



Comprehensive
Annual
Financial
Report

County of Accomack, Virginia
Fiscal Year Ended June 30, 2010



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COUNTY OF ACCOMACK, VIRGINIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2010

Prepared by:

Central Accounting Office
Accomack County, Virginia



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County of Accomack, Virginia

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2010

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Introductory Section



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COUNTY OF ACCOMACK CENTRAL ACCOUNTING

Post Office Box 620
Accomack, Virginia 23301
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(757) 824-5444

Michael T Mason, CPA
Finance Director

December 21, 2010

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

We are pleased to present the Comprehensive Annual Financial Report of the County of Accomack, Virginia, (the "County"), for the fiscal year ended June 30, 2010. This report was prepared by the County's Central Accounting Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds. We further believe that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included.

Generally accepted accounting principals require management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County of Accomack's MD&A can be found immediately following the report of the independent auditors.

Report Organization. The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and compliance.

- ☐ 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.

The Reporting Entity. The County of Accomack's report includes all funds of the "primary government." In Virginia, cities and counties are distinct units of government; therefore, the County is responsible for providing all services normally provided by a local government. These services include public safety, social services, recreation and cultural activities and community development. For financial reporting purposes and in accordance with the Governmental Accounting Standards Board (GASB), Statement 14, "The Financial Reporting Entity," as amended by GASB No. 39, the County has identified eight discretely presented component units. This GASB statement establishes the criteria used in making this determination and identifies each as a blended component unit or discretely presented component unit. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and results of operations from those of this primary government. Based on GASB Statement 14, as amended by GASB No. 39, as interpreted by Virginia's Auditor of Public Accounts, the School Board is a legally separate organization providing educational services to the public whose board is appointed by a School Board Selection Committee and is fiscally dependent on the local government.

Independent Audit. The Commonwealth of Virginia requires an annual audit of the financial records and transactions of all departments of the County by independent certified public accountants selected by the Board of Supervisors. The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, as amended, and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Government and Non-Profit Organizations*. Information related to this single audit, including the findings and recommendations, and auditors' reports on the internal control structure and compliance with laws and regulations, is contained in this report. These requirements have been compiled with the auditors' opinion and are included in this report.

Internal and Budgetary Controls: The management of the County is responsible for establishing and maintaining an internal control structure to ensure the protection of County assets. In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

In addition to internal accounting controls, the County also maintains budgetary controls. These budgetary controls ensure compliance with provisions embodied in the annual budget adopted and appropriated by the Board of Supervisors. Activities of the general fund, special revenue funds, debt service fund, and capital project funds are included in the annual appropriated budget.

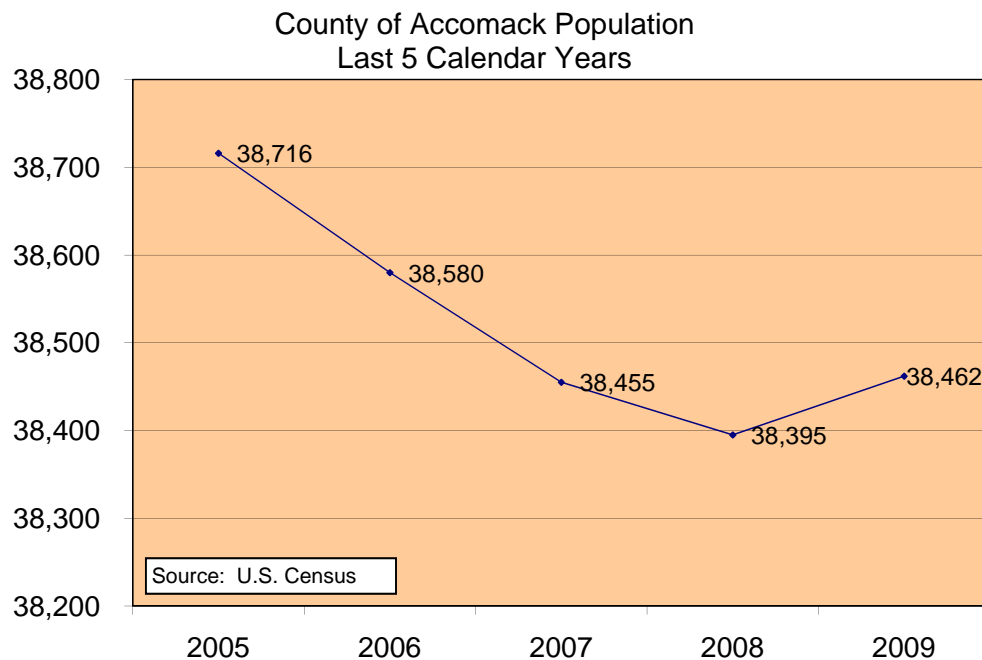
As a recipient of federal and state financial assistance, the County is also responsible for ensuring that adequate internal controls are in place to ensure and document compliance with applicable laws and regulations. The audit for the fiscal year ended June 30, 2010 has been completed and no material internal control weaknesses or material violations of laws and regulations have been found.

The County adopts an annual budget by July 1 of each year as required by Section 15.2-2503, Code of Virginia of 1950, as amended. A budget is not required for fiduciary funds.

When necessary, the Board of Supervisors approves amendments to the adopted budget in accordance with Section 15.2-2507, Code of Virginia of 1950, as amended. Budgetary compliance is monitored and reported at the department level. The budget is implemented through appropriations that the Board makes annually, with supplemental appropriations made as required. These appropriations, except those to incur mandated expenditures, may be greater or less than contemplated in the budget.

Local Economy. Accomack County is located in the northernmost portion of the Eastern Shore of Virginia, towards the southern end of the Delmarva Peninsula. The 476 square mile county is bounded on the north by the state of Maryland, on the east by the Atlantic Ocean, on the south by Northampton County, and on the west by the Chesapeake Bay. Accomack County is home to the NASA Wallops Flight Facility, a center of aeronautic research established in 1945. With its saltwater bays, marshes and numerous creeks, Accomack County is one of the few unspoiled coastal areas on the eastern seaboard.

Population: The County had a population of 38,462 at December 31, 2009 according to the U.S. Census Bureau, increasing at a rate of less than 1% over the previous twelve months.



Labor Force Employment: Over the past three years, there have been minor changes in average employment. Isolation along with the lack of centralized wastewater in growing and industrial areas and lack of a skilled workforce has been cited as major deterrents of economic development in the County. The County has taken steps to address two of these issues by:

- Partnering with NASA to provide wastewater treatment services to the County's Wallops Research Park,
- Continuing to pursue wastewater treatment options in the Central Accomack area. Current options include negotiating with the Town of Onancock for increased wastewater treatment capacity, construction of a County treatment facility and privatization. Note that the Town of Onancock is one of the few towns in Accomack County that provides water and wastewater services.
- Partnering with the State and Federal Government to construct a business development and workforce training center at the Eastern Shore Community College.

The manufacturing sector continues to account for the majority of jobs in the County, approximately 26% in 2009. The majority of the jobs in this sector are associated with poultry processing which includes the County's top two employers, Perdue Farms, Inc. and Tyson Foods, Inc.

Calendar Year	Manufacturing	Accommodations and Food Service	Retail Trade	Public Administration	Health Care & Social Assistance	Other	Total
2009	3,528	1,171	1,138	1,162	1,310	5,385	13,694
2008	3,331	1,182	1,186	1,139	1,313	5,175	13,326
2007	3,356	1,150	1,197	1,126	1,249	5,460	13,538
2006	3,237	1,166	1,205	1,095	1,258	5,364	13,325
2005	3,302	1,217	1,253	1,097	1,238	5,307	13,414

The health care and social assistance sector makes up the second largest category of average employment representing 10% of jobs.



Accommodations/food services and Public Administration sectors make up the next two largest sectors. The accommodations/food services sector is significantly impacted by tourism which is a major economic engine in the County. Those that seek a more relaxed vacation far from the crowds with access to pristine beaches, wildlife and other outdoor activities are beginning to discover Accomack. In fact, the

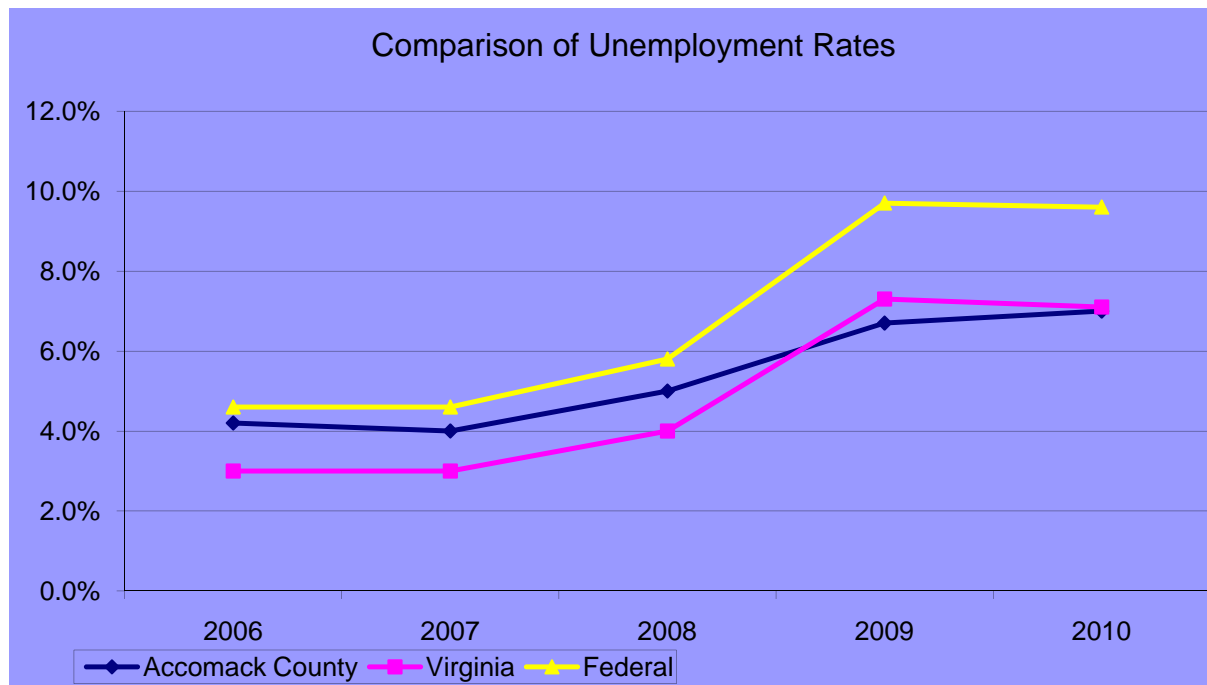
Town on Chincoteague, Accomack's largest incorporated town, was named best beach town by AOL travel.com in June of 2010.

Employment associated with The U.S. Navy Surface Combat Systems Center (SCSC), NASA Wallops Flight Facility, and NOAA Command and Data Acquisition Center, all located on Wallops Island, while not reflected in any one sector is worth noting. Average employment for these entities taken as a whole ranks third in the County with a large concentration of these jobs classified as high-skill and high-wage. In all, over 1,000 local military, civilian and contractor jobs are tied to these entities providing a variety of engineering, aerospace and naval operations services.

Future prospects for the Wallops Island area are high. This island is home to the Mid-Atlantic Regional Spaceport (MARS) whose mission is to develop and operate a multi user spaceport at the NASA Wallops Flight Facility which provides low cost, safe, reliable, "schedule friendly" space access to commercial, government, and academic users. In May of 2009, MARS successfully launched its third Minotaur rocket carrying a trio of payloads including the TacSat-3, a joint military project designed to test the ability of a satellite to respond to real-time data requests from field commanders on the ground. Wallops Island's location of roughly 38 degrees north latitude makes it an ideal site to send loads into inclined orbits - between the equator and the poles - at a reduced expense.

The County is pursuing a number of initiatives designed to secure, promote and strengthen the Wallops Island region. These initiatives are outlined in the "Major Initiatives" section of this letter.

Unemployment: Local unemployment rates increased from the previous calendar year. Accomack County's unemployment rate as of June 2010 is 7.0% well below that of the nation.



Major Initiatives. The County continued to utilize its Strategic Plan as a framework for planning and accountability and continued to seek out partnerships with other organizations to help achieve its goals. Major initiatives begun, continued, or completed this fiscal year were:

- Completed the development of a master planning document to guide the development of the Wallops Research Park which is located on land adjacent to NASA's Wallops Flight Facility (WFF). In addition, the County has also contingently approved the issuance of up to \$8.9



million in bonds to ready the park for occupation.

The proximity not only to NASA, but also to U.S. Navy Surface Combat Systems Center, makes the park a prime location for many businesses.

- Continued the goal of eliminating unmanned “green box” solid waste collection sites in the County by beginning construction of the sixth manned facility at the southern end of the County. Funding for this project was provided by issuing debt via the Virginia Resources Authority Pooled Financing Program. The County expects to complete construction of this site in fiscal year 2011.



- Continued the Accomack County Hazard Mitigation Project. This multi-year project, primarily funded by federal grant funds, is designed to reduce the risk of injury to people and damage to property located in areas prone to flooding.
- Went “live” with a new, more robust and feature rich property tax billing application. This new software has created efficiencies throughout the organization by creating an interface between the Assessor's Computer Automated Mass Appraisal (CAMA) system and the tax billing system, improving automated personal property valuation and eliminating legacy system software “bugs”. The application has also enabled the County to eliminate the inconvenience of taxpayers having to purchase a County vehicle decal by allowing the County to add a vehicle license fee to personal property bills. It also has enabled the County to move from an annual billing cycle to a semi-annual billing cycle for personal property taxes.

Prospects for the Future. For the 2011 Fiscal Year, the Board of Supervisors adopted a Primary Government operating and capital budget of \$48,467,056 which is an increase of .5% from the previous year and 2% lower than the adopted 2009 budget. The 2011 budget does contain tax increases. The real estate tax rate was increased to offset reductions in Commonwealth aid earmarked for education. It is expected that more Commonwealth reductions will be headed the County’s way as the State struggles to balance its budget.

Certificate of Achievement. 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, 2009. 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 a another certificate.

Acknowledgments. The preparation of this report could not have been accomplished without the dedicated services of the entire Central Accounting Department, the Treasurer's Office, the County Administrator and the School Board Finance Department. We would also like to thank the Board of Supervisors for their interest and support in planning and conducting the financial operation of the County in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael T. Mason". The signature is fluid and cursive, with the first name "Michael" and last name "Mason" clearly distinguishable.

Michael T. Mason, CPA
Finance Director

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, 2009

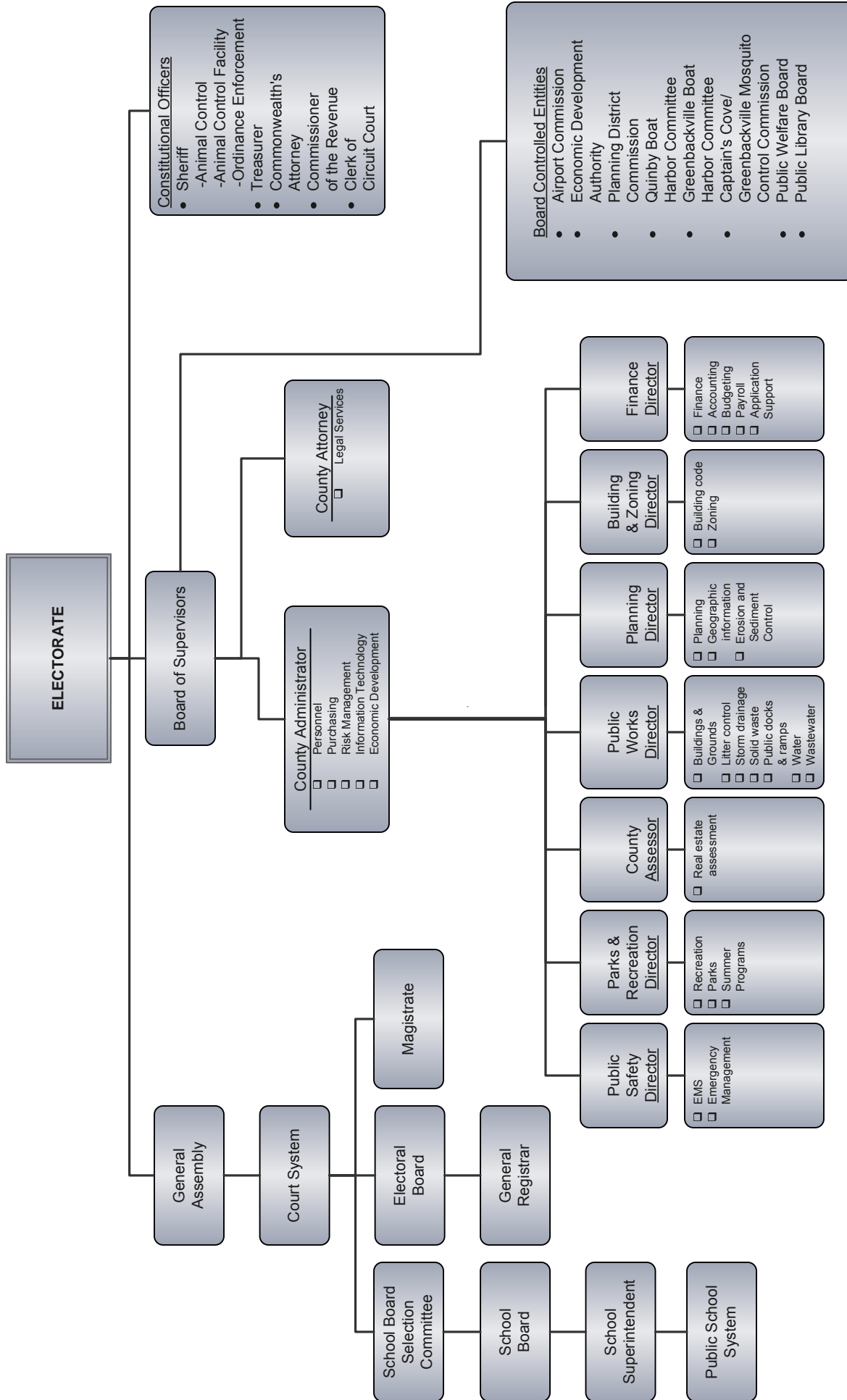
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

COUNTY OF ACCOMACK, VIRGINIA ORGANIZATION CHART



County of Accomack, Virginia

Principal Officials

Board of Supervisors

Laura Belle Gordy, Chairperson	Election District 7
Donald L. Hart, Vice-Chairperson	Election District 8
Wanda J. Thornton	Election District 1
Ronald S. Wolff	Election District 2
Grayson C. Chesser	Election District 3
Sandra H. Mears	Election District 4
John C. Gray	Election District 5
Stephen D. Mallette	Election District 6
E. Philip McCaleb	Election District 9

Constitutional Officers

Samuel H. Cooper	Clerk of the Circuit Court
Leslie A. Savage	Commissioner of the Revenue
Gary R. Agar	Commonwealth's Attorney
Larry J. Giddens	Sheriff
Dana T. Bundick	Treasurer

County Administrative Officers

Steven B. Miner	County Administrator
Mark B. Taylor	County Attorney
Brent A. Hurdle	Director of Assessment
David M. Fluhart	Director of Building & Zoning
Michael T. Mason, CPA	Director of Finance
James M. McGowan	Director of Planning
Jason R. Loftus	Director of Public Safety
Stewart M. Hall	Director of Public Works

County of Accomack, Virginia
Principal Officials
(continued)

School Board

J. Travis Thornton, Vice Chairperson	Election District 1
Audrey A. Furness	Election District 2
Aaron E. Kane	Election District 3
Margaret T. Miles	Election District 4
Camesha A. Handy	Election District 5
Patricia M. White	Election District 6
Al J. McMath, Chairperson	Election District 7
Dr. Ronnie E. Holden	Election District 8
Naudya D. Mapp	Election District 9

School Board Administrative Officers

W. Richard Bull	Superintendent
Dr. Rhonda Hall	Assistant Superintendent
Jessie Duncil	Assistant Superintendent
Beth O. Charnock	Director of Finance

Financial Section



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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Accomack, Virginia, as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the County of Accomack, Virginia's management. 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 which reflect total assets of \$1,428,599 and revenues of \$1,405,195 as of June 30, 2010. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion on the financial statements, insofar as it relates to the amounts included for the Accomack-Northampton Planning District Commission is based 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 *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Accomack, Virginia, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2010, 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and required supplementary information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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, combining and individual nonmajor fund financial statements and schedules, supporting schedules and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the County of Accomack, Virginia. The combining and individual nonmajor fund financial statements and schedules, supporting schedules and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the report of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Robinson, Farmer, & Associates

Charlottesville, Virginia

December 21, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

As management of the County of Accomack, Virginia we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$15,460,806 (net assets). Of this amount, \$8,663,947 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$4,053,992 (36%). Net assets of the governmental-type activities increased \$4,186,554 (36%) and net assets of the business-type activities decreased \$132,562 (-51%).
- The County's unrestricted net assets increased by \$6,132,811 (242%). Unrestricted net assets of the governmental-type activities increased \$5,747,089 (100%) and unrestricted net assets of the business-type activities increased \$385,722 (12%).
- Program revenues of the County's business-type activities increased by 6% to \$2,976,630 while expenses increased by 31% to \$3,327,697.
- The General fund reported an ending fund balance of \$7,830,989, an increase of \$3,673,183 (88%). Of the ending fund balance, \$7,701,289 was unreserved.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$7,701,289 or 24 percent of total general fund expenditures.
- The County's outstanding debt decreased by \$2,029,292 or 4.2 percent during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components:

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements - The Government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the Government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial administration, police and volunteer fire protection, refuse collection, social services, education, community development and recreation. The business-type activities of the County include waste disposal, water/wastewater services and and the portion of its recreation activities financed by user fees.

