000'	5000'	5000'	5000'	5000'
<b>Education</b>										
Elementary schools	5	5	5	5	5	5	5	5	5	5
Elementary school capacity	2,775	2,775	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	2,750	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	525	575	575	575	575	575	575	575	575
School buses	110	110	110	110	111	111	119	110	112	92
<b>Component Units</b>										
<b>Industrial Development Park</b>										
Acreage available for sale	261.28	261.28	261.28	259.28	259.28	259.28	247.21	247.21	247.21	240.12

**Sources:** Various County departments.

<sup>1</sup>Includes process server vehicles.

<sup>2</sup>This information does not include the County's active landfill



# **Compliance Section**



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**Independent Auditors' Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *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 County of Accomack, Virginia, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County of Accomack, Virginia's basic financial statements, and have issued our report thereon dated March 5, 2021. Our report includes a reference to other auditors who audited the financial statements of Accomack-Northampton Planning District Commission and Eastern Shore Public Library, as described in our report on the County of Accomack, Virginia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### **Internal Control Over Financial Reporting**

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

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

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

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether County of Accomack, Virginia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

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

*Robinson, Farnell, Cox Associates*  
Charlottesville, Virginia  
March 5, 2021



**Independent Auditors' Report on Compliance For Each Major Program and on  
Internal Control Over Compliance Required by the Uniform Guidance**

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

**Report on Compliance for Each Major Federal Program**

We have audited County of Accomack, Virginia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of County of Accomack, Virginia's major federal programs for the year ended June 30, 2020. County of Accomack, Virginia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

County of Accomack, Virginia's basic financial statements include the operations of the Accomack-Northampton Planning District Commission, which received \$730,312 in federal awards which is not included in the schedule during the year ended June 30, 2020. Our audit, described below, did not include the operations of Accomack-Northampton Planning District Commission because the component unit engaged other auditors to perform an audit of compliance in accordance with the Uniform Guidance.

***Management's Responsibility***

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

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of County of Accomack, Virginia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about County of Accomack, Virginia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

## **Opinion on Each Major Federal Program**

In our opinion, County of Accomack, Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

## **Report on Internal Control Over Compliance**

Management of County of Accomack, Virginia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered County of Accomack, Virginia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of County of Accomack, Virginia's internal control over compliance.

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

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

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

*Robinson, Farnell, Cox Associates*

Charlottesville, Virginia

March 5, 2021

**COUNTY OF ACCOMACK, VIRGINIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT  
FOR THE YEAR ENDED JUNE 30, 2020**

Page 1

Federal Grantor Pass Through Grantor Program or Cluster Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
<b>PRIMARY GOVERNMENT:</b>			
<b>Department of Justice:</b>			
Inmate Social Security Bounty	N/A	16.000	\$ 5,400
<u>Pass Through Payments:</u>			
Department of Justice			
Edward Byrne Memorial Justice Assistance Grant Program	16-A3320VU11	16.738	\$ 3,388
Crime Victim Assistance	N/A	16.575	70,599
Bulletproof Vest Partnership Grant	N/A	16.607	4,469
<b>Total Department of Justice</b>			<u>\$ 83,856</u>
<b>Department of Transportation:</b>			
<u>Direct Payments:</u>			
Airport Improvement Program	N/A	20.106	\$ 102,017
COVID-19-Airport Improvement Program	N/A	20.106	30,000
Total 20.106			<u>\$ 132,017</u>
<u>Pass Through Payments:</u>			
Alcohol Open Container Requirements	154AL1757139	20.607	\$ 12,017
Virginia Department of Emergency Services: National Priority Safety Programs (Highway Safety Cluster)	M6OT1858283	20.616	11,398
<b>Total Department of Transportation</b>			<u>\$ 155,432</u>
<b>Department of Homeland Security:</b>			
<u>Pass Through Payments:</u>			
Homeland Security Grant Program	N/A	97.067	\$ 55,334
<b>Total Department of Homeland Security</b>			<u>\$ 55,334</u>
<b>Department of Agriculture:</b>			
<u>Direct Payments:</u>			
Summer Food Service Program for Children (Child Nutrition Cluster)	N/A	10.559	\$ (20,084)
<u>Pass Through Payments:</u>			
Department of Social Services: State Administrative Matching Grants for Supplemental Nutrition Assistance Programs	0010111/0010112/0040111/0040112	10.561	\$ 497,010
<b>Total Department of Agriculture</b>			<u>\$ 476,926</u>
<b>Department of Health and Human Services:</b>			
<u>Pass Through Payments:</u>			
Department of Social Services:			
MaryLee Allen Promoting Safe and Stable Families	950112	93.556	\$ 12,241
Temporary Assistance for Needy Families (TANF Cluster)	0400111/0400112	93.558	369,428
Refugee and Entrant Assistance - State/Replacement Designee Administered Programs	0500110/0500111	93.566	548
Low-Income Home Energy Assistance	0600411/0600412	93.568	73,257
Child Care Mandatory and Matching Funds of the Child Care and Development Fund (Child Care and Development Fund Cluster)	0760111/0760112	93.596	71,424
Stephanie Tubbs Jones Child Welfare Services Program	0900111/0900112	93.645	1,002
Foster Care-Title IV-E	1100111/1100112	93.658	218,382
Adoption Assistance	1120111/1120112	93.659	174,435
Social Services Block Grant	1000110/1000111	93.667	331,195
John H. Chafee Foster Care Program for Successful Transition to Adulthood	9150111/9150112	93.674	3,858
Children's Health Insurance Program	0540111/0540112	93.767	8,503
Medical Assistance Program (Medicaid Cluster)	1200111/1200112	93.778	520,924
Total Department of Social Services			<u>\$ 1,785,197</u>
<b>Total Department of Health and Human Services</b>			<u>\$ 1,785,197</u>

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

COUNTY OF ACCOMACK, VIRGINIA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT  
 FOR THE YEAR ENDED JUNE 30, 2020

**PRIMARY GOVERNMENT - CONTINUED:**

**Department of Health and Human Services - continued :**

Federal Grantor Pass Through Grantor Program or Cluster Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
<b>Department of the Interior:</b>			
<u>Direct Payments:</u>			
Chincoteague Wildlife Refuge	N/A	15.000	\$ 80,120
<b>Total Department of the Interior</b>			<u>\$ 80,120</u>
<b>Department of Treasury:</b>			
<u>Pass Through Payments:</u>			
Virginia Department of Accounts: COVID-19-Coronavirus Relief Fund	N/A	21.019	1,876,241
<b>Total Department of the Treasury</b>			<u>\$ 1,876,241</u>
<b>Department of Housing and Urban Development:</b>			
<u>Pass Through Payments:</u>			
Virginia Department of Housing and Community Development: Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	N/A	14.228	\$ 15,880
<b>Total Department of Housing and Urban Development</b>			<u>\$ 15,880</u>
<b>TOTAL EXPENDITURE OF FEDERAL AWARDS - PRIMARY GOVERNMENT</b>			<u>\$ 4,528,986</u>

**COMPONENT UNIT-SCHOOL BOARD:**

**Department of Agriculture:**

<u>Pass Through Payments:</u>			
Virginia Department of Agriculture and Consumer Services: Food Distribution (Child Nutrition Cluster)	10.555/2019/2020	10.555	\$ 133,830
Department of Education: COVID-19-National School Lunch Program (Child Nutrition Cluster)	10.555/2019/2020	10.555	166,116
National School Lunch Program (Child Nutrition Cluster)	10.555/2019/2020	10.555	1,210,686
Total 10.555			<u>\$ 1,510,632</u>
School Breakfast Program (Child Nutrition Cluster)	10.553/2019/2020	10.553	\$ 661,591
COVID-19-School Breakfast Program (Child Nutrition Cluster)	10.553/2019/2020	10.553	100,544
Total 10.553			<u>\$ 762,135</u>
COVID-19-Summer Food Service Program for Children (Child Nutrition Cluster)	10.559/2019/2020	10.559	136,646
<b>Total Department of Agriculture</b>			<u>\$ 2,409,413</u>