The Government-wide financial statements include not only the County of Accomack, Virginia itself (known as the primary government), but also legally separate entities for which the County of Accomack, Virginia is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

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 of Accomack, Virginia, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds - Governmental funds are used to account for essentially the same functions reported as Governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on 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 between governmental funds and governmental activities.

The County maintains eighteen 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, School Debt Service Fund and County Capital Projects Funds, all of which are considered to be major funds. Data from the remaining thirteen 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 annually appropriated budget 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 three enterprise funds. Enterprise funds are used to report 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.

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 and portions of recreation activities. Only the Landfill Enterprise Fund is considered to be a major fund of the County.

Fiduciary funds - The County is the trustee, or fiduciary, for the County's agency funds. It is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets. The County excludes these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations. Agency funds are County custodial funds used to provide accountability of client monies for which the County is custodian.

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

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information for budgetary comparison schedules and presentation of combining financial statements for the discretely presented component unit School Board. The School Board does not issue separate financial statements.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a County's financial position. The County's assets exceeded liabilities by \$15,460,806 at year-end.

The largest portion of the County's net assets (56%) is unrestricted meaning it may be used to meet the government's ongoing obligation.

The next largest portion of the County's net assets (38%) 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.

County of Accomack, Virginia						
Net Assets						
	Governmental		Business-type		Total	
	Activities		Activities			
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 20,681,481	\$ 14,639,483	\$ 4,874,026	\$ 3,891,083	\$ 25,555,507	\$ 18,530,566
Capital assets	47,252,588	49,690,101	4,546,079	5,005,129	51,798,667	54,695,230
Total assets	67,934,069	64,329,584	9,420,105	8,896,212	77,354,174	73,225,796
Current Liabilities	8,559,293	7,339,477	276,877	576,290	8,836,170	7,915,767
Long -term Liabilities	43,523,400	45,325,285	9,533,798	8,577,930	53,057,198	53,903,215
Total liabilities	52,082,693	52,664,762	9,810,675	9,154,220	61,893,368	61,818,982
Net Assets:						
Invested in capital assets,						
net of related debt	3,495,270	4,553,418	2,441,845	2,960,129	5,937,115	7,513,547
Restricted	859,741	1,362,128	-	-	859,741	1,362,128
Unrestricted	11,496,365	5,749,276	(2,832,415)	(3,218,137)	8,663,950	2,531,139
Total net assets	\$ 15,851,376	\$ 11,664,822	\$ (390,570)	\$ (258,008)	\$ 15,460,806	\$ 11,406,814

An additional portion of the County's net assets (6%) represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the County is able to report positive balances of net assets, for the County as a whole, as well as for its governmental-type activities. Business-type activities had deficit net assets of \$390,570 due primarily to unfunded landfill closure and post closure care costs. The County has taken steps to gradually eliminate this deficit by increasing landfill user fees to cover current operating cost (including closure and post closure care) and providing additional general funds to gradually reduce the deficit.

The County's net assets increased by \$4,053,992 or 36% during the fiscal year. Governmental activities accounted for 103% of the total increase while business-type activities accounted for the remaining -3%.

Governmental Activities - Governmental activities increased the County's net assets by \$4,186,554 or 36% during the fiscal year. Key elements of this increase are as follows:

Accomack County, Virginia						
Change in Net Assets						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2010	2009	2010	2009	2010	2009
Revenues:						
Program Revenues:						
Charges for services	\$ 1,762,754	\$ 1,648,380	\$ 2,976,630	\$ 2,797,887	\$ 4,739,384	\$ 4,446,267
Operating grants & contributions	10,180,279	12,240,597	-	-	10,180,279	12,240,597
Capital grants & contributions	398,973	-	-	-	398,973	-
General Revenues:						
General property taxes	29,221,909	23,360,447	-	-	29,221,909	23,360,447
Other local taxes	6,185,408	6,617,749	-	-	6,185,408	6,617,749
Investment earnings	8,272	80,515	7,047	37,129	15,319	117,644
Non-categorical aid	3,349,305	3,454,660	-	-	3,349,305	3,454,660
Other general revenues	368,768	536,582	90,115	151,865	458,883	688,447
Total revenues	51,475,668	47,938,930	3,073,792	2,986,881	54,549,460	50,925,811
Expenses:						
General government administration	3,442,672	3,384,895	-	-	3,442,672	3,384,895
Judicial administration	1,513,759	1,611,685	-	-	1,513,759	1,611,685
Public safety	8,958,985	9,328,794	-	-	8,958,985	9,328,794
Public works	3,416,523	3,390,696	-	-	3,416,523	3,390,696
Health and welfare	7,491,729	8,145,021	-	-	7,491,729	8,145,021
Education	17,431,304	17,749,642	-	-	17,431,304	17,749,642
Parks, recreation and cultural	901,358	889,457	-	-	901,358	889,457
Community development	1,832,561	3,405,964	-	-	1,832,561	3,405,964
Interest on long-term debt	2,178,880	2,218,681	-	-	2,178,880	2,218,681
Business-type	-	-	3,327,697	2,539,126	3,327,697	2,539,126
Total expenses	47,167,771	50,124,835	3,327,697	2,539,126	50,495,468	52,663,961
Increase (decrease) in net assets						
before transfers	4,307,897	(2,185,905)	(253,905)	447,755	4,053,992	(1,738,150)
Transfers	(121,343)	32,885	121,343	(32,885)	-	-
Increase (decrease) in net assets	4,186,554	(2,153,020)	(132,562)	414,870	4,053,992	(1,738,150)
Net assets, July 1	11,664,822	13,817,842	(258,008)	(672,878)	11,406,814	13,144,964
Net assets June 30	\$ 15,851,376	\$ 11,664,822	\$ (390,570)	\$ (258,008)	\$ 15,460,806	\$ 11,406,814

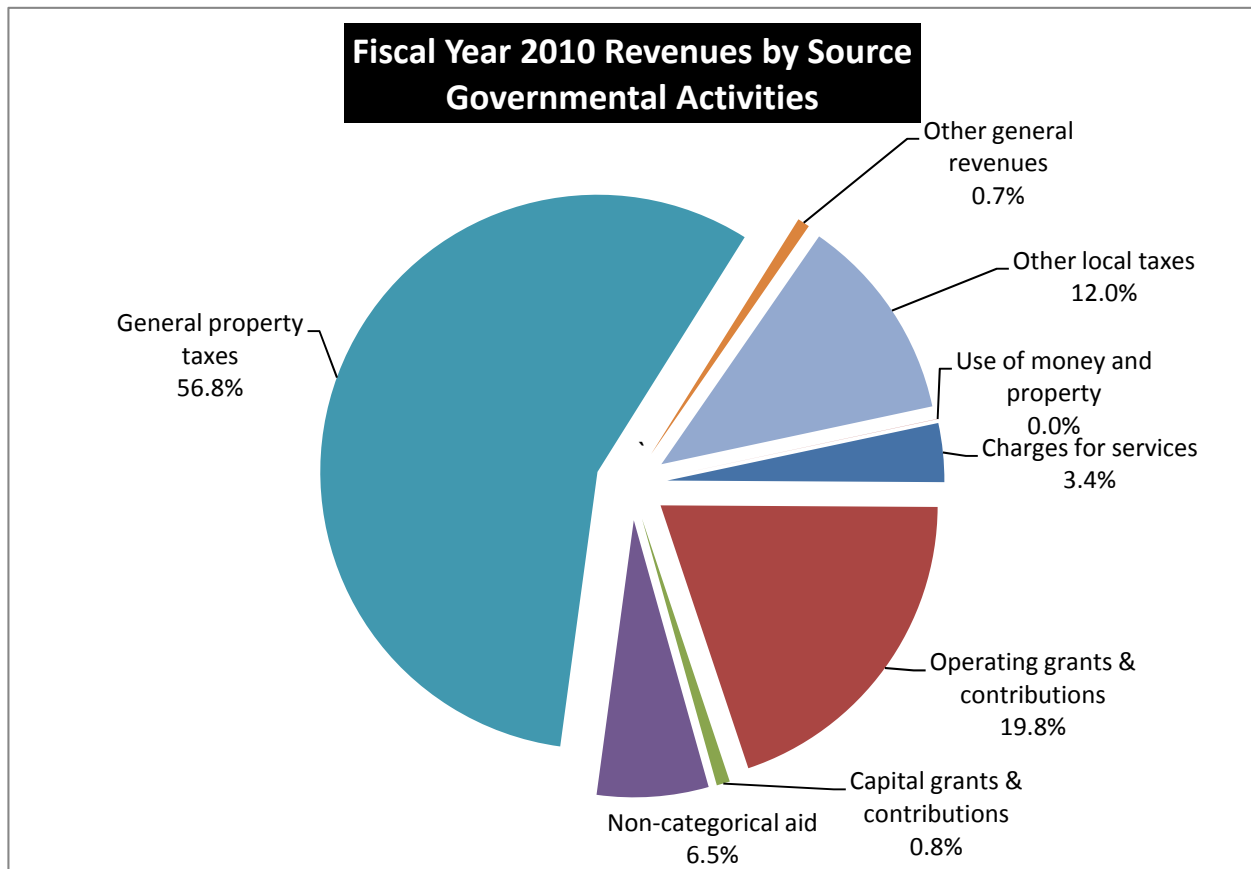
- Property taxes are the largest single revenue source comprising 57% of total governmental revenues. Property taxes increased by \$5,861,462 or 25% during the fiscal year. This increase was mostly attributable to changing to a semi-annual billing cycle for personal property taxes. Previously, personal property taxes were due in one installment on December 5 of each fiscal year. Personal property taxes are now due in two installments. The first due on June 5 and the second on December 5. Changing the cycle resulted in the recognition of a one-time revenue of approximately \$3.2 million. In addition to changes to the personal property billing cycle, real estate taxes were increased by 7%.

- Operating grants for governmental activities is the second largest revenue source comprising 20% of governmental revenues. This revenue source decreased by \$2,060,318 or 17% during the fiscal year. The primary factors for this decrease were as follows:

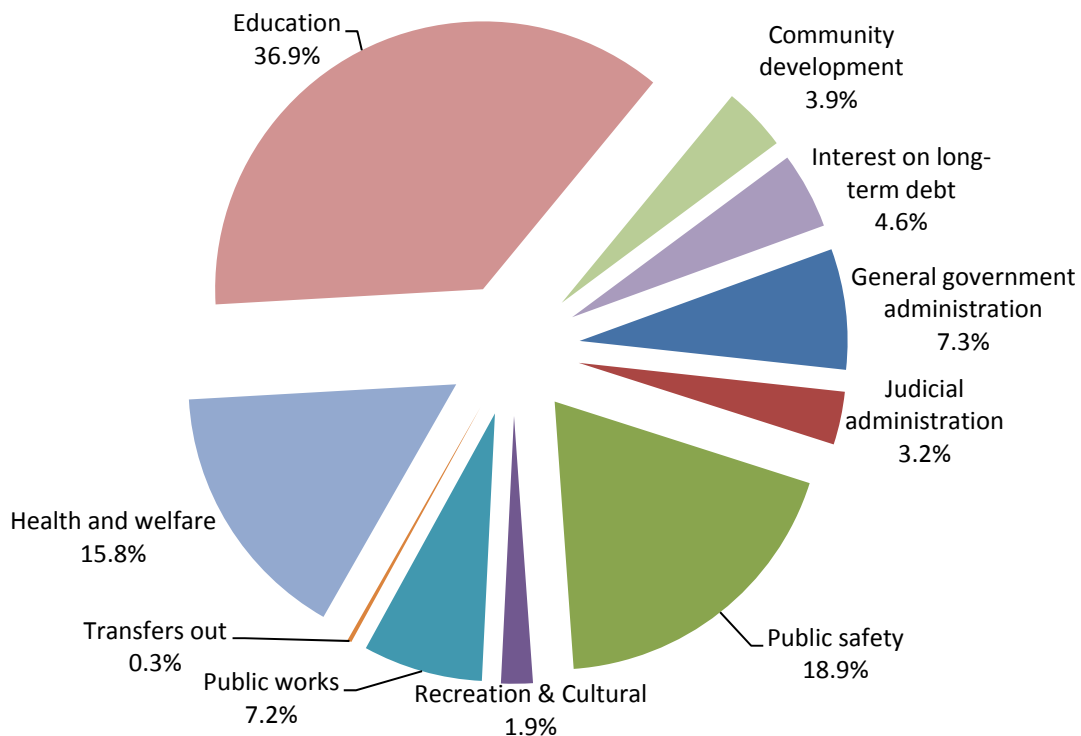
- Operating grant revenue associated with the County's Hazard Mitigation Elevation Project decreased \$1,107,675. This \$3 million project provides financial assistance to residences located in low-lying areas. Funding is primarily used to raise existing homeowner residences to heights sufficient to escape flood water. Most grant revenue associated with the project was recognized in FY09. The project is now approaching the end of its grant term.

2. Utilization of Comprehensive Services Act (CSA) program, a state mandated program, decreased prompting a reduction in state categorical aid designated for it of approximately 12% or 260,015. This decrease also explains the 9% decrease in health and welfare expenditures from the prior year.

- Other local taxes decreased by 7% primarily due to the replacement of the motor vehicle decal fee with a vehicle license fee. Motor vehicle decal fees were historically collected over-the-counter in April as opposed to the new vehicle license fee which is billed as a separate item on the personal property tax bill due in June. The vehicle license fee is prorated. Differences in the timing of collection and the period for which the fee was levied resulted in a one-time revenue loss of approximately \$223,000.
- Education expense is the largest single category comprising 37% of total governmental expenses. Expenses for this category decreased \$318,338 or 2% from the previous year. This decrease was the result of a reduction in the operating contribution to the Accomack County School Board.
- Public safety expense is the second largest category comprising 19% of governmental expenses. Expenses for this category decreased \$369,809 or 4%. Of this decrease, \$292,283 is attributable to decreased operational expenses of the Accomack County Jail. A decrease in inmate census was the driving factor.
- Community development expenses decreased \$1,573,403 or 46% from the prior year. The primary component of this decrease was the reduction in Hazard Mitigation Elevation Project expenses.



Fiscal Year 2010 Expenses by Function Governmental Activities

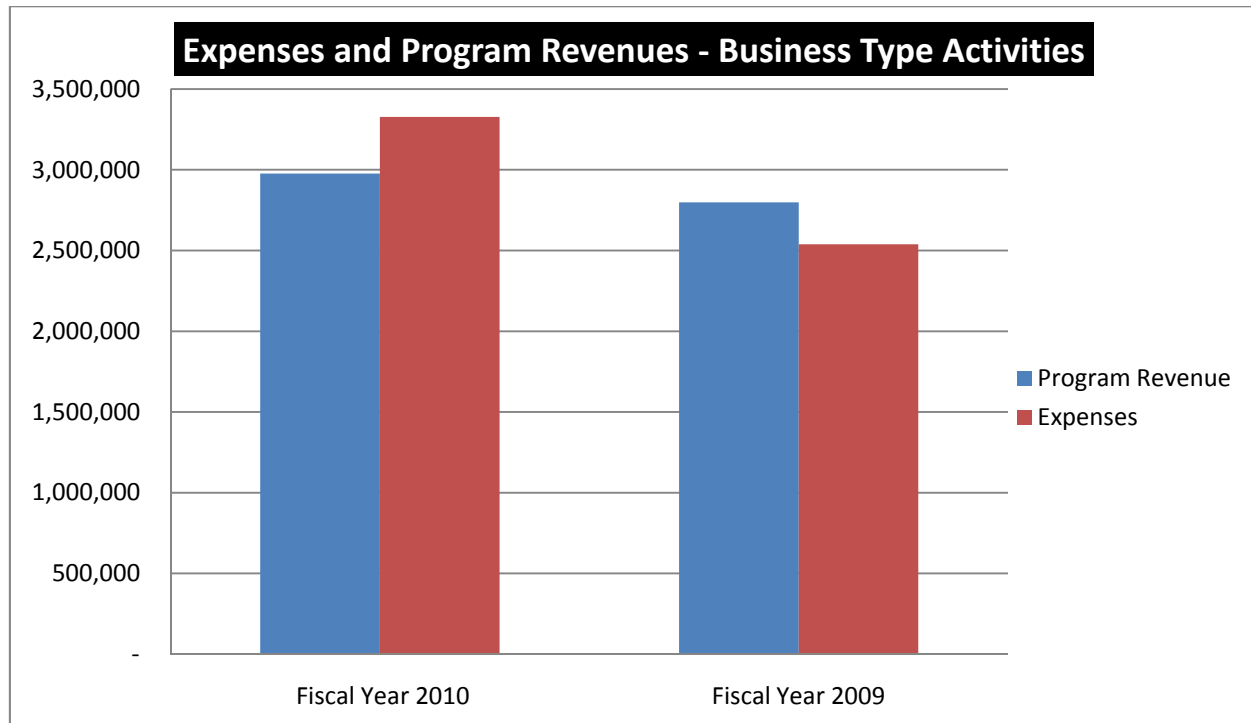


Business-type Activities - Business-type activities decreased the County's net assets by \$132,562 or 1% during the fiscal year.

Business-type expenses increased by 31% or \$788,571 as compared to the prior fiscal year. The key element of this increase was as follows:

- Landfill expenses for lechate transport and treatment jumped 576% or approximately 502,000 in fiscal year 2010 due to the ceasing of operations of the County's on-site lechate treatment facility. This voluntary shutdown was initiated because of persistent violations of the discharge permit including exceeding discharge limits of total suspended solids (TSS) and total Kjeldahl Nitrogen (TKN). The County expects to complete modifications to the facility in fiscal year 2011 that will enable on-site treatment to resume.

Business-type revenues increased by 6% due mostly to a landfill tipping fee rate increase implemented midway through fiscal year 2009. Fiscal year 2010 was the first full-year the increase was in effect.



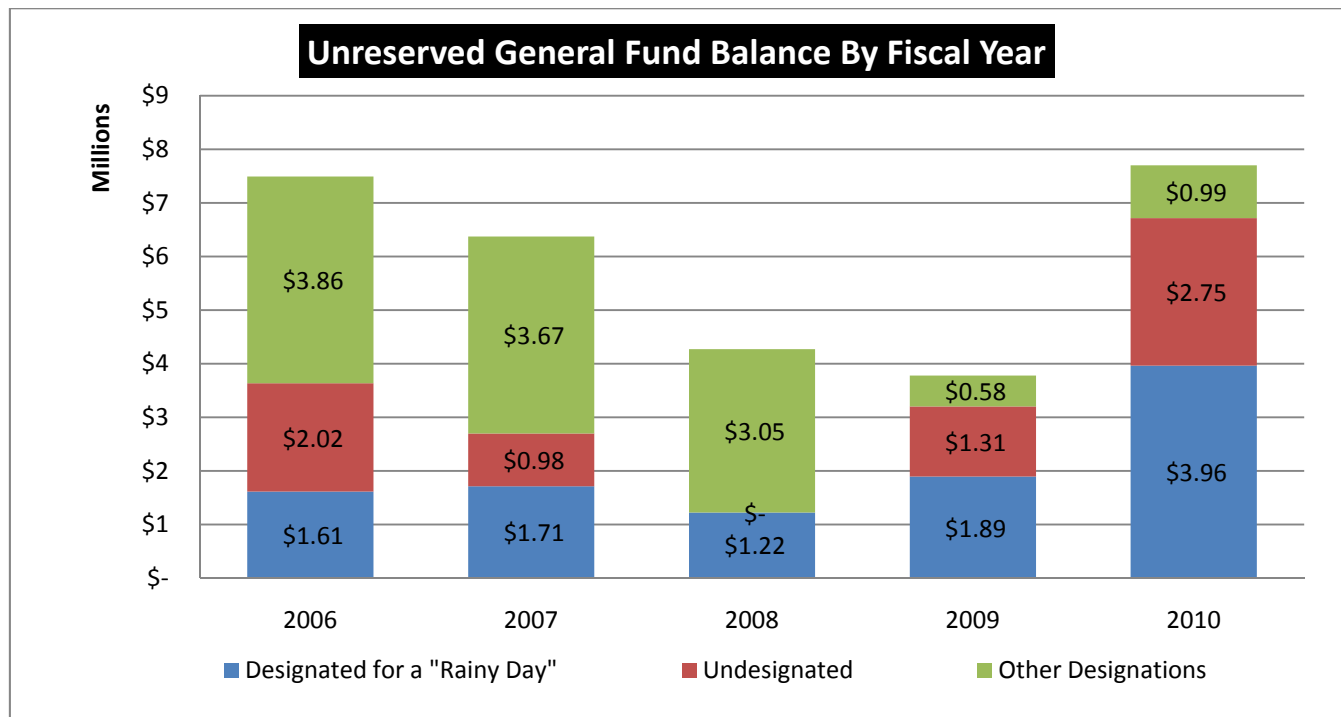
Financial Analysis of the County's Funds

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, unreserved fund balance 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 \$11,197,153. Details are as follows:

- The General Fund accounted for 70% percent or \$7,830,989 of the combined ending governmental fund balance.
 - Approximately \$7,701,289 or 98% of this balance constitutes unreserved fund balance, which is available for spending at the County's discretion. Approximately \$3,964,000 of unreserved fund balance has been designated for a "Rainy Day" or emergency use only.
 - The remainder of general fund balance is reserved for noncurrent advances/receivables.
- The General Fund reported an increase in fund balance of \$3,673,183 or 88%. The increase was due to several County actions initiated to increase the County's fund balance. Specifically, the actions were taken to increase the County's fund balance designated for a "Rainy Day" which had decreased to under 2% of County/School Board revenue as of June 30, 2009. The primary action taken to replenish the fund balance designated for a "Rainy Day" was to designate most of the one-time revenue associated with changing the personal property billing cycle to fund balance.



- The County Capital Projects Fund accounted for 11% or \$1,228,036 of the combined ending governmental fund balance. Approximately \$1,126,250 of this balance represents unspent bond proceeds reserved for constructing and equipping four solid waste convenience centers. The remainder of \$101,786 is designated for improvements at the Quinby Boat Harbor and for repairs at the social services office facility.

Proprietary funds - The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Landfill Fund reported deficit net assets at the end of the year in the amount of \$740,233. This deficit is primarily due to unfunded landfill closure and post closure care costs. The current fiscal year deficit is significantly less than the \$2.8 million deficit net assets reported at the end of fiscal year 2004. The County has gradually reduced this deficit since 2005 by increasing landfill user fees and allowing Northampton County to dispose of its waste at the County's South Landfill. These steps have resulted in positive changes in net assets of \$277,686, \$883,701, \$575,617 and \$426,792 for the fiscal years ended June 30, 2009, June 30, 2007, June 30, 2006 and June 30, 2005 respectively. For the fiscal year ended June 30, 2010, the County reported a reduction in net assets of \$206,134. This reduction in net assets is due to increased leachate treatment expenses discussed earlier in this financial overview. The County expects to resume positive changes in net assets beginning next fiscal year.

Budgetary Highlights

General Fund Budget Amendments:

Revenues:

The economic recession continued to have a significant negative impact on the County's general fund revenues in fiscal year 2010. In the previous year, the County had to amend many of its revenue estimates down especially those tied to the housing market or consumer spending. During fiscal year 2010, the County's local revenues stabilized but the same did not hold true for shared expense revenue from the Commonwealth. Categorical aid intended to reimburse the County for the shared operations of the Treasurer, Sheriff, Commissioner of Revenue, Commonwealth's Attorney and Clerk of the Circuit Court offices was reduced twice during the

fiscal year by the General Assembly. The original budget for these shared expense revenues was reduced by \$372,811 or 10% as a result of these reductions.

On a positive note, the general fund revenue budget for public service corporation real estate taxes was amended upward by \$372,767 to recognize an increase in the assessed value of public service real property. The State Corporation Commission, as opposed to the County, determines the value of public service property. In addition, categorical aid revenue amendments totaling \$2,687,963 were made during the fiscal year to recognize the award of various Commonwealth and Federal grants. It is the County's policy not to budget for categorical aid until grant awards are officially made. Of this amount, \$140,568 represented amendments to reflect Federal stimulus funding received by the County. These funds were used to reimburse the County for expenditures associated with law enforcement personnel.

Expenditures:

The difference between the Primary Government General Fund original budget and the final amended budget (schedule 2) was \$2,629,991. Significant differences can be summarized as follows:

- Community Development related amendments - Amendments totaling \$1,592,357 were made to reappropriate unspent grant funds associated with the Hazard Mitigation Elevation Project.
- Public Safety related amendments - The following amendments were made to reflect the award or carryover of grant funding:
 - An amendment of \$110,923 was made to recognize the carryover of unspent Virginia Homeland Security Grant Funds. The purpose of these funds was to purchase hazardous material safety equipment.
 - An amendment of \$105,000 was made to recognize additional awards of Virginia Homeland Security Grant Funds.
 - An amendment of \$88,453 was made to recognize the award of Virginia Department of Criminal Justice Services grant funds used to provide local probation services for the General District Court and Juvenile Domestic & Relations Court.
 - Amendments totaling \$68,115 were made to recognize the award of federal Edward Byrne Memorial Assistance grant funds used to improve the functioning of the criminal justice system.
 - An amendment of \$90,000 was made to recognize the award of federal Community Oriented Policing Services (COPS) grant funds used for technology upgrades in the Sheriff's office.
 - An amendment of \$49,418 was made to recognize the award of Virginia Juvenile Community Crime Control Act grant funds used to fund community based justice programs.
- Public Works related amendments - The original budget was amended by \$67,325 to reflect the carryover of funds used for storm drainage control.
- Parks, Recreation and Cultural amendments - The original budget was amended by \$92,138 to reflect the acceptance of a grant award for the Summer Food/Playground Program.
- Debt Service amendments - The original budget was amended by \$107,967 to cover legal, underwriting and related expenditures associated with the advance refunding of the County's Lease Revenue Bonds Series 2003 and a portion of its Lease Revenue Bonds Series 2006.

General Fund Budget Variances:

The following negative budget variances were the result of reduced consumer spending and the slumping housing market all major tied to the current recession.

Revenue:	Variance from Final Budget
Building permits fees	\$ 66,479
Hotel and motel room taxes	38,128
Erosion and sediment control permits	22,467
Mobile home titling taxes	42,518
Total	<u>\$ 169,592</u>

As a result of these budget variances, the County has lowered its fiscal year 2011 estimates accordingly.

Significant budget variances were reported for both revenues (\$1,269,972) and expenditures (\$1,068,707) associated with the Hazard Mitigation Project. As stated previously, this project's life spans more than one fiscal year. The variance at the end of the fiscal year represents the remaining project budget that will be rolled forward and used in the following fiscal year.

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, 2010 amounts to \$51,798,667 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and machinery and equipment.

Additional information on the County's capital assets can be found in Note 7 of this report.

Long-term debt - At the end of the current fiscal year, the County had total debt outstanding of \$46,436,244. Of this amount, \$40,688,244 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 \$38,576,248 in debt reported on the County's Statement of Net Assets and an expense increase of \$1,769,872 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 11 of this report.

Economic Factors and Next Year's Budgets and Rates

Many economists expect Virginia's recovery from the global recession to be long and slow. Many revenues, in particular sales tax and revenues tied to the housing market, are not expected to fully recover to their 2006 levels until 2013. Based upon this outlook, the County has taken many steps, some of them unprecedented, which will impact the County's financial position in fiscal year 2011. These steps include:

- Reducing the County's workforce through attrition, general operational funding reductions and specific position defunding. Approximately 13.5 full-time equivalents

have been eliminated effective next fiscal year.

- Doubling the County's budget contingency to prepare for additional reductions in Commonwealth aid which are likely in fiscal year 2011.
- Eliminating the town tipping fee rebate program which effectively allowed incorporated towns to dispose of their solid waste free of charge.
- Continuation of the short-term savings realized from fiscal year 2010's debt restructuring plan implementation which will save \$700,000 annually in debt service costs until fiscal year 2014.
- Continuing with the plan implemented in fiscal year 2009 to strengthen the County's general fund balance designated for a "Rainy Day". The plan calls for this fund balance to be at least equal to 8% of County and School Board operating revenue by fiscal year 2016.
- Increasing the real estate tax rate from 0.45 to 0.48 per \$100 of taxable value. This tax increase was approved primarily to increase the local contribution to the Accomack County School Board thereby minimizing the impact of Commonwealth aid reductions approved by the General Assembly.

Although the local unemployment rate continues to increase, it does compare favorably to the both the Commonwealth rate of 7.1% and the national rate of 9.6%. The local average unemployment rate was 7.0%, 6.6% and 5.0% for June 2010, June 2009 and June 2008, respectfully. According to the Virginia Employment Commission, the number of persons employed decreased by approximately 1% from 18,991 in June 2009 to 18,801 in June 2010.

Little change in population has occurred over the decade and no substantial change is anticipated in the next fiscal year.

Assessed value of taxable real property increased \$80,112,182 or 2% in fiscal year 2010 as compared to the previous fiscal year. A reassessment of real property values was conducted in fiscal year 2010. The next reassessment is scheduled for 2012. County real estate values appear to be holding up favorably to the deteriorating housing market.

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 addressed to the Accomack County Central Accounting Office, P.O. Box 620, Accomac, Virginia 23301.

Basic Financial Statements



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COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF NET ASSETS
AT JUNE 30, 2010

Exhibit 1

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	School Board	Other
Assets:					
Cash and cash equivalents	\$ 9,221,439	\$ 4,628,876	\$ 13,850,315	\$ 6,574,202	\$ 848,869
Taxes receivable, net	8,011,012	-	8,011,012	-	-
Special assessments receivable, net	44,458	-	44,458	-	-
Accounts receivable, net	476,305	194,314	670,619	256,689	240,378
Due from other government entities	1,498,466	-	1,498,466	2,906,733	6,532
Inventory	-	-	-	-	50,900
Prepaid items	-	-	-	-	15,970
Notes receivable	78,908	-	78,908	-	-
Deferred charges	220,334	50,836	271,170	-	-
Restricted assets:					
Cash and cash equivalents	1,130,559	-	1,130,559	-	607,835
Capital Assets (net of accumulated depreciation):					
Land	1,378,468	205,767	1,584,235	977,112	619,933
Buildings	40,507,581	695,546	41,203,127	27,940,037	1,232,194
Improvements other than buildings	2,955,190	2,053,160	5,008,350	1,218,648	2,880,698
Machinery and equipment	1,476,930	1,357,157	2,834,087	2,532,468	93,763
Intangibles	354,295	-	354,295	-	-
Construction in progress	580,124	234,449	814,573	-	232,356
Total assets	67,934,069	9,420,105	77,354,174	42,405,889	6,829,428
Liabilities:					
Accounts payable	1,682,711	199,450	1,882,161	2,988,632	101,686
Wages and benefits payable	23,086	355	23,441	3,863,248	7,175
Retainage payable	57,500	-	57,500	-	-
Due to other government entities	355,388	-	355,388	21,375	-
Accrued interest payable	923,362	3,300	926,662	-	-
Unearned revenue	1,592,674	-	1,592,674	323,403	134,437
Customer deposits	69,520	21,852	91,372	-	-
Noncurrent liabilities:					
Due within one year	3,855,052	51,920	3,906,972	1,621,592	30,132
Due in more than one year	43,523,400	9,533,798	53,057,198	503,422	167,097
Total liabilities	52,082,693	9,810,675	61,893,368	9,321,672	440,527
Net Assets:					
Invested in capital assets, net of related debt	3,495,270	2,441,845	5,937,115	32,668,265	4,999,025
Restricted for:					
Future debt service	859,741	-	859,741	-	500,000
Unrestricted	11,496,365	(2,832,415)	8,663,950	415,952	889,876
Total net assets	\$ 15,851,376	\$ (390,570)	\$ 15,460,806	\$ 33,084,217	\$ 6,388,901

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

COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE, 30 2010

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government administration	\$ 3,442,672	\$ 304,994	\$ 277,785	\$ -
Judicial	1,513,759	99,318	957,350	-
Public safety	8,958,985	650,444	2,467,323	398,973
Public works	3,416,523	129,267	21,605	-
Health and welfare	7,491,729	308,474	5,456,010	-
Education	17,431,304	-	-	-
Parks, recreation and cultural	901,358	81,704	67,958	-
Community development	1,832,561	188,553	932,248	-
Interest on long-term debt	2,178,880	-	-	-
Total governmental activities	<u>47,167,771</u>	<u>1,762,754</u>	<u>10,180,279</u>	<u>398,973</u>
Business-type activities:				
Landfill	3,006,263	2,719,422	-	-
Water and sewer	246,816	194,458	-	-
Parks and recreation	74,618	62,750	-	-
Total business-type activities	<u>3,327,697</u>	<u>2,976,630</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 50,495,468</u>	<u>\$ 10,180,279</u>	<u>\$ -</u>	<u>\$ 398,973</u>
Component Units:				
School Board	\$ 53,305,476	\$ 1,141,083	\$ 35,213,851	\$ -
Airport Commission	736,091	276,929	-	102,527
Economic Development Authority	111,758	13,391	-	-
Public Library	696,046	38,737	178,509	-
Planning District Commission	1,386,827	128,092	1,191,723	-
Quinby Harbor Committee	28,533	22,457	-	-
Greenbackville Harbor Committee	11,886	17,832	-	-
Captain's Cove/Greenbackville Mosquito Control Commission	42,039	-	-	-
Total component units	<u>\$ 56,338,526</u>	<u>\$ 36,584,083</u>	<u>\$ -</u>	<u>\$ 102,527</u>
General Revenues:				
Taxes:				
General property taxes				
Local sales and use taxes				
Communication taxes				
Consumer utility taxes				
Other local taxes				
Contributions from County of Accomack				
Grants and contributions not restricted to specific programs				
Investment earnings				
Gain on the sale of capital assets				
Other revenue				
Transfers				
Total general revenue and transfers				
Change in net assets				
Net assets-beginning				
Net assets-ending				

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

Exhibit 2

Net (Expense) Revenue and Changes in Net Assets				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	School Board	Other
\$ (2,859,893)	\$ -	\$ (2,859,893)	\$ -	\$ -
(457,091)	-	(457,091)	-	-
(5,442,245)	-	(5,442,245)	-	-
(3,265,651)	-	(3,265,651)	-	-
(1,727,245)	-	(1,727,245)	-	-
(17,431,304)	-	(17,431,304)	-	-
(751,696)	-	(751,696)	-	-
(711,760)	-	(711,760)	-	-
(2,178,880)	-	(2,178,880)	-	-
<u>(34,825,765)</u>	<u>-</u>	<u>(34,825,765)</u>	<u>-</u>	<u>-</u>
-	(286,841)	(286,841)	-	-
-	(52,358)	(52,358)	-	-
-	<u>(11,868)</u>	<u>(11,868)</u>	-	-
-	<u>(351,067)</u>	<u>(351,067)</u>	-	-
<u>(34,825,765)</u>	<u>(351,067)</u>	<u>(35,176,832)</u>	<u>-</u>	<u>-</u>
-	-	-	(16,950,542)	-
-	-	-	-	(356,635)
-	-	-	-	(98,367)
-	-	-	-	(478,800)
-	-	-	-	(67,012)
-	-	-	-	(6,076)
-	-	-	-	5,946
-	-	-	-	<u>(42,039)</u>
-	-	-	<u>(16,950,542)</u>	<u>(1,042,983)</u>
29,221,909	-	29,221,909	-	-
2,863,318	-	2,863,318	-	-
987,303	-	987,303	-	-
1,043,339	-	1,043,339	-	-
1,291,448	-	1,291,448	-	-
-	-	-	16,581,944	748,230
3,349,305	-	3,349,305	-	-
8,272	7,047	15,319	2,816	24,930
-	90,115	90,115	-	-
368,768	-	368,768	484,917	-
<u>(121,343)</u>	<u>121,343</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>39,012,319</u>	<u>218,505</u>	<u>39,230,824</u>	<u>17,069,677</u>	<u>773,160</u>
4,186,554	(132,562)	4,053,992	119,135	(269,823)
11,664,822	(258,008)	11,406,814	32,965,082	6,658,724
<u>\$ 15,851,376</u>	<u>\$ (390,570)</u>	<u>\$ 15,460,806</u>	<u>\$ 33,084,217</u>	<u>\$ 6,388,901</u>

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

COUNTY OF ACCOMACK, VIRGINIA
BALANCE SHEET
GOVERNMENTAL FUNDS
AT JUNE 30, 2010

Exhibit 3

	Major Funds						
	General Fund	Virginia Public Assistance Fund	Comprehensive Youth Services Fund	County Capital Projects Fund	School Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:							
Cash and cash equivalents	\$ 6,186,906	\$ -	\$ 149,076	\$ 223,789	\$ 874,356	\$ 1,227,369	\$ 8,011,012
Taxes receivable, net	6,811,651	-	-	-	654,139	545,222	8,011,012
Special assessments receivable, net	44,458	-	-	-	-	-	44,458
Accounts receivable, net	426,428	-	18,902	-	-	30,975	476,305
Notes receivable, net	-	-	-	-	-	78,908	78,908
Due from other government entities	952,594	235,220	310,652	-	-	-	1,498,466
Interfund receivables	210,921	-	40	-	-	-	210,961
Restricted assets:							
Cash and cash equivalents	-	-	-	1,130,559	-	-	1,130,559
Total assets	14,632,958	235,220	478,670	1,354,348	1,528,495	2,442,417	20,672,108
Liabilities:							
Accounts payable	889,718	33,373	401,726	68,812	-	289,082	1,682,711
Wages and benefits payable	12,120	9,296	-	-	-	1,670	23,086
Due to other government entities	257,914	-	67,986	-	-	29,488	355,388
Retainage payable	-	-	-	57,500	-	-	57,500
Customer deposits	69,520	-	-	-	-	-	69,520
Interfund payables	-	185,961	-	-	-	25,000	210,961
Deferred revenues	5,572,697	6,590	3,225	-	668,754	824,523	7,075,789
Total liabilities	6,801,969	235,220	472,937	126,312	668,754	1,169,763	9,474,955
Fund Balances:							
Reserved for:							
Noncurrent advances and receivables	129,700	-	-	-	-	-	129,700
Debt service	-	-	-	-	859,741	-	859,741
Unspent bond proceeds	-	-	-	1,126,250	-	-	1,126,250
Unreserved, reported in:							
General Fund-Designated for FY2012 budget	587,811	-	-	-	-	-	587,811
General Fund-Designated for storm drainage	85,646	-	-	-	-	-	85,646
General Fund-Designated for "rainy day fund"	3,964,000	-	-	-	-	-	3,964,000
General Fund-Designated for other projects	312,375	-	-	-	-	-	312,375
Capital Project Funds-Designated for other projects	-	-	-	101,786	-	-	101,786
General Fund-Undesignated	2,751,457	-	-	-	-	-	2,751,457
Special Revenue Funds	-	-	5,733	-	-	1,272,654	1,278,387
Total fund balances	7,830,989	-	5,733	1,228,036	859,741	1,272,654	11,197,153
Total liabilities and fund balances	\$ 12,363,295	\$ -	\$ 478,670	\$ 1,354,348	\$ 2,442,417	\$ 2,072,108	\$ 20,672,108

(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 ASSETS
AT JUNE 30, 2010

Exhibit 4

Total fund balances - governmental funds (Exhibit 3)	\$ 11,197,153
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Amounts reported for governmental activities in the Statement of Net Assets 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	1,378,468	
Buildings, net of depreciation	7,162,067	
Improvements other than buildings, net of depreciation	2,955,190	
Machinery and equipment, net of depreciation	1,476,930	
Intangibles, net of amortization	354,295	
Construction in progress	580,124	
School Board capital assets, net of depreciation	<u>33,345,514</u>	
Total capital assets		47,252,588

Other long-term assets are not available to pay for current period expenditures and therefore are offset by deferred revenue in the governmental funds.	5,483,115
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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 Service Authority bonds	(33,567,305)	
State Literary Fund loans	(4,294,965)	
Qualified zone academy bonds	(713,974)	
Lease revenue bonds	(5,748,000)	
Accrued interest on debt	(923,365)	
Premiums, discounts & related costs, net of amortization	(338,987)	
Compensated absences	(1,588,654)	
Net other postemployment benefit obligation	<u>(906,230)</u>	
Net adjustment		<u>(48,081,480)</u>

Total net assets - governmental activities (Exhibit 1)	<u><u>\$ 15,851,376</u></u>
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COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

Exhibit 5

	Major Funds						
	General Fund	Virginia Public Assistance Fund	Comprehensive Youth Services Fund	County Capital Projects Fund	School Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:							
General property taxes	\$21,910,643	\$	\$ -	\$ -	\$3,606,429	\$ 28,520,895	\$
Other local taxes	6,102,292	-	-	-	-	83,116	6,185,408
Permits, fees and licenses	443,079	-	-	-	-	-	443,079
Fines and forfeitures	74,527	-	-	-	-	-	74,527
Revenue from the use of money & property	339,826	-	-	3,820	-	409	344,055
Charges for services	435,862	-	-	-	-	-	435,862
Miscellaneous	286,870	-	230,662	-	32,757	206,122	756,411
Recovered costs	177,871	-	-	-	-	56,461	234,332
Intergovernmental	7,633,904	3,317,231	1,986,585	403,276	82,362	260,838	13,684,196
Total revenues	<u>37,404,874</u>	<u>3,317,231</u>	<u>2,217,247</u>	<u>407,096</u>	<u>3,718,542</u>	<u>3,613,775</u>	<u>50,678,765</u>
Expenditures:							
General government administration	3,250,288	-	-	279,051	-	-	3,529,339
Judicial administration	1,355,525	-	-	-	-	24,372	1,379,897
Public safety	5,377,760	-	-	-	-	3,381,837	8,759,597
Public works	3,090,689	-	-	167,002	-	-	3,257,691
Health and welfare	760,503	3,838,658	2,651,373	-	-	65,344	7,315,878
Education	14,853,300	-	-	-	-	-	14,853,300
Parks, recreation and cultural	818,354	-	-	411,454	-	-	1,229,808
Community development	1,566,222	-	-	83,871	-	74,323	1,724,416
Debt service:							
Principal	-	-	-	-	2,357,292	-	2,357,292
Interest	388,874	-	-	-	1,901,713	-	2,290,587
Total expenditures	<u>31,461,515</u>	<u>3,838,658</u>	<u>2,651,373</u>	<u>941,378</u>	<u>4,259,005</u>	<u>3,545,876</u>	<u>46,697,805</u>
Revenues over (under) expenditures	<u>5,943,359</u>	<u>(521,427)</u>	<u>(434,126)</u>	<u>(534,282)</u>	<u>(540,463)</u>	<u>67,899</u>	<u>3,980,960</u>
Other financing sources (uses):							
Refunding bonds issued	4,263,000	-	-	-	-	-	4,263,000
Line of credit draws	51,000	-	-	-	-	-	51,000
Payment to refunded bond escrow agent	(4,403,208)	-	-	-	-	-	(4,403,208)
Transfers in	385,802	608,609	439,859	575,535	286,261	457,157	2,753,223
Transfers out	(2,566,770)	(87,182)	-	(220,614)	-	-	(2,874,566)
Total other financing sources (uses)	<u>(2,270,176)</u>	<u>521,427</u>	<u>439,859</u>	<u>354,921</u>	<u>286,261</u>	<u>457,157</u>	<u>(210,551)</u>
Net changes in fund balance	3,673,183	-	5,733	(179,361)	(254,202)	525,056	3,770,409
Fund balance, beginning of year	4,157,806	-	-	1,407,397	1,113,943	747,598	7,426,744
Fund balance, end of year	<u>\$ 7,830,989</u>	<u>\$ -</u>	<u>\$ 5,733</u>	<u>\$ 1,228,036</u>	<u>\$</u>	<u>\$ 1,272,654</u>	<u>\$</u>

(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, 2010

Exhibit 6

Net changes in fund balances-governmental funds (Exhibit 5) \$ 3,770,409

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 and the net effect of various miscellaneous transactions involving capital assets are as follows:

Capital asset expenditures	1,175,894	
Depreciation on capital assets	(1,832,735)	
Retirement of capital assets	(11,000)	
Net adjustment		(667,841)

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. (1,769,672)

Revenues in the fund statements which were subject to accrual in the prior year are additions to beginning net assets and, therefore, are not reported as revenues in the Statement of Activities. 779,922

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 assets. Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 2,556,456

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.