**Department of Treasury:**

<u>Pass Through Payments:</u>			
Department of Accounts: COVID-19-Coronavirus Relief Fund	N/A	21.019	\$ 70,436

**Department of Education:**

<u>Pass Through Payments:</u>			
Department of Education:			
Title I Grants to Local Educational Agencies	S010A120046/S011A130046	84.010	\$ 2,013,725
ARRA-Title I Grants to local educational agencies (Title I, Part A cluster)	S389A100046	84.389	
Migrant Education - State Grant Program	S011A120047/S011A130047	84.011	193,470
Special Education - Grants to States (Special Education Cluster)	H027A120107/H027A130107	84.027	\$ 984,283
ARRA-Special education - grants to states (Special education cluster)	H391A100107	84.391	
Special Education - Preschool Grants (Special Education Cluster)	H173A120112/H173A130112	84.173	30,065
Total special education cluster			<u>\$ 1,014,348</u>
Career and Technical Education - Basic Grants to States	V048A120046/V048A130046	84.048	131,374
Rural Education	S358B120046	84.358	71,889
English Language Acquisition Grants	T365A120046	84.365	65,135
Supporting Effective Instruction State Grants (Formerly Improving Teacher Quality State Grants)	S367A110044/S367A120044	84.367	241,927
Student Support and Academic Enrichment Program	N/A	84.424	58,261
COVID-19-Education Stabilization Fund	N/A	84.425C	19,235
COVID-19-Education Stabilization Fund	N/A	84.425D	54,435
<b>Total Department of Education</b>			<u>\$ 3,863,799</u>

**TOTAL EXPENDITURES OF FEDERAL AWARDS COMPONENT UNIT-SCHOOL BOARD**

\$ 6,343,648

**TOTAL EXPENDITURES OF FEDERAL AWARDS - REPORTING ENTITY**

\$ 10,872,634

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, 2020

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Note 1 - Basis of Accounting

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

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in *the Uniform Guidance*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

Note 3 - Food Donation

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

Note 4 - De Minimis Cost Rate

The County did not elect to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

Note 5 - Subrecipients

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	\$ 2,232,478
Virginia Public Assistance Fund	2,159,343
Comprehensive Youth Services Fund	11,423
Airport	132,017
Nonmajor Funds	<u>15,880</u>
Total primary government	\$ <u>4,551,141</u>
Component Unit School Board:	
School Operating Fund	\$ 3,934,235
School Cafeteria Fund	<u>2,283,012</u>
Total component unit school board	\$ <u>6,217,247</u>
Total federal expenditures per basic financial statements	\$ <u>10,768,388</u>
Payments in lieu of taxes	\$ <u>(29,584)</u>
Non-cash expenditures - value of donated commodities	\$ <u>133,830</u>
Total federal expenditures per the Schedule of Expenditures of Federal Awards	\$ <u><u>10,872,634</u></u>

**COUNTY OF ACCOMACK, VIRGINIA**

Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2020

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**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:  
     Material weakness(es) identified? No

    Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

**Federal Awards**

Internal control over major programs:  
     Material weakness(es) identified? No

    Significant deficiency(ies) identified? None reported

Type of auditors' report issued on compliance  
 for major programs: Unmodified

Any audit findings disclosed that are required to be  
 reported in accordance with 2 CFR Section 200.516(a)? No

Identification of major programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I Grants to Local Educational Agencies
21.019	COVID-19-Coronavirus Relief Fund
93.667	Social Services Block Grant

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

Auditee qualified as low-risk auditee? Yes

**Section II - Financial Statement Findings**

There are no financial statement findings to report.

**Section III - Federal Award Findings and Questioned Costs**

There are no federal award findings and questioned costs to report.

**Section IV - Prior Year Findings and Questioned Costs**

There were no prior year findings and questioned costs to report.