Accrued interest expense	29,732	
Compensated absences	(65,452)	
Other postemployment benefit expenses	(447,000)	
Net adjustment		(482,720)

Change in net assets of governmental activities (Exhibit 2) \$ 4,186,554

COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
AT JUNE 30, 2010

Exhibit 7

	Business-type Activities-Enterprise Funds		
	Major Fund		
	Landfill Fund	Nonmajor Funds	Total
<u>Assets:</u>			
Current assets:			
Cash and cash equivalents	\$ 4,430,569	\$ 198,307	\$ 4,628,876
Accounts receivable (net of allowance for uncollectibles)	170,132	24,182	194,314
Deferred charges	50,836	-	50,836
Total current assets	4,651,537	222,489	4,874,026
Noncurrent assets:			
Capital Assets (net of accumulated depreciation):			
Land	205,767	-	205,767
Buildings	687,235	8,311	695,546
Improvements other than buildings	1,951,385	101,775	2,053,160
Machinery and equipment	1,311,129	46,028	1,357,157
Construction in progress	234,449	-	234,449
Total capital assets	4,389,965	156,114	4,546,079
Total assets	9,041,502	378,603	9,420,105
<u>Liabilities:</u>			
Current liabilities:			
Accounts payable	175,509	23,941	199,450
Wages and benefits payable	355	-	355
Accrued interest payable	3,300	-	3,300
Customer deposits	21,852	-	21,852
Compensated absences-current	47,471	4,449	51,920
Total current liabilities	248,487	28,390	276,877
Noncurrent liabilities:			
Compensated absences	5,868	550	6,418
General obligation bonds payable (net of deferred amount on refunding)	2,104,234	-	2,104,234
Landfill closure/post closure care	7,423,146	-	7,423,146
Total noncurrent liabilities	9,533,248	550	9,533,798
Total liabilities	9,781,735	28,940	9,810,675
<u>Net Assets:</u>			
Invested in capital assets, net of related debt	2,285,731	156,114	2,441,845
Unrestricted	(3,025,964)	193,549	(2,832,415)
Total net assets	\$ (740,233)	\$ 349,663	\$ (390,570)

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

COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

Exhibit 8

	Business-type Activities-Enterprise Funds		
	Major Fund		
	Landfill Fund	Nonmajor Funds	Total
Operating revenues:			
Charges for services	\$ 2,676,041	\$ 257,208	\$ 2,933,249
Other operating revenue	43,381	-	43,381
Total operating revenues	2,719,422	257,208	2,976,630
Operating expenses:			
Personnel services and fringe benefits	589,884	53,035	642,919
Other operating expenses	1,235,836	240,830	1,476,666
Landfill closure and post closure care	531,990	-	531,990
Depreciation	561,480	27,569	589,049
Total operating expenses	2,919,190	321,434	3,240,624
Operating income (loss)	(199,768)	(64,226)	(263,994)
Nonoperating revenues (expenses):			
Interest income	7,047	-	7,047
Interest expense	(81,033)	-	(81,033)
Bond issuance costs	(6,040)	-	(6,040)
Gain on the sale of assets	89,715	400	90,115
Total nonoperating revenues (expenses)	9,689	400	10,089
Income (loss) before transfers	(190,079)	(63,826)	(253,905)
Transfers:			
Transfers in	386,008	137,398	523,406
Transfers out	(402,063)	-	(402,063)
Total transfers	(16,055)	137,398	121,343
Changes in net assets	(206,134)	73,572	(132,562)
Total net assets, beginning of year	(534,099)	276,091	(258,008)
Total net assets, end of year	\$ (740,233)	\$ 349,663	\$ (390,570)

(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, 2010

Exhibit 9

	Business-type Activities-Enterprise Funds		
	Major Fund		
	Landfill Fund	Nonmajor Funds	Total
Cash flows from operating activities:			
Receipts from customers	\$ 2,718,816	\$ 255,105	\$ 2,973,921
Payments to suppliers	(1,265,873)	(212,095)	(1,477,968)
Payments to employees and benefits paid on behalf of employees	(593,059)	(53,378)	(646,437)
Other receipts	42,619	-	42,619
Net cash provided by (used for) operating activities	902,503	(10,368)	892,135
Cash flows from noncapital financing activities:			
Repayment of advance from the General Fund	-	(11,605)	(11,605)
Transfer from the General Fund	-	137,398	137,398
Transfers to other funds	(16,055)	-	(16,055)
Net cash provided by (used for) noncapital financing activities	(16,055)	125,793	109,738
Cash flows from capital and related financing activities:			
Purchase of capital assets	(58,685)	-	(58,685)
Proceeds from sale of capital assets	89,715	400	90,115
Proceeds from bonds	67,000	-	67,000
Interest payments on debt	(82,296)	-	(82,296)
Other debt related payments	(64,642)	-	(64,642)
Net cash used for capital and related financing activities	(48,908)	400	(48,508)
Cash flows from investing activities:			
Interest income	7,047	-	7,047
Net increase in cash and cash equivalents	844,587	115,825	960,412
Cash and cash equivalents, beginning of year	3,585,982	82,482	3,668,464
Cash and cash equivalents, end of year	\$ 4,430,569	\$ 198,307	\$ 4,628,876
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ (199,768)	\$ (64,226)	\$ (263,994)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	561,480	27,569	589,049
Loss on retired assets	-	20,351	20,351
Changes in assets and liabilities:			
(Increase) Decrease in accounts receivable	42,013	(2,103)	39,910
Increase (Decrease) in accrued payroll costs	89	-	89
Increase (Decrease) in accounts payable	(30,395)	8,383	(22,012)
Increase (Decrease) in closure/post closure liabilities	531,990	-	531,990
Increase (Decrease) in compensated absences payable	(2,906)	(342)	(3,248)
Total adjustments	540,791	5,938	546,729
Net cash provided by operating activities	\$ 902,503	\$ (10,368)	\$ 892,135

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

COUNTY OF ACCOMACK, VIRGINIA
STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
AT JUNE 30, 2010

Exhibit 10

Assets:

	Total
Cash and cash equivalents held by Treasurer	\$ 43,125
Cash and cash equivalents in custody of others	22,204
Total assets	<u>65,329</u>

Liabilities:

Amounts held for social service clients	40,150
Amounts held for others	22,204
Amounts held for war memorial ceremonies	2,975
Total liabilities	<u>\$ 65,329</u>

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



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COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Accomack, Virginia (the County) was formed as an independent county in 1634. The County is located on Virginia's Eastern Shore and covers an area of approximately 476 square miles. The County is governed by a Board of Supervisors consisting of nine members each of which are elected for a four-year term.

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government in the United States of America. The Governmental Accounting Standards Board (GASB) is the primary standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the significant accounting policies of the County:

A. The Reporting Entity

As required by GAAP, 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. The County and its component units are together referred to herein as the reporting entity.

Blended Component Units

Blended component units, although legally separate entities, are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. The County has no component units that meet the requirements for blending.

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, 2010.

1. 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 bond 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 issues separate financial statements.
2. Accomack County Airport Commission - The Accomack County Airport Commission was created for the purpose of improving, equipping, maintaining, operating, and promoting the Accomack County Airport. The Commission is empowered to acquire, hold and dispose of property in its own name. The Commission consists of nine members all of which are appointed and serve at the pleasure of the County Board of Supervisors. The County approves the annual operating budget and provides significant financial assistance to the Commission. The Commission is reported as an enterprise fund type. The Airport Commission does not issue separate financial statements.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

A. The Reporting Entity-continued

3. 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.
4. 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.
5. 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.
6. 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. 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.
7. Greenbackville Boat Harbor Committee - The Greenbackville Boat 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. 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, 2010 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

A. The Reporting Entity-continued

8. Greenbackville/Captain's Cove Mosquito Control Commission - The Greenbackville/Captain's Cove Mosquito Control Commission is responsible for insect control in the Greenbackville/Captains Cove 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 Greenbackville/Captain's Cove 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:

1. Eastern Shore of Virginia 911 Commission - The County has joined together with Northampton County to create the Eastern Shore of Virginia 911 Commission. The purposes of the Commission are 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 2010, the County contributed \$423,049 to the Commission including 19,219 in grant funding obtained from the Federal Government. 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:

1. 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 2010, the County contributed \$134,995 to the Board for operations. Complete financial statements for the Commission may be obtained by contacting the Eastern Shore Community Services Board, P.O. Box 453, Nassawadox, Virginia 23413.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based upon the County as a whole) and fund financial statements.

Government-wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Assets and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. Fiduciary activities are excluded because fiduciary assets are held for the benefit of a third party and cannot be used to address activities or obligations of the government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Net assets are the difference between assets and liabilities. Net assets invested in capital assets represent capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction or improvement of those assets.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirement of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Indirect expenses are not allocated among functions.

Fund Financial Statements

The accounts of the reporting entity are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for in a separate set of self-balancing accounts comprised of assets, liabilities, fund equity, revenues and expenditures or expenses where appropriate. 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 emphasis of fund financial statements is on major governmental and enterprise funds, with each displayed in a separate column. All remaining funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

- **General Fund:** The General Fund is the County's primary operating fund. It accounts for 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.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

- **Virginia Public Assistance Fund:** The Virginia Public Assistance Fund accounts for 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.
- **Comprehensive Youth Services Fund:** The Comprehensive Youth Services Fund accounts for revenues and expenditures associated with the Comprehensive Services Act (CSA). The Comprehensive Services 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.
- **County Capital Projects Fund:** The County Capital Projects Fund is used to account for 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.
- **School Debt Service Fund:** The School Debt Service Fund accounts for revenues derived from a special property tax levied on County residents exclusively for the current and future retirement of public school related debt. In Virginia, public school systems do not have borrowing authority so all school related debt must be issued and therefore reported by the County.

The County reports the following major proprietary funds:

- **Landfill Fund:** The Landfill Fund is an enterprise fund used to account for waste disposal operations of the County's North and South Landfills. The cost of waste disposal services is primarily financed through user charges to the County, residents and commercial customers.

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

- **Special Revenue Funds:** Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.
- **Enterprise Funds:** Enterprise funds are used to report an activity for which a fee is charged to external users for goods or services.

Additionally the County reports the following fund types:

- **Fiduciary Funds:** Fiduciary funds are used to account for assets held in a trustee capacity (trust funds) or as an agent for other individuals or organizations (agency funds). The County's fiduciary funds consist of the Special Welfare Fund, War Memorial Fund and Sheriff Canteen Fund, all of which are agency funds. Agency funds are accounted for using the accrual basis of accounting.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they are susceptible to accrual, that is, when they are 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. Major sources of governmental funds which meet the "susceptible to accrual" criteria include the following:

- | | | |
|-----------------------|-----------------------------|-----------------------|
| • Property taxes | • Transient occupancy taxes | • Revenue from |
| • Sales and use taxes | • Consumer Utility Taxes | Governmental Entities |

All other revenue items are considered to be measurable and collectible only when cash is received by the County.

Expenditures generally are recorded when a liability is incurred, if measurable (except for unmatured interest on general long-term debt which is recognized when due and paid). Interest on general long-term debt is recognized as expenditures when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from the issuance of debt and acquisitions under capital leases are reported as other financing sources.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

The effect of interfund activity has been removed from these 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.

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 a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenue and expenses.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

D. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with general 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.
- 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 Project 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.

E. Cash 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. This definition also applies to cash and cash equivalents used in the statement of cash flows.

Investments are stated at fair value.

F. Restricted Assets:

Restricted assets include cash and investments which have third-party limitations on their use. When both restricted and unrestricted resources are available for use, it is the County's practice to use restricted assets first.

Restricted assets as of June, 30, 2010 consisted of \$1,130,559 in unspent bond proceeds associated with solid waste convenience center construction.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

G. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a reserve of fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All receivables, including tax receivables, are shown net of allowance for uncollectibles.

H. Inventory

Inventory is valued using the first-in, first-out (FIFO) method. Inventory in the proprietary funds is accounted for under the consumption method. Cost is recorded as an expense at the time the individual inventory items are used.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30 are recorded as prepaid items in both government-wide financial statements and fund financial statements.

J. 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. Donated capital assets are stated at their fair market 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. 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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

K. Deferred Revenue

In the fund financial statements, deferred revenue represents amounts for which asset recognition criteria has been met but revenue recognition criteria has not been met. These amounts are considered measurable but are not considered available resources. The County's deferred revenue consist primarily of property tax due but not collected within 60 days after the end of the fiscal year and grant funds received but not expended for their restricted purpose.

L. Compensated Absences

All County and School Board full-time employees earn annual leave based on years of service. Accumulated annual leave vests immediately. County and School Board employees are paid for unused annual leave, at their normal rate of pay, at termination. Annual leave termination payments are limited only by maximum accumulation policies. All County and School Board Component Unit full-time employees also earn ten hours of sick leave per month. Maximum accumulation is unlimited. Employees are entitled to the lesser of 25% of accrued sick leave or \$5,000 upon termination providing the employee has 5 years of service. The amount of unpaid annual, sick and compensatory leave, including applicable payroll taxes, is accrued when incurred in the government-wide and proprietary fund financial statements. Only the current portion due, if any, is recorded in the fund financial statements.

M. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type financial statement of net assets. Bond premiums and discounts, as well as issue costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

N. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

O. Encumbrances

Encumbrance accounting is not employed as an extension of formal budgetary integration.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

P. 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 taxes are due in two installments payable in December and June. Prior to fiscal year 2010, personal property taxes were due annually in December. Personal property taxes are now due in two installments the same as real estate taxes. 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. Localities were reimbursed for tax relief granted based on guidelines developed by the Commonwealth. In fiscal year 2007, Commonwealth funding moved from a reimbursement basis to a pro rata share of a capped amount. This change reduced the amount of funding the County would have otherwise received and ultimately the amount of tax relief available to its citizens. 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 2010 was equal to 51% 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.

Q. Use of Estimates

The preparation of financial statements in conformity with general 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.

2. CASH AND INVESTMENTS

Deposits: All cash of the primary government and school board component unit is maintained in accounts collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.2-4400 et. seq. of the Code of Virginia or covered by federal depository insurance.

Investments: Statutes authorize local governments and other public bodies 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).

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

2. CASH AND INVESTMENTS-continued

External Investment Pools: The State Non-Arbitrage Program is an open-end management investment company registered with the Securities and Exchange Commission (SEC). The fair values of the positions in the State Treasurer's Local Government Investment Pool (LGIP) are the same as the value of the pool shares. As this pool is not SEC registered, regulatory oversight of the pool rests with the Virginia State Treasury. LGIP maintains a policy to operate in a manner consistent with SEC Rule 2a-7.

Credit Risk of Debt Securities

The County's rated debt investments as of June 30, 2010 were rated by Standard & Poor's or an equivalent national rating organization and the ratings are presented below using Standard & Poor's rating scale. The County had no policy on credit risk other than restrictions imposed by State law at June 30.

County of Accomack's Rated Debt Investments		Fair Quality Ratings
		AAA
Primary Government & School Board Component Unit:		
State Treasurer's Local Government Investment Pool	\$	3,688,914
Virginia State Non-Arbitrage Program	\$	1,130,559

Interest Rate Risk

The County's investments as of June 30, 2010 are presented below along with their maturity. The County had no policy on interest rate risk at June 30.

County of Accomack's Investment Fair Value and Maturities			Maturity
		Fair Value	Less than 1 year
Primary Government & School Board Component Unit:			
State Treasurer's Local Government Investment Pool	\$	3,668,914	\$ 3,668,914
Virginia State Non-Arbitrage Program		1,130,559	1,130,559
Total	\$	4,799,473	\$ 4,799,473

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, 2010 are as follows:

PRIMARY GOVERNMENT:

	Major Funds		Non-Major Funds	Total
	General Fund	School Debt Fund		
General Fund:				
Taxes receivable	\$ 3,579,825	\$ 471,699	\$ 369,678	\$ 4,421,202
Special assessments receivable	579	-	-	579
Total Primary Government	\$ 3,580,404	\$ 471,699	\$ 369,678	\$ 4,421,781

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

4. NOTES RECEIVABLE

A. Primary Government:

The County was awarded a community improvement grant from the Virginia Department of Housing and Community Development for the purpose of creating twenty-three jobs for low and moderate-income persons. A portion of the grant proceeds, \$186,009, was used to provide a low-interest loan to one area business. The term of the loan is twenty years payable in monthly installments to the Authority at an annual percentage rate of three percent. The loan is secured by a first Deed of Trust. All payments due the County are current as of June 30, 2010. The repayment schedule is as follows:

Year Ending June 30,	Note Receivable		
	Principal	Interest	Total
2011	\$ 9,293	\$ 2,054	\$ 11,347
2012	10,433	1,946	12,379
2013	10,751	1,628	12,379
2014	11,078	1,301	12,379
2015-2018	37,353	1,848	39,201
Total	<u>\$ 78,908</u>	<u>\$ 8,777</u>	<u>\$ 87,685</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

5. DUE FROM OTHER GOVERNMENTAL ENTITIES

Amounts due from other governments at June 30, 2010 consisted of the following:

A. Primary Government:

	Major Funds			
	General Fund	Comprehensive Youth Services Fund	Virginia Public Assistance Fund	Total Primary Government
Miscellaneous governmental entities:				
Eastern Shore Public Service Authority	\$ 104,700	\$ -	\$ -	\$ 104,700
Total due from miscellaneous governments	104,700	-	-	104,700
Commonwealth of Virginia:				
Local sales tax	194,430	-	-	194,430
Recordation tax	22,686	-	-	22,686
Constitutional officer shared expenses	320,012	-	-	320,012
Juror fees	510	-	-	510
Mobile home tax	7,152	-	-	7,152
Rolling stock tax	2,155	-	-	2,155
Communications tax	91,719	-	-	91,719
Rental tax	1,420	-	-	1,420
Criminal history improvement grant	5,000	-	-	5,000
Emergency management assistance	11,253	-	-	11,253
Public assistance funds	-	-	90,206	90,206
Comprehensive services act reimbursements	-	310,652	-	310,652
Total due from the Commonwealth	656,337	310,652	90,206	1,057,195
Federal Government:				
Emergency management assistance	51,514	-	-	51,514
CERT grant	11,006	-	-	11,006
COPS technology grant	90,000	-	-	90,000
Coastal resources septic grant	3,350	-	-	3,350
Homeland security grant	35,687	-	-	35,687
Public assistance funds	-	-	145,014	145,014
Total due from the Federal Government	191,557	-	145,014	336,571
Total due from other governmental entities	\$ 952,594	\$ 310,652	\$ 235,220	\$ 1,498,466

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

5. DUE FROM OTHER GOVERNMENTAL ENTITIES - continued

B. School Board Component Unit:

Commonwealth of Virginia:	
State sales tax contribution	\$ 414,443
SOL web base	297,103
Virginia tobacco settlement	4,007
Total due from Commonwealth	<u>715,553</u>
Federal Government:	
State fiscal stabilization funds	838,894
Title I	684,578
Title II	33,922
Title III	22,280
Title IV	3,420
Title VI-B Special Education	215,212
Title X	574
Reading First	129,588
Renee Abney	5,770
Language acquisition	29,156
Even start	37,589
Vocational education	10,721
Drug free schools	23,579
Preschool handicapped	2,223
Food services	153,674
Total due from Federal Government	<u>2,191,180</u>
Total due from other governmental entities	<u><u>\$ 2,906,733</u></u>

6. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2010 are as follows:

	Interfund	
	Receivables	Payables
PRIMARY GOVERNMENT:		
Governmental Funds:		
General Fund	\$ 210,961	\$ -
Non-major governmental funds	-	210,961
Total Governmental Funds	<u>\$ 210,961</u>	<u>\$ 210,961</u>

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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

7. CAPITAL ASSETS

A. Primary Government:

	Balance July 1, 2009	Additions	Retirements	Balance June 30, 2010
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 1,317,008	\$ 72,460	\$ (11,000)	\$ 1,378,468
Construction in progress	76,768	514,381	(11,025)	580,124
Total capital assets not being depreciated	1,393,776	586,841	(22,025)	1,958,592
Other capital assets:				
Buildings	9,954,640	-	-	9,954,640
School buildings	40,930,540	-	(2,354,292)	38,576,248
Improvements other than buildings	4,559,505	19,916	(13,520)	4,565,901
Machinery and equipment	4,377,370	362,277	(223,619)	4,516,028
Intangibles	848,681	217,885	-	1,066,566
Total other capital assets	60,670,736	600,078	(2,591,431)	58,679,383
Less accumulated depreciation:				
Buildings	(2,528,471)	(264,102)	-	(2,792,573)
School buildings	(5,013,981)	(801,373)	584,620	(5,230,734)
Improvements other than buildings	(1,361,701)	(262,530)	13,520	(1,610,711)
Machinery and equipment	(2,855,223)	(407,494)	223,619	(3,039,098)
Intangibles	(615,035)	(97,236)	-	(712,271)
Total accumulated depreciation	(12,374,411)	(1,832,735)	821,759	(13,385,387)
Total governmental activities, net	49,690,101	(645,816)	(1,791,697)	47,252,588
Business-type activities:				
Capital assets not being depreciated:				
Land	205,767	-	-	205,767
Construction in progress	99,400	148,914	(13,865)	234,449
Total capital assets not being depreciated	305,167	148,914	(13,865)	440,216
Other capital assets:				
Buildings	960,551	-	-	960,551
Improvements other than buildings	5,569,824	-	(37,421)	5,532,403
Motor vehicles and equipment	4,174,395	38,996	(15,997)	4,197,394
Intangibles	29,710	-	-	29,710
Total other capital assets	10,734,480	38,996	(53,418)	10,720,058
Less accumulated depreciation:				
Buildings	(244,949)	(20,056)	-	(265,005)
Improvements other than buildings	(3,169,725)	(326,411)	16,893	(3,479,243)
Motor vehicles and equipment	(2,590,134)	(266,100)	15,997	(2,840,237)
Intangibles	(29,710)	-	-	(29,710)
Total accumulated depreciation	(6,034,518)	(612,567)	32,890	(6,614,195)
Total business-type activities, net	5,005,129	(424,657)	(34,393)	4,546,079
Total primary government, net	\$ 54,695,230	\$ (1,070,473)	\$ (1,826,090)	\$ 51,798,667

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

7. CAPITAL ASSETS - continued

Depreciation expense was charged to the primary government as follows:

	Governmental Activities	Business-type Activities	Total Primary Government
General government	\$ 84,502	\$ -	\$ 84,502
Judicial administration	95,956	-	95,956
Public safety	288,981	-	288,981
Public works	266,249	-	266,249
Health and welfare	125,225	-	125,225
Education	808,333	-	808,333
Parks, recreation and cultural	66,388	-	66,388
Community development	97,101	-	97,101
Landfill	-	561,480	561,480
Water and sewer	-	19,930	19,930
Parks and recreation revolving	-	7,639	7,639
Total	\$ 1,832,735	\$ 589,049	\$ 2,421,784

B. School Board Component Unit:

	Balance July 1, 2009	Additions	Retirements	Balance June 30, 2010
Capital assets not being depreciated:				
Land	\$ 977,112	\$ -	\$ -	\$ 977,112
Total capital assets not being depreciated	977,112	-	-	977,112
Other capital assets:				
Buildings	45,493,490	2,415,635	-	47,909,125
Improvements other than buildings	2,834,056	309,718	-	3,143,774
Motor vehicles and equipment	9,471,419	247,272	(312,938)	9,405,753
Total other capital assets	57,798,965	2,972,625	(312,938)	60,458,652
Less accumulated depreciation:				
Buildings	(18,099,109)	(1,869,979)	-	(19,969,088)
Improvements other than buildings	(1,833,603)	(91,523)	-	(1,925,126)
Motor vehicles and equipment	(6,474,786)	(651,781)	253,282	(6,873,285)
Total accumulated depreciation	(26,407,498)	(2,613,283)	253,282	(28,767,499)
Total school board component unit	\$ 32,368,579	\$ 359,342	\$ (59,656)	\$ 32,668,265

Total depreciation expense charged to the School Board component unit was \$2,028,664.

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, 2010, is that debt and related assets in the amount of \$38,576,248 have been transferred to the Primary Government from the School Board Component Unit for financial reporting purposes.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

7. CAPITAL ASSETS - continued

C. Airport Commission Component Unit:

	Balance July 1, 2009	Additions	Retirements	Balance June 30, 2010
Capital assets not being depreciated:				
Land	\$ 190,400	\$ -	\$ -	\$ 190,400
Construction in progress	234,856	-	(2,500)	232,356
Total capital assets not being depreciated	425,256	-	(2,500)	422,756
Other capital assets:				
Buildings	961,207	-	-	961,207
Improvements other than buildings	5,064,524	87,230	-	5,151,754
Motor vehicles and equipment	334,647	-	-	334,647
Total other capital assets	6,360,378	87,230	-	6,447,608
Less accumulated depreciation:				
Buildings	(560,322)	(48,106)	-	(608,428)
Improvements other than buildings	(2,225,980)	(256,977)	-	(2,482,957)
Motor vehicles and equipment	(316,831)	(2,428)	-	(319,259)
Total accumulated depreciation	(3,103,133)	(307,511)	-	(3,410,644)
Total airport commission component unit	\$ 3,682,501	\$ (220,281)	\$ (2,500)	\$ 3,459,720

Total depreciation expense charged to the airport component unit was \$307,511.

D. Economic Development Authority Component Unit:

	Balance July 1, 2009	Additions	Retirements	Balance June 30, 2010
Capital assets not being depreciated:				
Land	\$ 317,726	\$ -	\$ -	\$ 317,726
Other capital assets:				
Improvements other than buildings	1,406,601	-	-	1,406,601
Total other capital assets	1,406,601	-	-	1,406,601
Less accumulated depreciation:				
Improvements other than buildings	(1,406,601)	-	-	(1,406,601)
Total accumulated depreciation	(1,406,601)	-	-	(1,406,601)
Total economic development authority component unit	\$ 317,726	\$ -	\$ -	\$ 317,726

The Authority had no depreciation expense during the fiscal year due to its assets being fully depreciated.

8. DEFERRED REVENUE

Governmental funds report deferred revenue 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 deferred revenue reported in the governmental funds were as follows:

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

8. DEFERRED REVENUE - continued

	Primary Government					School Board Component Unit
	General Fund	Virginia Public Assistance Fund	Comprehensive Youth Services Fund	School Debt Service Fund	Non-major Special Revenue Funds	
Unavailable:						
Uncollected taxes	\$ 4,508,990	\$ -	\$ -	\$ 475,156	\$ 375,603	\$ 5,359,749
Note receivable not yet due	-	-	-	-	78,908	78,908
Special assessments not yet due	44,458	-	-	-	-	44,458
Total unavailable	4,553,448	-	-	475,156	454,511	5,483,115
Unearned:						
Advanced grant funding	-	6,590	3,225	-	208,815	218,630
Prepaid rent	6,032	-	-	-	-	6,032
Prepaid water & sewer billings	344	-	-	-	-	344
Prepaid EMS charges	-	-	-	-	18,222	18,222
Prepaid taxes	1,012,873	-	-	193,598	142,975	1,349,446
Total unearned	1,019,249	6,590	3,225	193,598	370,012	1,592,674
Total deferred revenue	\$ 5,572,697	\$ 6,590	\$ 3,225	\$ 668,754	\$ 824,523	\$ 7,075,789

9. COMPENSATED ABSENCES

Accrued compensated absences are as follows at June 30, 2010:

	Primary Government		School Board Component Unit
	Governmental Activities	Business-type Activities	
Compensated Leave			
Annual	\$ 899,366	\$ 35,104	\$ 664,168
Sick	329,525	21,334	1,157,846
Compensatory	359,763	1,900	-
Total	\$ 1,588,654	\$ 58,338	\$ 1,822,014

10. SHORT-TERM DEBT

A. Primary Government

On August 26, 2009, the County issued entered into an agreement with Suntrust Bank for short – term financing in the form of a \$2,000,000 non-revolving line of credit. The financing was secured by a pledge of fiscal year 2010 tax revenues. The variable interest rate of the line was set at 68% of 1 month LIBOR plus 2.26%. The purpose of the line of credit was to provide temporary cash flow relief.

The County only drew upon the line of credit once during the fiscal year in the amount of \$51,000. All draws were repaid prior to the end of the fiscal year.

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010
Primary Government:				
Governmental Activities:				
Non-revolving Line of Credit	\$ -	\$ 51,000	\$ 51,000	\$ -

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

11. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2010:

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010	Amount due within 1 year
Primary Government:					
Governmental Activities:					
Compensated absences	\$ 1,523,205	\$ 1,310,272	\$ 1,244,823	\$ 1,588,654	\$ 1,413,902
Net other postemployment benefit obligation	459,230	514,000	67,000	906,230	-
Literary fund loans	4,755,474	-	460,509	4,294,965	460,509
Virginia Public School Authority bonds	35,350,933	-	1,783,628	33,567,305	1,855,124
Lease revenue bonds	5,490,000	4,263,000	4,005,000	5,748,000	-
Qualified zone academy bonds	791,129	-	77,155	713,974	79,740
Deferred premiums and discounts, net	1,058,775	49,138	70,107	1,037,806	70,107
Deferred amounts on refunding	-	(502,812)	(24,330)	(478,482)	(24,330)
Capital leases	33,000	-	33,000	-	-
Total governmental activities long-term obligations	<u>\$ 49,461,746</u>	<u>\$ 5,633,598</u>	<u>\$ 7,716,892</u>	<u>\$ 47,378,452</u>	<u>\$ 3,855,052</u>
Business-type Activities:					
Compensated absences	61,585	51,564	\$ 54,811	58,338	51,920
Landfill closure/postclosure	6,891,156	531,990	-	7,423,146	-
General obligation bonds	2,045,000	2,112,000	2,045,000	2,112,000	-
Deferred amounts on refunding	-	(10,039)	(2,273)	(7,766)	-
Total business-type entities long-term obligations	<u>8,997,741</u>	<u>2,685,515</u>	<u>2,097,538</u>	<u>9,585,718</u>	<u>51,920</u>
Total primary government long-term obligations	<u>\$ 58,459,487</u>	<u>\$ 8,319,113</u>	<u>\$ 9,814,430</u>	<u>\$ 56,964,170</u>	<u>\$ 3,906,972</u>
School Board Component Unit:					
Compensated absences	\$ 1,832,098	1,620,483	\$ 1,630,567	\$ 1,822,014	\$ 1,621,592
Net other postemployment benefit obligation	172,000	363,000	232,000	303,000	-
Total School Board long-term obligations	<u>\$ 2,004,098</u>	<u>\$ 1,983,483</u>	<u>\$ 1,862,567</u>	<u>\$ 2,125,014</u>	<u>\$ 1,621,592</u>
Airport Commission Component Unit:					
Compensated absences	\$ 8,564	8,621	\$ 7,622	\$ 9,563	\$ 8,512
Note payable	84,787	-	24,869	59,918	21,650
Total Airport Commission long-term obligations	<u>\$ 93,351</u>	<u>\$ 8,621</u>	<u>\$ 32,491</u>	<u>\$ 69,481</u>	<u>\$ 30,162</u>

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

A. Primary Government:

Year Ending June 30,	Governmental Funds				Enterprise Funds				
	VPSA Bonds & Literary Fund Loans		Qualified Zone Academy Bonds		Lease Revenue Bonds		General Obligation Bonds		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2011	\$ 2,315,633	\$ 1,764,344	\$ 79,740	\$ 26,078	\$ -	\$ 297,444	\$ -	\$ 79,200	\$ 4,562,439
2012	2,387,448	1,652,315	82,418	23,401	-	297,444	-	79,200	4,522,226
2013	2,458,498	1,539,174	85,191	20,628	534,000	291,158	269,000	74,156	5,271,805
2014	2,529,512	1,423,577	88,065	17,754	563,000	264,100	279,000	63,881	5,228,889
2015	2,612,690	1,302,337	91,041	14,778	588,000	235,676	290,000	53,213	5,187,735
2016-2020	11,697,271	4,641,297	245,861	32,923	1,431,000	796,197	1,274,000	97,801	20,216,350
2021-2025	7,888,840	2,428,570	41,658	2,250	1,329,000	522,836	-	-	12,213,154
2026-2030	5,842,378	584,054	-	-	1,303,000	216,353	-	-	7,945,785
2031-2035	130,000	2,989	-	-	-	-	-	-	132,989
Total	<u>\$37,862,270</u>	<u>\$15,338,657</u>	<u>\$ 713,974</u>	<u>\$ 137,812</u>	<u>\$5,748,000</u>	<u>\$2,921,208</u>	<u>\$2,112,000</u>	<u>\$ 447,451</u>	<u>\$65,281,372</u>

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

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

11. LONG-TERM OBLIGATIONS - continued

B. Airport Commission Component Unit:

Year Ending June 30,	Note Payable		Total
	Principal	Interest	
2011	\$ 26,043	\$ 2,226	\$ 28,269
2012	27,276	994	28,270
2013	6,599	49	6,648
Total	<u>\$ 59,918</u>	<u>\$ 3,269</u>	<u>\$ 63,187</u>

The Airport Commission Component Unit uses operating revenues to liquidate compensated absences and other long-term obligations.

C. Advance Refundings:

The County issued \$4,263,000 of lease revenue refunding bonds to provide resources to purchase U.S. Government Securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$4,005,000 of lease revenue bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. The requisition price exceeded the net carrying amount of the old debt by \$502,812. This amount is being amortized over the remaining life of the refunded debt which has the same life as the new debt issued. This advance refunding was undertaken as a short-term budgetary relief measure. As a result of the refunding, no principal payments are due on the refunding bonds prior to fiscal year 2013; however, total debt service over the next 20 years will increase by \$1,059,342 and result in an economic loss of \$657,298.

In addition, the County issued \$2,112,000 of general obligation refunding bonds to provide resources to purchase U.S. Government Securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$2,045,000 of general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the business-type activities column of the statement of net assets. The requisition price exceeded the net carrying amount of the old debt by \$10,039. This amount is being amortized over the remaining life of the refunded debt which is shorter than the life of the new debt issued. This advance refunding was undertaken as a short-term budgetary relief measure. As a result of the refunding, no principal payments are due on the refunding bonds prior to fiscal year 2013; however, total debt service over the next 9 years will increase by \$302,025. The result of this refunding is an economic gain of \$18,948.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

11. LONG-TERM OBLIGATIONS - continued

D. Details of long-term indebtedness as of June 30, 2010:

Financing Type	Purpose	Amount Issued	Interest Rates	Date Issued	Final Maturity Date	Amount Outstanding
Primary Government:						
Governmental Activities:						
Literary Fund loan	School construction	\$ 2,935,486	3.00%	12/1/1998	12/1/2018	\$ 1,286,486
Literary Fund loan	School construction	956,225	3.00%	4/1/1999	4/1/2019	430,305
Literary Fund loan	School construction	956,226	3.00%	4/1/1999	4/1/2019	430,304
Literary Fund loan	School construction	4,297,743	3.00%	4/1/2000	4/1/2020	2,148,870
Virginia Public School Authority bond	School construction	8,422,232	5.15% ¹	11/20/1997	7/15/2017	3,692,310
Virginia Public School Authority bond	School construction	8,305,000	5.17% ¹	11/20/1997	7/15/2017	4,395,000
Virginia Public School Authority bond	School construction	6,270,000	4.47% ¹	5/15/2003	7/15/2028	5,395,000
Virginia Public School Authority bond	School construction	12,170,000	4.69% ¹	11/6/2003	7/15/2028	10,475,000
Virginia Public School Authority bond	School construction	1,935,000	4.46% ¹	11/10/2005	7/15/2030	1,770,000
Virginia Public School Authority bond	School construction	9,370,000	4.28% ¹	11/10/2005	7/15/2025	7,839,995
Qualified zone academy bond	School construction	1,433,003	3.00% ²	12/31/2002	12/31/2016	519,836
Qualified zone academy bond	School construction	439,100	5.40% ²	12/30/2004	12/30/2020	194,138
Lease revenue refunding bond	Office construction	4,263,000	5.53% ¹	7/8/2009	3/1/2030	4,263,000
Lease revenue bond	Waste collection centers	2,665,000	3.82% ¹	11/29/2006	10/1/2016	1,485,000
Total governmental activities:						<u>44,325,244</u>
Business-type Activities:						
General obligation refunding bond	Landfill improvements	2,112,000	4.01% ¹	7/2/2009	12/15/2018	<u>2,112,000</u>
Total primary government						<u>\$ 46,437,244</u>
Airport Commission:						
Note payable	T-hangar construction	226,530	4.20% ³	11/14/2002	11/14/2012	<u>\$ 59,918</u>

¹ True interest cost

² Imputed interest rate

³ Variable rate

12. LANDFILL CLOSURE AND POSTCLOSURE CARE COST

State and federal laws and regulations require the County to place a final cover on its North and South landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at these sites for thirty years after closure. Although closure and postclosure costs will be paid only near or after the date that the landfills stop accepting waste, the County reports a portion of these closure and postclosure care costs in each period based on landfill capacity used as of each balance sheet date.

The \$7,423,146 reported as landfill closure and postclosure care liability at June 30, 2010, represents the cumulative amount reported to date based on the use of 46.45% and 92.24% of the estimated capacity of the North Landfill Cell Two and the South Landfill, respectively. The County will recognize the remaining estimated cost of closure and postclosure care of \$2,121,539 as the remaining estimated capacities are filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2010. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The South Landfill has sufficient capacity to accept waste well beyond its mandated closure date of 12/31/2012. The 2012 closure date is dictated by state regulations which require unlined landfills, such as the South Landfill, to cease operations by the end of calendar year 2012. The North Landfill Cell Two has sufficient capacity to continue accepting waste until fiscal year 2017. This estimate assumes that all waste from the southern end of the County will be disposed of in the North Landfill once the South Landfill is closed. The County expects to fund landfill closure and postclosure care costs from operating revenues.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

13. INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2010 were made up of the following:

Primary Government:	Transfers In	Transfers Out
Governmental funds:		
General fund	\$ 385,802	\$ 2,566,770
Virginia Public Assistance Fund	608,609	87,182
Comprehensive Youth Services Fund	439,859	
County capital projects fund	575,535	220,614
School debt service fund	286,261	
Non-major governmental funds	457,157	
Total governmental funds	2,753,223	2,874,566
Enterprise funds:		
Landfill fund	386,008	402,063
Non-major enterprise funds	137,398	-
Total enterprise funds	523,406	402,063
Total Primary Government	\$ 3,276,629	\$ 3,276,629

The purpose of the above interfund transfers is as follows:

<u>Purpose</u>	<u>Amount</u>
Finance pay as you go capital projects	\$ 724,179
Fund debt service requirements	286,261
Satisfy grant local match requirements	439,859
Supplement General Fund operations with amount of debt service savings realized from Landfill Enterprise Fund debt restructuring.	385,802
Fund future landfill closure and post-closure costs	237,364
Remove	53,327
Supplement operations of special revenue and enterprise funds	1,149,837
Total interfund transfers	<u>\$ 3,276,629</u>

The Primary Government also transferred \$14,812,272 to the School Board Component Unit, \$319,259 to the Eastern Shore Library Component Unit, \$174,715 to the Airport Component Unit, \$82,844 to the Planning District Component Unit and \$65,344 to the Captains Cove/Greenbackville Mosquito Control Component Unit to be used to supplement operations. 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

At June 30, 2010 (Continued)

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, 2010, the following expenditures exceeded appropriations:

Major Funds:

General Fund:

Community Corrections	\$ 34
Medical Examiner	1,690
Johsongrass/Gypsy Moth Control Program	14
Wallops Research Park operations	3,548
Total General Fund	<u>\$ 5,286</u>

Comprehensive Youth Services Fund:

Comprehensive Services Act (CSA)	<u>\$ 218,324</u>
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Nonmajor Funds:

Drug Seizures Fund	\$ 247
Emergency 911 Systems Fund	1,135
Captain's Cove/Greenbackville Mosquito Control Fund	3,756
School Debt Service	33,402
Total nonmajor funds	<u>\$ 38,540</u>

Each variance was funded by available fund balance or grant revenues.

17. DEFICIT NET ASSETS

A. Primary Government:

At June 30, 2010, the Landfill Enterprise Fund had deficit fund net assets of \$740,233. This amount is primarily due to unfunded landfill closure and post closure care costs. The County has taken steps to gradually eliminate this deficit by increasing landfill user fees and appropriating additional local funding.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

18. SURETY BONDS

The following elected officials and County employees were covered by surety bonds at June 30, 2010:

Commonwealth of Virginia Division of Risk Management (Commonwealth funded):

Dana T. Bundick, Treasurer ⁽¹⁾ \$ 500,000

Larry J. Giddens, Sheriff ⁽¹⁾ 30,000

Leslie A. Savage, Commissioner of the Revenue ⁽¹⁾ 3,000

Samuel H. Cooper, Clerk of the Court ⁽¹⁾ 350,000

Virginia Association of Counties Self Insurance-Risk Pool:

All County employees - Blanket bond coverage 250,000

All School employees - Blanket bond coverage 1,000,000

All Social Services employees - Blanket bond coverage 100,000

Mary E. Parker, Director of Social Services 5,000

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

19. OTHER POSTEMPLOYMENT BENEFITS PROGRAM

Primary Government:

A. Plan Description:

The County Post-Retirement Medical Plan is a single-employer defined benefit healthcare plan which provides post-retirement supplemental health insurance benefits for employees who retire from service with the County. Employees who are full-time and limited-term employees who are retiring at age 65 or older, who are enrolled in Medicare parts A and B, and who have at least 15 years of service with the County are eligible. Also, a portion of this policy applies to all full-time and limited employees who retire with at least 15 years of service before age 65. The County's Post-Retirement Medical Plan does not issue a separate, audited GAAP-basis report.

B. Funding Policy:

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 participating retirees who retire at age 65 with 15 years of service with the County, the County pays 50% of the monthly premium and the retiree is responsible for the remainder. For participating retirees who are younger than age 65, with at least 15 years of service with the county or those with less than 15 years of service with the County who have retired due to line-of-duty injuries, may choose to continue their health insurance coverage with the county at their own expense until they reach 65 years of age. Retirees pay 100% of spousal premiums. Surviving spouses cannot access the plan.

C. Annual OPEB Cost and Net OPEB Obligation:

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

19. OTHER POSTEMPLOYMENT BENEFITS PROGRAM-continued

Primary Government-continued:

components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

Annual required contribution	\$ 515,000
Interest on net OPEB obligation	19,000
Adjustment to annual required contribution	<u>(20,000)</u>
Annual OPEB cost (expense)	514,000
Contribution made	<u>67,000</u>
Interest in net OPEB obligation	447,000
Net OPEB Obligation-beginning of year	<u>459,230</u>
Net OPEB Obligation-end of year	<u>\$ 906,230</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 are as follows:

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2009	\$ 483,000	5%	\$ 459,230
June 30, 2010	514,000	13%	906,230

D. Funded Status and Funding Progress

The funded status of the plan as of June 30, 2010 is as follows:

Actuarial accrued liability (AAL)	\$ 4,803,803
Actuarial value of plan assets	-
Unfunded actuarial accrued liability	4,803,803
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	10,321,000
UAAL as a percentage of covered payroll	46.54%

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

19. OTHER POSTEMPLOYMENT BENEFITS PROGRAM-continued

Primary Government-continued:

E. Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Cost Method

The projected unit credit (PUC) cost method was used for this valuation. The objective of this method is to fund each participant's benefits under the plan as they would accrue. Under this method the total value of the benefit to which each participant is expected to become entitled is broken down into units, each associated with a year of past or future credited service.

Interest Assumptions

In the January 1, 2008, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 10 percent initially, reduced by decrements to an ultimate rate of 5 percent after eighty years. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at January 1, 2008, was thirty years.

	<u>Unfunded</u>
Discount rate	4.50%
Payroll growth	2.50%

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

19. OTHER POSTEMPLOYMENT BENEFITS PROGRAM-continued

School Board:

A. 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.

B. Funding Policy:

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. 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.

C. Annual OPEB Cost and Net OPEB Obligation:

The School Board's annual other post employment benefit (OPEB) cost (expense) is calculated base on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

Annual required contribution	\$ 365,000
Interest on net OPEB obligation	8,000
Adjustment to annual required contribution	(10,000)
Annual OPEB cost (expense)	363,000
Contribution made	232,000
Interest in net OPEB obligation	131,000
Net OPEB Obligation-beginning of year	172,000
Net OPEB Obligation-end of year	<u>\$ 303,000</u>

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

19. OTHER POSTEMPLOYMENT BENEFITS PROGRAM-continued

School Board: (Continued):

The School Board's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 are as follows:

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2009	\$ 350,000	50.90%	\$ 172,000
June 30, 2010	363,000	63.90%	303,000

D. Funded Status and Funding Progress

The funded status of the plan as of June 30, 2010 is as follows:

Actuarial accrued liability (AAL)	\$ 3,308,000
Actuarial value of plan assets	-
Unfunded actuarial accrued liability	3,308,000
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	23,581,000
UAAL as a percentage of covered payroll	14%

E. Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

19. OTHER POSTEMPLOYMENT BENEFITS PROGRAM-continued

School Board: (Continued):

Cost Method

The projected unit credit (PUC) cost method was used for this valuation. The objective of this method is to fund each participant's benefits under the plan as they would accrue. Under this method the total value of the benefit to which each participant is expected to become entitled is broken down into units, each associated with a year of past or future credited service.

Interest Assumptions

In the January 1, 2008, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 10 percent initially, reduced by decrements to an ultimate rate of 5 percent after eighty years. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at January 1, 2008, was thirty years.

	<u>Unfunded</u>
Discount rate	4.50%
Payroll growth	2.50%

20. OTHER POSTEMPLOYMENT BENEFITS PROGRAM-VRS Health Insurance Credit

A. Plan Description

The School Board participates in the Health Insurance Credit Program, a plan designed to assist retirees with the cost of health insurance coverage. This program is a cost sharing, multiple-employer defined benefit plan administered by the Virginia Retirement System (VRS). The Virginia General Assembly establishes the dollar amount of the health insurance credit for each year of creditable service. The credit amount and eligibility differs for state, school division, political subdivision, local officer, local social services department and general registrar retirees.

A teacher, who retires under VRS with at least 15 years of total creditable service under the System and is enrolled in a health insurance plan, is eligible to receive a monthly health insurance credit of \$4 per year of creditable service. However, such credit shall not exceed the health insurance premium for the retiree. Disabled retirees automatically receive a monthly health insurance credit of \$4 multiplied by the smaller of (i) twice the amount of their creditable service or (ii) the amount of creditable service they would have completed at age 60 if they had remained in service to that age.

Benefit provisions and eligibility requirements are established by Title 51.1, Chapter 14 of the Code of Virginia. The VRS actuarially determines the amount necessary to fund all credits provided, reflects the cost of such credits in the applicable employer contribution rate pursuant to §51.1-145, and

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

20. OTHER POSTEMPLOYMENT BENEFITS PROGRAM-VRS Health Insurance Credit-continued:

prescribes such terms and conditions as are necessary to carry out the provisions of the health insurance credit program. VRS issues separate financial statements as discussed in Note 21.

B. Funding Policy

The School Board is required to contribute, at an actuarially determined rate, the entire amount necessary to fund participation in the program. The current rate is 1.04% of annual covered payroll. The School Board's contributions to VRS for the years ended June 30, 2010, 2009, and 2008 were \$187,170, \$279,443, and \$294,980, respectively and equaled the required contributions for each year.

21. DEFINED BENEFIT PENSION PLAN

A. Plan Description

Name of Plan:	Virginia Retirement System (VRS)
Identification of Plan:	Agent and Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Administering Entity:	Virginia Retirement System (System)

All full-time, salaried permanent employees of participating employers must participate in the VRS. Benefits vest after five years of service. Employees are eligible for an unreduced retirement benefit at age 65 with 5 years of service (age 60 for participating law enforcement officers, firefighters, and sheriffs) or at age 50 with at least 30 years of service if elected by the employer (age 50 with at least 25 years for participating local law enforcement officers, firefighters, and sheriffs) payable monthly for life in an amount equal to 1.70% of their average final compensation (AFC) for each year of credited service (1.85% for sheriffs and if the employer elects, for other employees in hazardous duty positions receiving enhanced benefits). Benefits are actuarially reduced for retirees who retire prior to becoming eligible for full retirement benefits. In addition, retirees qualify for annual cost-of-living adjustment (COLA) beginning in their second year of retirement. The COLA is limited to 5.00% per year. AFC is defined as the highest consecutive 36 months of reported compensation. Participating local law enforcement officers, firefighters, and sheriffs may receive a monthly benefit supplement if they retire prior to age 65. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

The System issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. A copy of that report may be downloaded from their website at <http://www.varetire.org/Pdf/Publications/2008annurept.pdf> or obtained by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

B. Funding Policy

Plan members are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5.00% of their annual salary to the VRS. This 5.00% member contribution may be assumed by the employer. In addition, the County and School Board are required to contribute the remaining amounts necessary to fund participation in the VRS using the actuarial basis specified by the Code of Virginia and approved by the VRS Board of Trustees. The County's and School's non-professional employee contribution rates for the fiscal year ended 2010 were 2.62% and 7.57% of annual covered payroll, respectively.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

21. DEFINED BENEFIT PENSION PLAN-continued

The School Board's contributions for professional employees were \$1,585,542, \$2,279,533 and \$3,900,472, to the teacher cost-sharing pool for the fiscal years ended June 30, 2010, 2009 and 2008, respectively and these contributions represented 8.81%, 8.81% and 10.30%, respectively, of current covered payroll.

C. Annual Pension Cost

For fiscal year 2010, the County's annual pension cost of \$269,883 (does not include the employee share assumed by the County which was \$515,043) was equal to the County's required and actual contributions.

For fiscal year 2010, the County School Board's annual pension cost for the Board's non-professional employees was \$246,733 (does not include the employee share assumed by the Board which was \$162,968) which was equal to the Board's required and actual contributions.

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC) ¹</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
County:			
June 30, 2010	\$ 784,926	100.00%	\$ -
June 30, 2009	787,160	63.90%	-
June 30, 2008	518,122	63.90%	-
School Board Non-Professional:			
June 30, 2010	\$ 409,701	100.00%	\$ -
June 30, 2009	423,076	100.00%	-
June 30, 2008	401,943	100.00%	-

¹ Employer and employee portion only

The required contribution was determined as part of the June 30, 2007 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at June 30, 2007 included (a) an investment rate of return (net of administrative expenses) of 7.50%, (b) projected salary increases ranging from 3.75% to 5.60% per year for general government employees and 3.50% to 4.75% for employees eligible for enhanced benefits available to law enforcement officers, firefighters, and sheriffs, and (c) a cost of living adjustment of 2.50% per year. Both the investment rate of return and the projected salary increases include an inflation component of 2.50%. The actuarial value of the County's and the County School Board's assets is equal to the modified market value of assets. This method uses techniques that smooth the effects of short-term volatility in the market value of assets over a five-year period. The County's and School Board's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2007 was 20 years.

COUNTY OF ACCOMACK, VIRGINIA
NOTES TO FINANCIAL STATEMENTS

At June 30, 2010 (Continued)

21. DEFINED BENEFIT PENSION PLAN-continued

D. Funded Status and Funding Progress

As of June 30, 2009, the most recent actuarial valuation date, the County's plan was 101.78% funded. The actuarial accrued liability for benefits was \$38,592,379, and the actuarial value of assets was \$39,280,782, resulting in an unfunded actuarial accrued liability (UAAL) of (\$688,403). The covered payroll (annual payroll of active employees covered by the plan) was \$10,408,840 and ratio of the UAAL to the covered payroll was (6.61%).

As of June 30, 2009 the most recent actuarial valuation date, the County School Board's plan was 90.81% funded. The actuarial accrued liability for benefits was \$9,246,529, and the actuarial value of assets was \$8,396,983, resulting in an unfunded actuarial accrued liability (UAAL) of \$849,545. The covered payroll (annual payroll of active employees covered by the plan) was \$3,280,042, and ratio of UAAL to the covered payroll was 25.90%.

The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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.



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COUNTY OF ACCOMACK, VIRGINIA

SCHEDULE OF FUNDING PROGRESS FOR DEFINED BENEFIT PENSION PLAN AND OTHER POST EMPLOYMENT BENEFITS

LAST THREE YEARS

Exhibit 11

Virginia Retirement System

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded (Overfunded) Actuarial Accrued Liability (UAAL)	Funded Ratio (2)/(3)	Covered Payroll Payroll	UAAL as a percentage Of Covered (4)/(6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)

A. Primary Government:

June 30, 2009	\$	39,280,782	\$	38,592,379	\$	(688,403)	101.8%	\$	10,408,840	-6.6%
June 30, 2008		38,935,795		36,250,419		(2,685,376)	107.4%		10,241,539	-26.2%
June 30, 2007		35,483,262		30,805,624		(4,677,638)	115.2%		9,462,742	-49.4%

B. Discretely Presented School Board Component Unit:

June 30, 2009	\$	8,396,983	\$	9,246,529	\$	849,546	90.8%	\$	3,280,042	25.9%
June 30, 2008		8,207,221		8,672,949		465,728	94.6%		3,267,467	14.3%
June 30, 2007		7,308,242		8,103,015		794,773	90.2%		3,300,092	24.1%

Other Post Employment Benefits²

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded (Overfunded) Actuarial Accrued Liability (UAAL)	Funded Ratio (2)/(3)	Covered Payroll Payroll	UAAL as a percentage Of Covered (4)/(6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)

A. Primary Government:

June 30, 2010	\$	-	\$	4,803,803	\$	4,803,803	0.0%	\$	10,321,000	46.5%
June 30, 2009		-		4,163,000		4,163,000	0.0%		10,069,000	41.3%

B. Discretely Presented School Board Component Unit:

June 30, 2010	\$	-	\$	3,308,000	\$	3,308,000	0.0%	\$	23,581,000	14.0%
June 30, 2009		-		3,043,000		3,043,000	0.0%		23,006,000	13.2%

¹ Nonprofessional employees only.

² Three years of data is not available but will be accumulated over time.

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

Exhibit 12
Page 1 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
General property taxes	\$ 20,440,605	\$ 20,813,372	\$ 21,910,643	\$ 1,097,271
Other local taxes	5,978,212	5,748,212	6,102,292	354,080
Permits, fees and licenses	491,060	550,315	443,079	(107,236)
Fines and forfeitures	75,000	75,000	74,527	(473)
Revenue from the use of money and property	414,540	414,540	339,826	(74,714)
Charges for services	394,630	409,630	435,862	26,232
Miscellaneous	-	81,307	286,870	205,563
Recovered costs	70,552	114,157	177,871	63,714
Intergovernmental	6,889,440	9,167,858	7,633,904	(1,533,954)
Total revenues	34,754,039	37,374,391	37,404,874	30,483
Expenditures:				
General government administration:				
Legislative:				
Board of supervisors	209,512	209,512	205,751	3,761
General and financial administration:				
County administrator	492,650	539,708	486,657	53,051
Legal services	210,670	210,926	205,892	5,034
Commissioner of the revenue	277,599	277,815	255,584	22,231
County assessor	819,899	743,700	602,626	141,074
Treasurer	440,888	510,888	479,852	31,036
Central accounting	263,914	318,970	292,813	26,157
Information technology	508,652	460,163	436,217	23,946
Risk management	142,450	142,450	126,539	15,911
Total general and financial administration	3,156,722	3,204,620	2,886,180	318,440
Board of elections:				
Electoral board	48,628	56,628	52,380	4,248
Registrar	113,768	114,048	105,977	8,071
Total board of elections	162,396	170,676	158,357	12,319
Total general government administration	3,528,630	3,584,808	3,250,288	334,520
Judicial administration:				
Courts:				
Circuit court	78,823	79,455	63,144	16,311
General district court	9,971	9,971	9,606	365
Chief magistrate	12,637	12,637	11,068	1,569
Juvenile and domestic relations court	13,650	13,650	11,024	2,626
Clerk of the circuit court	353,995	390,729	389,640	1,089
Sheriff court services	555,048	458,354	423,619	34,735
Commissioner of accounts	214	214	214	-
Victim and witness assistance	4,983	54,817	52,020	2,797
Total courts	1,029,321	1,019,827	960,335	59,492
Commonwealth's attorney	403,097	403,097	395,190	7,907
Total judicial administration	1,432,418	1,422,924	1,355,525	67,399
Public safety:				
Law enforcement and traffic control:				
Sheriff law enforcement	1,683,626	2,033,559	1,987,364	46,195
Fire and rescue services:				
Volunteer fire and rescue	263,510	295,172	257,014	38,158
Emergency medical services	163,976	243,288	230,718	12,570
Total fire and rescue services	427,486	538,460	487,732	50,728

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010 (continued)

Exhibit 12
Page 2 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Public safety: (continued)				
Correction and detention:				
Jail	\$ 2,150,845	\$ 2,139,361	\$ 1,850,756	\$ 288,605
Juvenile probation	80,866	130,284	97,515	32,769
Community correction	-	88,453	88,487	(34)
Total correction and detention	2,231,711	2,358,098	2,036,758	321,340
Other protection:				
Building and zoning	459,257	462,797	444,376	18,421
Ordinance enforcement	62,075	8,837	79	8,758
Animal control	101,304	101,304	99,696	1,608
Regional animal control facility	98,932	98,932	74,174	24,758
S.P.C.A. supplement	921	1,212	1,212	-
Emergency services	89,121	337,796	244,679	93,117
Medical examiner	-	-	1,690	(1,690)
Total other protection	811,610	1,010,878	865,906	144,972
Total public safety	5,154,433	5,940,995	5,377,760	563,235
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Storm drainage	152,003	219,586	133,249	86,337
Sanitation and waste removal:				
General operations	176,983	178,832	177,770	1,062
Refuse disposal	1,255,509	1,161,709	1,086,234	75,475
Refuse collection	602,801	603,488	429,824	173,664
Maintenance garage	169,936	203,887	191,993	11,894
Litter control	185,085	207,145	191,568	15,577
Total sanitation and waste removal	2,390,314	2,355,061	2,077,389	277,672
Maintenance of buildings and grounds:				
Buildings and grounds	884,774	892,194	880,051	12,143
Total public works	3,427,091	3,466,841	3,090,689	376,152
Health and welfare:				
Health:				
Local health department supplement	477,319	492,319	492,319	-
Rural health dental program supplement	4,971	4,971	4,971	-
Total health	482,290	497,290	497,290	-
Mental health and mental retardation:				
Community services board supplement	134,995	134,995	134,995	-
Welfare:				
Property tax relief for the elderly	142,025	142,025	109,788	32,237
Area agency on aging supplement	18,430	18,430	18,430	-
Total welfare	160,455	160,455	128,218	32,237
Total health and welfare	777,740	792,740	760,503	32,237

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010 (continued)

Exhibit 12
Page 3 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Education:				
Contribution to School Board component unit	\$ 14,812,272	\$ 14,812,272	\$ 14,812,272	\$ -
Community College supplement	41,028	41,028	41,028	-
Total education	14,853,300	14,853,300	14,853,300	-
Parks, recreation and cultural:				
Parks and recreation:				
Recreation administration and maintenance	298,677	300,917	298,870	2,047
Summer food program	-	92,138	90,098	2,040
Boating facilities	44,713	44,713	35,690	9,023
Total parks and recreation	343,390	437,768	424,658	13,110
Cultural enrichment:				
Translator television	74,457	74,457	74,437	20
Contribution to Public Library component unit	319,259	319,259	319,259	-
Total cultural enrichment	393,716	393,716	393,696	20
Total parks, recreation and cultural	737,106	831,484	818,354	13,130
Community development:				
Planning and community development:				
Economic Development	98,181	94,919	80,589	14,330
Contribution to Planning Dist. Commission component unit	63,123	63,123	63,123	-
Housing/Redevelopment Corp. supplement	9,215	9,215	9,215	-
Planning	399,631	426,965	407,101	19,864
Tourism Commission supplement	64,058	64,058	64,058	-
Chamber of Commerce supplement	921	-	-	-
Star Transit public transportation supplement	29,524	29,524	29,524	-
Transportation District Commission supplement	6,704	6,704	6,704	-
Contribution to Airport Commission component unit	174,099	174,715	174,715	-
Small Business Development Center supplement	4,607	4,607	4,607	-
Total planning and community development	850,063	873,830	839,636	34,194
Environmental management:				
Johnsongrass/gypsy moth control program	10,000	10,000	10,014	(14)
Soil and Water Conservation District supplement	21,154	21,154	21,154	-
Contribution to Planning Dist. Commission component unit	19,721	19,721	19,721	-
Wallops Research Park	-	18,000	21,548	(3,548)
Hazard mitigation projects	-	1,592,357	523,650	1,068,707
Resource Conservation and Dev. Council supplement	8,883	8,883	8,883	-
Total environmental management	59,758	1,670,115	604,970	1,065,145
Cooperative extension program	128,129	132,128	121,616	10,512
Total community development	1,037,950	2,676,073	1,566,222	1,109,851
Nondepartmental:				
Contingency	168,846	45,324	-	45,324

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010 (continued)

Exhibit 12
Page 4 of 4

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Expenditures: (continued)				
Debt service	\$ 313,434	\$ 446,450	\$ 388,874	\$ 57,576
Total expenditures	31,430,948	34,060,939	31,461,515	2,599,424
Revenues over (under) expenditures	3,323,091	3,313,452	5,943,359	2,629,907
Other Financing Sources (Uses):				
Refunding bonds issued	-	4,288,049	4,263,000	(25,049)
Revenue anticipation note/line of credit draws	-	-	51,000	51,000
Payment to refunded bond escrow agent	-	(4,403,208)	(4,403,208)	-
Transfers in	385,802	385,802	385,802	-
Transfers out	(2,358,893)	(2,951,124)	(2,566,770)	384,354
Total other financing sources (uses)	(1,973,091)	(2,680,481)	(2,270,176)	410,305
Net changes in fund balance	1,350,000	632,971	3,673,183	3,040,212
Fund balance, beginning of year	5,893,869	4,055,119	4,157,806	102,687
Fund balance, end of year	\$ 7,243,869	\$ 4,688,090	\$ 7,830,989	\$ 3,142,899

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, 2010

Exhibit 13

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,750,874	3,749,927	3,317,231	(432,696)
Total revenues	3,750,874	3,749,927	3,317,231	(432,696)
Expenditures:				
Health and welfare				
Welfare administration	2,967,322	2,956,077	2,836,292	119,785
Public assistance	1,142,505	1,154,706	878,303	276,403
Fuel administration	47,338	47,338	40,160	7,178
Local only administration	116,754	116,197	73,894	42,303
CDC quality initiative program	10,558	10,558	10,009	549
Eligibility pass-through	16,317	16,317	-	16,317
Total expenditures	4,300,794	4,301,193	3,838,658	462,535
Revenues over (under) expenditures	(549,920)	(551,266)	(521,427)	29,839
Other financing sources (uses):				
Transfers in	682,741	684,087	608,609	(75,478)
Transfers out	(132,821)	(132,821)	(87,182)	45,639
Total other financing sources (uses)	549,920	551,266	521,427	(29,839)
Net changes in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMPREHENSIVE YOUTH SERVICES FUND
FOR THE YEAR ENDED JUNE 30, 2010

Exhibit 14

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ 109,598	\$ 109,598	\$ 230,662	\$ 121,064
Intergovernmental	1,621,375	1,668,113	1,986,585	318,472
Total revenues	1,730,973	1,777,711	2,217,247	439,536
Expenditures:				
Health and welfare:				
Welfare:				
CSA trust-family support program	159,890	159,890	98,338	61,552
Teen pregnancy prevention program	49,076	49,076	45,198	3,878
Health families initiative	-	46,738	45,430	1,308
CSA pooled services for youth and families program	2,244,083	2,244,083	2,462,407	(218,324)
Total expenditures	2,453,049	2,499,787	2,651,373	(151,586)
Revenues over (under) expenditures	(722,076)	(722,076)	(434,126)	287,950
Other financing sources (uses):				
Transfers in	722,076	722,076	439,859	(282,217)
Total other financing sources (uses)	722,076	722,076	439,859	(282,217)
Net changes in fund balance	-	-	5,733	5,733
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 5,733	\$ 5,733



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Other Supplemental Information



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Nonmajor Governmental Funds

Special Revenue Funds-Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

- Law Library Fund-Accounts for revenues and expenditures associated with the County's law library.
- 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.
- E-911 Systems Fund- Accounts for tax revenues restricted for use on the County's E-911 enhanced emergency telephone system.
- Fire Programs Fund- Accounts for grant revenues received from the Commonwealth Department of Fire Programs which are restricted for fire education, training and related.
- Hazardous Materials Fund- Accounts for revenues and expenditures associated with hazardous waste clean-up.
- 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.
- Consolidated Emergency Medical Services Fund-Accounts for revenues derived from a special property tax levied on all residents of the County except for those located in the Town of Chincoteague. Expenditures are restricted for use on fire and rescue services.
- Fire and Rescue District 2 Fund-Accounts for revenues derived from a special property tax levied on residents of the Atlantic fire and rescue district (district 2). Expenditures are restricted for use on fire and rescue services within this district.
- Fire and Rescue District 3 Fund-Accounts for revenues derived from a special property tax levied on residents of the Metompkin fire and rescue district (district 3). Expenditures are restricted for use on fire and rescue services within this district.
- Fire and Rescue District 4 Fund-Accounts for revenues derived from a special property tax levied on residents of the Lee fire and rescue district (district 4) and select charges for medical services. Expenditures are restricted for use on fire and rescue services within this district.
- Fire and Rescue District 5 Fund-Accounts for revenues derived from a special property tax levied on residents of the Pungoteague fire and rescue district (district 5). Expenditures are restricted for use on fire and rescue services within this district.

COUNTY OF ACCOMACK, VIRGINIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AT JUNE 30, 2010

	Special Revenue					
	Law Library Fund	Drug Seizures Fund	E-911 Courthouse Systems Fund	Security Fund	Fire Programs Fund	Hazardous Materials Fund
Assets:						
Cash and cash equivalents held by Treasurer	\$ 8,795	\$ 21,078	\$ 26,392	\$ 98,426	\$ 262,926	\$ 6,020
Receivables (net):						
Taxes, including penalties	-	-	-	-	-	-
Accounts / other	706	-	-	6,299	345	-
Notes receivable	-	-	-	-	-	-
Total assets	9,501	21,078	26,392	104,725	263,271	6,020
Liabilities:						
Accounts payable	127	109	-	-	544	364
Wages payable	-	-	-	847	-	-
Due to other government entities:						
Commonwealth of Virginia	-	-	-	-	-	-
Northampton County	-	-	26,392	-	-	-
Interfund payable	-	-	-	-	-	-
Deferred revenues	-	-	-	-	208,815	-
Total liabilities	127	109	26,392	847	209,359	364
Fund Balances:						
Unreserved, designated for courthouse security	-	-	-	103,878	-	-
Unreserved, designated for the fire training center	-	-	-	-	53,912	-
Unreserved, designated for fire and rescue companies	-	-	-	-	-	-
Unreserved, designated for fire and rescue salaries	-	-	-	-	-	-
Unreserved, designated for mosquito control	-	-	-	-	-	-
Unreserved, undesignated	9,374	20,969	-	-	-	5,656
Total fund balances	9,374	20,969	-	103,878	53,912	5,656
Total liabilities and fund balances	\$ 9,501	\$ 21,078	\$ 26,392	\$ 104,725	\$ 263,271	\$ 6,020

Special Revenue							
Rehabilitation Projects Fund	Captains Cove Greenbackville Mosquito Control Fund	Consolidated Emergency Services Fund	Fire & Rescue District 2 Fund	Fire & Rescue District 3 Fund	Fire & Rescue District 4 Fund	Fire & Rescue District 5 Fund	Total Nonmajor Governmental Funds
\$ 175,231	\$ 34,065	\$ 656,358	\$ 178,767	\$ 70,322	\$ 106,744	\$ 142,188	\$ 1,787,312
-	10,179	344,006	71,112	25,380	43,907	50,638	545,222
-	-	23,625	-	-	-	-	30,975
78,908	-	-	-	-	-	-	78,908
254,139	44,244	1,023,989	249,879	95,702	150,651	192,826	2,442,417
4,443	16,371	37,806	91,569	35,169	33,610	68,970	289,082
-	-	823	-	-	-	-	1,670
3,096	-	-	-	-	-	-	3,096
-	-	-	-	-	-	-	26,392
25,000	-	-	-	-	-	-	25,000
78,908	11,935	350,202	61,271	24,410	41,338	47,644	824,523
111,447	28,306	388,831	152,840	59,579	74,948	116,614	1,169,763
-	-	-	-	-	-	-	103,878
-	-	-	-	-	-	-	53,912
-	-	-	97,039	36,123	75,703	76,212	285,077
-	-	635,158	-	-	-	-	635,158
-	15,938	-	-	-	-	-	15,938
142,692	-	-	-	-	-	-	178,691
142,692	15,938	635,158	97,039	36,123	75,703	76,212	1,272,654
\$ 254,139	\$ 44,244	\$ 1,023,989	\$ 249,879	\$ 95,702	\$ 150,651	\$ 192,826	\$ 2,442,417

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Special Revenue						
	Law Library Fund	Drug Seizures Fund	E-911 Fire Systems Fund	Programs Fund	Courthouse Security Fund	Hazardous Materials Fund	Rehabilitation Projects Fund
Revenues:							
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes	8,319	-	-	-	74,797	-	-
Revenue from the use of money and property	-	-	-	340	-	-	69
Miscellaneous	-	-	8,249	47,992	-	-	12,383
Recovered costs	-	-	-	-	-	-	56,461
Intergovernmental	-	4,525	10,970	59,734	-	5,000	73,975
Total revenues	8,319	4,525	19,219	108,066	74,797	5,000	142,888
Expenditures:							
Judicial administration	126	-	-	-	24,246	-	-
Public safety	-	2,247	423,049	64,418	-	15,061	-
Health and welfare	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	74,323
Total expenditures	126	2,247	423,049	64,418	24,246	15,061	74,323
Revenues over (under) expenditures	8,193	2,278	(403,830)	43,648	50,551	(10,061)	68,565
Other financing sources (uses):							
Transfers in	-	-	403,830	-	53,327	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	403,830	-	53,327	-	-
Net change in fund balances	8,193	2,278	-	43,648	103,878	(10,061)	68,565
Fund balance, beginning of year	1,181	18,691	-	10,264	-	15,717	74,127
Fund balance, end of year	\$ 9,374	\$ 20,969	\$ -	\$ 53,912	\$ 103,878	\$ 5,656	\$ 142,692

Exhibit 16

Special Revenue						
Captains Cove Greenbackville Mosquito Control Fund	Consolidated Emergency Medical Services Fund	Fire & Rescue District 2 Fund	Fire & Rescue District 3 Fund	Fire & Rescue District 4 Fund	Fire & Rescue District 5 Fund	Total Nonmajor Governmental Funds
\$ 62,853	\$ 1,895,819	\$ 419,944	\$ 131,380	\$ 222,561	\$ 274,272	\$ 3,006,829
-	-	-	-	-	-	83,116
-	-	-	-	-	-	409
-	137,498	-	-	-	-	206,122
-	-	-	-	-	-	56,461
-	64,618	16,312	7,462	9,287	8,955	260,838
62,853	2,097,935	436,256	138,842	231,848	283,227	3,613,775
-	-	-	-	-	-	24,372
-	1,847,902	419,464	131,842	203,875	273,979	3,381,837
65,344	-	-	-	-	-	65,344
-	-	-	-	-	-	74,323
65,344	1,847,902	419,464	131,842	203,875	273,979	3,545,876
(2,491)	250,033	16,792	7,000	27,973	9,248	67,899
-	-	-	-	-	-	457,157
-	-	-	-	-	-	-
-	-	-	-	-	-	457,157
(2,491)	250,033	16,792	7,000	27,973	9,248	525,056
18,429	385,125	80,247	29,123	47,730	66,964	747,598
\$ 15,938	\$ 635,158	\$ 97,039	\$ 36,123	\$ 75,703	\$ 76,212	\$ 1,272,654

COUNTY OF ACCOMACK, VIRGINIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Law Library Fund			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
General property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	7,000	7,000	8,319	1,319
Revenue from the use of money and property	-	-	-	-
Miscellaneous	-	-	-	-
Recovered costs	-	-	-	-
Intergovernmental	-	-	-	-
Total revenues	7,000	7,000	8,319	1,319
Expenditures:				
Judicial administration	7,000	7,000	126	6,874
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	7,000	7,000	126	6,874
Revenues over (under) expenditures	-	-	8,193	8,193
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	-	-	8,193	8,193
Fund balance, beginning of year	1,181	1,181	1,181	-
Fund balance, end of year	\$ 1,181	\$ 1,181	\$ 9,374	\$ 8,193

Drug Seizures Fund				E-911 Systems Fund			
Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	8,980	8,249	(731)
-	-	-	-	-	-	-	-
2,000	2,000	4,525	2,525	-	10,970	10,970	-
2,000	2,000	4,525	2,525	-	19,950	19,219	(731)
-	-	-	-	-	-	-	-
2,000	2,000	2,247	(247)	433,494	421,914	423,049	(1,135)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,000	2,000	2,247	(247)	433,494	421,914	423,049	(1,135)
-	-	2,278	2,278	(433,494)	(401,964)	(403,830)	(1,866)
-	-	-	-	433,494	401,964	403,830	1,866
-	-	-	-	-	-	-	-
-	-	-	-	433,494	401,964	403,830	1,866
-	-	2,278	2,278	-	-	-	-
18,691	18,691	18,691	-	-	-	-	-
\$ 18,691	\$ 18,691	\$ 20,969	\$ 2,278	\$ -	\$ -	\$ -	\$ -

COUNTY OF ACCOMACK, VIRGINIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010 (continued)

	Fire Programs Fund			Variance From Final Budget Positive (Negative)
	Budgeted Amounts			
	Original	Final	Actual	
Revenues:				
General property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Revenue from the use of money and property	-	-	340	340
Miscellaneous	6,700	42,587	47,992	5,405
Recovered costs	-	-	-	-
Intergovernmental	-	11,070	59,734	48,664
Total revenues	6,700	53,657	108,066	54,409
Expenditures:				
Judicial administration	-	-	-	-
Public safety	41,250	93,507	64,418	29,089
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	41,250	93,507	64,418	29,089
Revenues over (under) expenditures	(34,550)	(39,850)	43,648	83,498
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	(34,550)	(39,850)	43,648	83,498
Fund balance, beginning of year	10,264	10,264	10,264	-
Fund balance, end of year	\$ (24,286)	\$ (29,586)	\$ 53,912	\$ 83,498

Courthouse Security Fund				Hazardous Materials Fund			
Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	67,000	74,797	7,797	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	5,000	5,000	5,000	-
-	67,000	74,797	7,797	5,000	5,000	5,000	-
-	67,000	24,246	42,754	-	-	-	-
-	-	-	-	21,000	15,500	15,061	439
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	67,000	24,246	42,754	21,000	15,500	15,061	439
-	-	50,551	50,551	(16,000)	(10,500)	(10,061)	439
-	-	53,327	53,327	-	-	-	-
-	-	-	-	-	-	-	-
-	-	53,327	53,327	-	-	-	-
-	-	103,878	103,878	(16,000)	(10,500)	(10,061)	439
-	-	-	-	15,717	15,717	15,717	-
\$ -	\$ -	\$ 103,878	\$ 103,878	\$ (283)	\$ 5,217	\$ 5,656	\$ 439

COUNTY OF ACCOMACK, VIRGINIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010 (continued)

	Rehabilitation Projects Fund			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
General property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Revenue from the use of money and property	-	-	69	69
Miscellaneous	-	-	12,383	12,383
Recovered costs	-	-	56,461	56,461
Intergovernmental	-	569,330	73,975	(495,355)
Total revenues	-	569,330	142,888	(426,442)
Expenditures:				
Judicial administration	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Community development	-	569,330	74,323	495,007
Total expenditures	-	569,330	74,323	495,007
Revenues over (under) expenditures	-	-	68,565	68,565
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	-	-	68,565	68,565
Fund balance, beginning of year	74,127	74,127	74,127	-
Fund balance, end of year	\$ 74,127	\$ 74,127	\$ 142,692	\$ 68,565

Captains Cove and Greenbackville Mosquito Control Fund				Consolidated EMS Fund			
Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ 61,588	\$ 61,588	\$ 62,853	\$ 1,265	\$ 1,606,470	\$ 1,745,858	\$ 1,895,819	\$ 149,961
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	134,132	134,132	137,498	3,366
-	-	-	-	-	-	-	-
-	-	-	-	48,422	48,422	64,618	16,196
61,588	61,588	62,853	1,265	1,789,024	1,928,412	2,097,935	169,523
-	-	-	-	-	-	-	-
-	-	-	-	1,870,485	1,870,485	1,847,902	22,583
61,588	61,588	65,344	(3,756)	-	-	-	-
-	-	-	-	-	-	-	-
61,588	61,588	65,344	(3,756)	1,870,485	1,870,485	1,847,902	22,583
-	-	(2,491)	(2,491)	(81,461)	57,927	250,033	192,106
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	(2,491)	(2,491)	(81,461)	57,927	250,033	192,106
18,429	18,429	18,429	-	385,125	385,125	385,125	-
\$ 18,429	\$ 18,429	\$ 15,938	\$ (2,491)	\$ 303,664	\$ 443,052	\$ 635,158	\$ 192,106

COUNTY OF ACCOMACK, VIRGINIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010 (continued)

	Fire & Rescue District 2 Fund			Variance From Final Budget Positive (Negative)
	Budgeted Amounts			
	Original	Final	Actual	
Revenues:				
General property taxes	\$ 368,680	\$ 402,988	\$ 419,944	\$ 16,956
Other local taxes	-	-	-	-
Revenue from the use of money and property	-	-	-	-
Miscellaneous	-	-	-	-
Recovered costs	-	-	-	-
Intergovernmental	17,612	17,612	16,312	(1,300)
Total revenues	386,292	420,600	436,256	15,656
Expenditures:				
Judicial administration	-	-	-	-
Public safety	386,292	420,600	419,464	1,136
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	386,292	420,600	419,464	1,136
Revenues over (under) expenditures	-	-	16,792	16,792
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	-	-	16,792	16,792
Fund balance, beginning of year	80,247	80,247	80,247	-
Fund balance, end of year	\$ 80,247	\$ 80,247	\$ 97,039	\$ 16,792

Fire & Rescue District 3 Fund				Fire & Rescue District 4 Fund			
Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ 128,213	\$ 128,304	\$ 131,380	\$ 3,076	\$ 231,506	\$ 234,059	\$ 222,561	\$ (11,498)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
8,107	8,107	7,462	(645)	10,895	10,895	9,287	(1,608)
136,320	136,411	138,842	2,431	242,401	244,954	231,848	(13,106)
-	-	-	-	-	-	-	-
136,320	136,411	131,842	4,569	242,401	244,954	203,875	41,079
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
136,320	136,411	131,842	4,569	242,401	244,954	203,875	41,079
-	-	7,000	7,000	-	-	27,973	27,973
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	7,000	7,000	-	-	27,973	27,973
29,123	29,123	29,123	-	47,730	47,730	47,730	-
\$ 29,123	\$ 29,123	\$ 36,123	\$ 7,000	\$ 47,730	\$ 47,730	\$ 75,703	\$ 27,973

COUNTY OF ACCOMACK, VIRGINIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010 (continued)

	Fire & Rescue District 5 Fund			Variance From Final Budget Positive (Negative)
	Budgeted Amounts			
	Original	Final	Actual	
Revenues:				
General property taxes	\$ 267,841	\$ 268,535	\$ 274,272	\$ 5,737
Other local taxes	-	-	-	-
Revenue from the use of money and property	-	-	-	-
Miscellaneous	-	-	-	-
Recovered costs	-	-	-	-
Intergovernmental	10,342	10,342	8,955	(1,387)
Total revenues	278,183	278,877	283,227	4,350
Expenditures:				
Judicial administration	-	-	-	-
Public safety	278,183	278,877	273,979	4,898
Health and welfare	-	-	-	-
Community development	-	-	-	-
Total expenditures	278,183	278,877	273,979	4,898
Revenues over (under) expenditures	-	-	9,248	9,248
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	-	-	9,248	9,248
Fund balance, beginning of year	66,964	66,964	66,964	-
Fund balance, end of year	\$ 66,964	\$ 66,964	\$ 76,212	\$ 9,248

Total Nonmajor Governmental Funds			
Budgeted Amounts		Actual	Variance From Final Budget Positive (Negative)
Original	Final		
\$ 2,664,298	\$ 2,841,332	\$ 3,006,829	\$ 165,497
7,000	74,000	83,116	9,116
-	-	409	409
140,832	185,699	206,122	20,423
-	-	56,461	56,461
102,378	693,748	260,838	(432,910)
2,914,508	3,794,779	3,613,775	(181,004)
7,000	74,000	24,372	49,628
3,411,425	3,484,248	3,381,837	102,411
61,588	61,588	65,344	(3,756)
-	569,330	74,323	495,007
3,480,013	4,189,166	3,545,876	643,290
(565,505)	(394,387)	67,899	462,286
433,494	401,964	457,157	55,193
-	-	-	-
433,494	401,964	457,157	55,193
(132,011)	7,577	525,056	517,479
747,598	747,598	747,598	-
\$ 615,587	\$ 755,175	\$ 1,272,654	\$ 517,479

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SCHOOL DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2010

Exhibit 18

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
General property taxes	\$ 3,037,234	\$ 3,128,521	\$ 3,603,423	\$ 474,902
Miscellaneous	-	-	32,757	32,757
Intergovernmental	56,199	56,199	82,362	26,163
Total revenues	3,093,433	3,184,720	3,718,542	533,822
Expenditures:				
Debt Service:				
Principal	2,354,292	2,354,292	2,357,292	(3,000)
Interest and fiscal charges	1,871,311	1,871,311	1,901,713	(30,402)
Total expenditures	4,225,603	4,225,603	4,259,005	(33,402)
Revenues over (under) expenditures	(1,132,170)	(1,040,883)	(540,463)	500,420
Other financing sources (uses):				
Transfers in	290,000	290,000	286,261	(3,739)
Total other financing sources (uses)	290,000	290,000	286,261	(3,739)
Net changes in fund balance	(842,170)	(750,883)	(254,202)	496,681
Fund balance, beginning of year	1,058,595	1,058,595	1,113,943	55,348
Fund balance, end of year	\$ 216,425	\$ 307,712	\$ 859,741	\$ 552,029

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, 2010

Exhibit 19

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 3,820	\$ 3,820
Intergovernmental	-	457,849	403,276	(54,573)
Total revenues	-	457,849	407,096	(50,753)
Expenditures:				
General government administration	246,989	361,641	279,051	82,590
Public works	-	1,283,434	167,002	1,116,432
Parks and recreation	-	560,216	411,454	148,762
Community development	-	77,793	83,871	(6,078)
Total expenditures	246,989	2,283,084	941,378	1,341,706
Revenues over (under) expenditures	(246,989)	(1,825,235)	(534,282)	1,290,953
Other financing sources (uses):				
Transfers in	493,978	649,048	575,535	(73,513)
Transfers out	-	(216,088)	(220,614)	(4,526)
Total other financing sources (uses)	493,978	432,960	354,921	(78,039)
Net changes in fund balance	246,989	(1,392,275)	(179,361)	1,212,914
Fund balance, beginning of year	3,071,265	(1,777,780)	1,407,397	3,185,177
Fund balance, end of year	\$ 3,318,254	\$ (3,170,055)	\$ 1,228,036	\$ 4,398,091



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Nonmajor Proprietary Funds

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

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

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR PROPRIETARY FUNDS
AT JUNE 30, 2010

Exhibit 20

	Business-type Activities-Enterprise Funds		
	Nonmajor Funds		
	Water & Sewer Fund	Parks and Recreation Revolving Fund	Total
<u>Assets:</u>			
Current assets:			
Cash and cash equivalents	\$ 87,467	\$ 110,840	\$ 198,307
Accounts receivable (net of allowance for uncollectibles)	23,942	240	24,182
Total current assets	111,409	111,080	222,489
Noncurrent assets:			
Capital Assets (net of accumulated depreciation):			
Buildings	8,311	-	8,311
Improvements other than buildings	101,775	-	101,775
Machinery and equipment	16,801	29,227	46,028
Total capital assets	126,887	29,227	156,114
Total assets	238,296	140,307	378,603
<u>Liabilities:</u>			
Current liabilities:			
Accounts payable	12,135	11,806	23,941
Compensated absences-current	4,449	-	4,449
Total current liabilities	16,584	11,806	28,390
Noncurrent liabilities:			
Compensated absences	550	-	550
Total noncurrent liabilities	550	-	550
Total liabilities	17,134	11,806	28,940
<u>Net Assets:</u>			
Invested in capital assets, net of related debt	126,887	29,227	156,114
Unrestricted	94,275	99,274	193,549
Total net assets	\$ 221,162	\$ 128,501	\$ 349,663

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

Exhibit 21

	Business-type Activities-Enterprise Funds		
	Nonmajor Funds		
	Water & Sewer Fund	Parks and Recreation Revolving Fund	Total
Operating revenues:			
Charges for services	\$ 194,458	\$ 62,750	\$ 257,208
Operating expenses:			
Personnel services and fringe benefits	52,212	823	53,035
Other operating expenses	174,674	66,156	240,830
Depreciation	19,930	7,639	27,569
Total operating expenses	246,816	74,618	321,434
Operating income (loss)	(52,358)	(11,868)	(64,226)
Nonoperating revenues (expenses):			
Gain on the sale of assets	-	400	400
Total nonoperating revenues (expenses)	-	400	400
Income (loss) before transfers	(52,358)	(11,468)	(63,826)
Transfers:			
Transfers in	132,044	5,354	137,398
Changes in net assets	79,686	(6,114)	73,572
Total net assets, beginning of year	141,476	134,615	276,091
Total net assets, end of year	\$ 221,162	\$ 128,501	\$ 349,663

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

Exhibit 22

	Business-type Activities-Enterprise Funds		
	Nonmajor Funds		
	Water & Sewer Fund	Parks and Recreation Revolving Fund	Total
Cash flows from operating activities:			
Receipts from customers	\$ 192,595	\$ 62,510	\$ 255,105
Payments to suppliers	(173,013)	(39,082)	(212,095)
Payments to employees and benefits paid on behalf of employees	(52,554)	(824)	(53,378)
Net cash provided by operating activities	(32,972)	22,604	(10,368)
Cash flows from noncapital financing activities:			
Repayment of advance from the General Fund	(11,605)	-	(11,605)
Transfer from the General Fund	132,044	5,354	137,398
Net cash used for noncapital financing activities	120,439	5,354	125,793
Cash flows from capital and related financing activities:			
Proceeds from sale of capital assets	-	400	400
Net cash used for capital and related financing activities	-	400	400
Net increase in cash and cash equivalents	87,467	28,358	115,825
Cash and cash equivalents, beginning of year	-	82,482	82,482
Cash and cash equivalents, end of year	\$ 87,467	\$ 110,840	\$ 198,307
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ (52,358)	\$ (11,868)	\$ (64,226)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	19,930	7,639	27,569
Loss on retired assets	-	20,351	20,351
Changes in assets and liabilities:			
(Increase) Decrease in accounts receivable	(1,863)	(240)	(2,103)
Increase (Decrease) in accounts payable	1,661	6,722	8,383
Increase (Decrease) in compensated absences payable	(342)	-	(342)
Total adjustments	(544)	6,482	5,938
Net cash provided by operating activities	\$ (32,972)	\$ 22,604	\$ (10,368)

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 fund 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.

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
AT JUNE 30, 2010

Exhibit 23

	Agency Funds			
	Special Welfare Fund	War Memorial Fund	Sheriff Canteen Fund	Totals
<u>Assets:</u>				
Cash & cash equivalents held by Treasurer	\$ 40,150	\$ 2,975	\$ -	\$ 43,125
Cash & cash equivalents in custody of others	-	-	22,204	22,204
Total assets	<u>40,150</u>	<u>2,975</u>	<u>22,204</u>	<u>65,329</u>
<u>Liabilities:</u>				
Amounts held for social service clients	40,150	-	-	40,150
Amounts held for others	-	-	22,204	22,204
Amounts held for war memorial ceremonies	-	2,975	-	2,975
Total liabilities	<u>\$ 40,150</u>	<u>\$ 2,975</u>	<u>\$ 22,204</u>	<u>\$ 65,329</u>

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

Exhibit 24

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010
Special Welfare Fund:				
<u>Assets:</u>				
Cash and cash equivalents	\$ 39,600	\$ 71,748	\$ 71,198	\$ 40,150
<u>Liabilities:</u>				
Amount held for clients	39,600	\$ 71,748	\$ 71,198	40,150
War Memorial Fund:				
<u>Assets:</u>				
Cash and cash equivalents	2,925	50	-	2,975
<u>Liabilities:</u>				
Amount held for War Memorial Fund	2,925	50	-	2,975
Sheriff Canteen:				
<u>Assets:</u>				
Cash and cash equivalents	18,334	141,045	137,175	22,204
<u>Liabilities:</u>				
Amount held for others	18,334	141,045	137,175	22,204
Totals-All Agency Funds:				
<u>Assets:</u>				
Cash and cash equivalents	60,859	212,843	208,373	65,329
<u>Liabilities:</u>				
Amount held for clients	39,600	71,748	71,198	40,150
Amount held for others	18,334	141,045	137,175	22,204
Amount held for War Memorial Fund	2,925	50	-	2,975
Total Liabilities	\$ 60,859	\$ 212,843	\$ 208,373	\$ 65,329



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Discretely Presented Component Unit

School Board

School Operating Fund-Accounts for the primary operating activities of the Accomack County Public Schools.

School Cafeteria Fund-Accounts for the operating activities of school food service facilities.

School Capital Projects Fund-Accounts for the acquisition or construction of major school capital facilities financed, for the most part, by County issued debt.

School Activity Fund-Accounts for the student activity monies maintained on behalf of the students of each school.

COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
STATEMENT OF NET ASSETS
AT JUNE 30, 2010

Exhibit 25

	Governmental Activities
<u>Assets:</u>	
Cash and cash equivalents	\$ 6,574,202
Accounts receivable, net	256,689
Due from other governmental entities	2,906,733
Capital Assets (net of accumulated depreciation):	
Land	977,112
Buildings	27,940,037
Improvements other than buildings	1,218,648
Machinery and equipment	2,532,468
Total assets	<u>42,405,889</u>
<u>Liabilities:</u>	
Accounts payable	2,988,632
Wages and benefits payable	3,863,248
Due to other governmental entities	21,375
Unearned revenue	323,403
Noncurrent liabilities:	
Due within one year	1,621,592
Due in more than one year	503,422
Total liabilities	<u>9,321,672</u>
<u>Net Assets:</u>	
Invested in capital assets, net of related debt	32,668,265
Unrestricted	415,952
Total net assets	<u>\$ 33,084,217</u>

COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE, 30 2010

Exhibit 26

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Discretely Presented School Board Component Unit:					
Governmental activities:					
Education	\$ 53,305,476	\$ 1,141,083	\$ 35,213,851	\$ -	\$ (16,950,542)
Total governmental activities	<u>\$ 53,305,476</u>	<u>\$ 1,141,083</u>	<u>\$ 35,213,851</u>	<u>\$ -</u>	<u>(16,950,542)</u>

General Revenues:

Contribution from local government	16,581,944
Investment earnings	2,816
Miscellaneous	484,917
Total general revenues	<u>17,069,677</u>
Change in net assets	119,135
Net assets, beginning of year	32,965,082
Net assets, end of year	<u>\$ 33,084,217</u>

COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
BALANCE SHEET-GOVERNMENTAL FUNDS
AT JUNE 30, 2010

Exhibit 27

	Major Funds		Nonmajor Fund	Total
	School Operating Fund	School Capital Projects Fund	School Cafeteria Fund	Governmental Funds
Assets:				
Cash and cash equivalents	\$ 5,262,669	\$ 282,112	\$ 1,029,421	\$ 6,574,202
Accounts receivable, net	256,689	-	-	256,689
Due from the Commonwealth	715,553	-	-	715,553
Due from the Federal Government	2,037,506	-	153,674	2,191,180
Total assets	<u>8,272,417</u>	<u>282,112</u>	<u>1,183,095</u>	<u>9,737,624</u>
Liabilities:				
Accounts payable	2,937,384	-	51,248	2,988,632
Wages and benefits payable	3,863,248	-	-	3,863,248
Due to other governmental entities	21,375	-	-	21,375
Deferred grant revenues	323,403	-	-	323,403
Total liabilities	<u>7,145,410</u>	<u>-</u>	<u>51,248</u>	<u>7,196,658</u>
Fund Balances:				
Unreserved, reported in :				
Special Revenue Fund-Designated for capital projects	-	282,112	-	282,112
Special Revenue Fund-Undesignated	1,127,007	-	1,131,847	2,258,854
Total fund balances	<u>1,127,007</u>	<u>282,112</u>	<u>1,131,847</u>	<u>2,540,966</u>
Total liabilities and fund balances	<u>\$ 8,272,417</u>	<u>\$ 282,112</u>	<u>\$ 1,183,095</u>	

Amounts reported for governmental activities in the Statement of Net Assets 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	977,112	
Buildings, net of depreciation	61,285,551	
Improvements other than buildings, net of depreciation	1,218,648	
Machinery and equipment, net of depreciation	2,532,468	
School Board capital assets in primary government, net of depreciation	<u>(33,345,514)</u>	
Total capital assets		32,668,265

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

Compensated absences	(1,822,014)	
Net other postemployment benefit obligation	<u>(303,000)</u>	
Net adjustment		(2,125,014)
Total net assets		<u>\$ 33,084,217</u>

COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

Exhibit 28

	Major Funds		Nonmajor Fund	
	School Operating Fund	School Capital Projects Fund	School Cafeteria Fund	Total Governmental Funds
Revenues:				
Revenue from the use of money and property	\$ -	\$ 838	\$ 1,978	\$ 2,816
Charges for services	34,440	-	649,131	683,571
Miscellaneous	484,917	-	-	484,917
Recovered costs	457,512	-	-	457,512
From the local government	14,812,272	-	-	14,812,272
From the Commonwealth	26,775,747	-	42,463	26,818,210
From the Federal Government	6,535,019	-	1,860,620	8,395,639
Total revenues	<u>49,099,907</u>	<u>838</u>	<u>2,554,192</u>	<u>51,654,937</u>
Expenditures:				
Education:				
Instruction	39,127,848	-	-	39,127,848
Administration of schools	937,097	-	-	937,097
Attendance and health services	1,225,759	-	-	1,225,759
Operation and maintenance services	5,168,568	-	-	5,168,568
Pupil transportation services	2,883,783	-	-	2,883,783
Food services	41,370	-	2,330,147	2,371,517
Total expenditures	<u>49,384,425</u>	<u>-</u>	<u>2,330,147</u>	<u>51,714,572</u>
Revenues over (under) expenditures	<u>(284,518)</u>	<u>838</u>	<u>224,045</u>	<u>(59,635)</u>
Net changes in fund balance	(284,518)	838	224,045	(59,635)
Fund balance, beginning of year	1,411,525	281,274	907,802	2,600,601
Fund balance, end of year	<u>\$ 1,127,007</u>	<u>\$ 282,112</u>	<u>\$ 1,131,847</u>	<u>\$ 2,540,966</u>
Net changes in fund balance per above				\$ (59,635)

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 and the net effect of various miscellaneous transactions involving capital assets increased net assets.

Capital asset expenditures	618,333	
Depreciation on capital assets	(2,028,664)	
Retirement of capital assets	(59,655)	
Net adjustment		(1,469,986)

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 decreased the transfers to the School Board.

1,769,672

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	10,084	
Other postemployment benefit expenses	(131,000)	
Net adjustment		(120,916)

Change in net assets of governmental activities \$ 119,135

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, 2010

Exhibit 29

	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 25,000	\$ 125,000	\$ 34,440	\$ (90,560)
Miscellaneous	18,000	18,000	484,917	466,917
Recovered costs	269,776	269,776	457,512	187,736
From the local government	14,838,959	14,812,272	14,812,272	-
From the Commonwealth	27,607,217	30,861,121	26,775,747	(4,085,374)
From the Federal Government	1,874,935	7,722,736	6,535,019	(1,187,717)
Total revenues	44,633,887	53,808,905	49,099,907	(4,708,998)
Expenditures:				
Education:				
Instruction	33,724,075	42,510,885	39,127,848	3,383,037
Administration of schools	1,103,835	1,134,786	937,097	197,689
Attendance and health services	1,236,250	1,345,250	1,225,759	119,491
Operation and maintenance services	5,399,033	5,569,206	5,168,568	400,638
Pupil transportation services	2,895,694	3,097,944	2,883,783	214,161
Food services	-	41,370	41,370	-
Total expenditures	44,358,887	53,699,441	49,384,425	4,315,016
Revenues over (under) expenditures	275,000	109,464	(284,518)	(393,982)
Other financing sources (uses):				
Transfers out	(275,000)	(109,464)	-	109,464
Total other financing sources (uses)	(275,000)	(109,464)	-	109,464
Net changes in fund balance	-	-	(284,518)	(284,518)
Fund balance, beginning of year	1,411,525	1,411,525	1,411,525	-
Fund balance, end of year	\$ 1,411,525	\$ 1,411,525	\$ 1,127,007	\$ (284,518)

COUNTY OF ACCOMACK, VIRGINIA
DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
STATEMENT OF FIDUCIARY NET ASSETS-AGENCY FUNDS
AT JUNE 30, 2010

Exhibit 30

	School Activities Fund
<u>Assets:</u>	
Cash & cash equivalents in custody of others	\$ 516,113
<u>Liabilities:</u>	
Amounts held for school activities	\$ 516,113

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, 2010

Exhibit 31

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010
School Activities Fund:				
<u>Assets:</u>				
Cash and cash equivalents	\$ 483,605	\$ 1,130,395	\$ 1,097,887	\$ 516,113
<u>Liabilities:</u>				
Amounts held for school activities	\$ 483,605	\$ 1,130,395	\$ 1,097,887	\$ 516,113

Nonmajor Discretely Presented Component Units

Accomack County Airport Commission

Economic Development Authority of Accomack County

Accomack-Northampton Planning District Commission

Eastern Shore Public Library

Quinby Boat Harbor Committee

Greenbackville Boat Harbor Committee

Greenbackville/Captain's Cove Mosquito Control Commission

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
AT JUNE 30, 2010

	Component Units				
	Planning District Commission	Eastern Shore Public Library	Quinby Harbor Committee	Captains Cove Greenbackville Mosquito Control Fund	Greenbackville Harbor Committee
<u>Assets:</u>					
Cash and cash equivalents	\$ 389,011	\$ 102,607	\$ 104,440	\$ 72,433	\$ 145,239
Restricted cash and cash equivalents	500,000	-	107,835	-	-
Accounts receivables, net	227,898	895	-	-	-
Due from other governmental entities	-	-	-	-	-
Inventories	-	-	-	-	-
Prepaid expenses	15,321	649	-	-	-
Capital Assets (net of accumulated depreciation):					
Land	106,807	5,000	-	-	-
Buildings	56,202	823,213	-	-	-
Improvements other than buildings	98,253	-	107,610	-	6,038
Machinery and equipment	35,107	43,268	-	-	-
Construction in progress	-	-	-	-	-
Total assets	1,428,599	975,632	319,885	72,433	151,277
<u>Liabilities:</u>					
Accounts payable	54,515	2,053	333	1,100	-
Wages and benefits payable	5,907	-	-	-	-
Deferred revenues	110,325	-	16,554	-	-
Noncurrent liabilities:					
Due within one year	-	-	-	-	-
Due in more than one year	94,332	33,414	-	-	-
Total liabilities	265,079	35,467	16,887	1,100	-
<u>Net Assets:</u>					
Invested in capital assets, net of related debt	296,369	871,481	107,610	-	6,038
Restricted	500,000	-	-	-	-
Unrestricted	367,151	68,684	195,388	71,333	145,239
Total net assets	\$ 1,163,520	\$ 940,165	\$ 302,998	\$ 71,333	\$ 151,277

Exhibit 32

Component Units		
Airport Commission	Economic Development Authority	Total Nonmajor Discretely Presented Comp- onent Units
\$ 17,150	\$ 17,989	\$ 848,869
-	-	607,835
11,585	-	240,378
6,532	-	6,532
50,900	-	50,900
-	-	15,970
190,400	317,726	619,933
352,779	-	1,232,194
2,668,797	-	2,880,698
15,388	-	93,763
232,356	-	232,356
3,545,887	335,715	6,829,428
43,269	416	101,686
1,268	-	7,175
7,558	-	134,437
30,132	-	30,132
39,351	-	167,097
121,578	416	440,527
3,399,801	317,726	4,999,025
-	-	500,000
24,508	17,573	889,876
\$ 3,424,309	\$ 335,299	\$ 6,388,901

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2010

	Component Units				
	Planning District Commission	Eastern Shore Public Library	Quinby Harbor Committee	Captains Cove Greenbackville Mosquito Control Fund	Greenbackville Harbor Committee
Operating revenues:					
Operating grants and contributions	\$ 1,191,723	\$ 33,378	\$ -	\$ -	\$ -
Use of property	42,669	4,168	-	-	-
Charges for services	85,423	-	22,457	-	17,832
Miscellaneous	-	34,569	-	-	-
Total operating revenues	<u>1,319,815</u>	<u>72,115</u>	<u>22,457</u>	<u>-</u>	<u>17,832</u>
Operating expenses:					
General and administration	102,030	-	-	-	-
Contractual services	575	-	7,407	41,472	10,522
Personnel	-	413,286	-	-	-
Materials and supplies	-	-	-	-	-
Other operating expenses	9,080	216,159	6,897	567	360
Cost of goods sold	-	-	-	-	-
Project expenses	1,245,874	-	-	-	-
Depreciation	22,133	66,601	14,229	-	1,004
Total operating expenses	<u>1,379,692</u>	<u>696,046</u>	<u>28,533</u>	<u>42,039</u>	<u>11,886</u>
Operating income (loss)	<u>(59,877)</u>	<u>(623,931)</u>	<u>(6,076)</u>	<u>(42,039)</u>	<u>5,946</u>
Nonoperating revenues (expenses):					
Contributions from (to) local governments	82,844	425,679	-	64,992	-
Contributions from (to) Rehab Project Grant Fund	-	-	-	-	-
Investment earnings	2,536	-	5,192	-	308
State grants	-	145,131	-	-	-
Interest expense	(7,135)	-	-	-	-
Unrealized gain (loss) on investments	-	-	16,832	-	-
Total nonoperating revenues (expenses)	<u>78,245</u>	<u>570,810</u>	<u>22,024</u>	<u>64,992</u>	<u>308</u>
Changes in net assets	18,368	(53,121)	15,948	22,953	6,254
Total net assets, beginning of year	<u>1,145,152</u>	<u>993,286</u>	<u>287,050</u>	<u>48,380</u>	<u>145,023</u>
Total net assets, end of year	<u>\$ 1,163,520</u>	<u>\$ 940,165</u>	<u>\$ 302,998</u>	<u>\$ 71,333</u>	<u>\$ 151,277</u>

Exhibit 33

Component Units		
Airport Commission	Economic Development Authority	Total Nonmajor Discretely Presented Com- ponent Units
\$ -	\$ -	\$ 1,225,101
7,714	-	54,551
268,216	12,837	406,765
999	554	36,122
276,929	13,391	1,722,539
-	-	102,030
25,920	1,690	87,586
163,459	3,434	580,179
26,674	1,631	28,305
44,322	3,861	281,246
167,123	-	167,123
-	-	1,245,874
307,511	-	411,478
735,009	10,616	2,903,821
(458,080)	2,775	(1,181,282)
174,715	-	748,230
-	(101,142)	(101,142)
-	62	8,098
102,527	-	247,658
(1,082)	-	(8,217)
-	-	16,832
276,160	(101,080)	911,459
(181,920)	(98,305)	(269,823)
3,606,229	433,604	6,658,724
\$ 3,424,309	\$ 335,299	\$ 6,388,901

COUNTY OF ACCOMACK, VIRGINIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2010

Exhibit 34

	Component Units		
	Airport Commission	Economic Development Authority	Total Nonmajor Discretely Presented Comp- onent Units
Cash flows from operating activities:			
Receipts from customers	\$ 281,424	\$ 12,837	\$ 294,261
Payments to suppliers	(254,779)	(7,461)	(262,240)
Payments to employees and benefits paid on behalf of employees	(163,745)	(3,465)	(167,210)
Other receipts	999	554	1,553
Net cash provided by (used for) operating activities	(136,101)	2,465	(133,636)
Cash flows from noncapital financing activities:			
Advance to Rehabilitation Project Grant Fund	-	(101,142)	(101,142)
Repayment of advance to Primary Government	(14,125)	-	(14,125)
Collection of funds due to the Commonwealth	-	88,759	88,759
Payment of funds due to the Commonwealth	-	(3,096)	(3,096)
Grant proceeds from the Commonwealth and Federal Government	8,470	-	8,470
Operating subsidy from Primary Government	154,099	-	154,099
Net cash provided by (used for) noncapital financing activities	148,444	(15,479)	132,965
Cash flows from capital and related financing activities:			
Capital subsidy from Primary Government	20,616	-	20,616
Grant proceeds from the Commonwealth and Federal Government	89,148	-	89,148
Purchase of capital assets	(79,007)	-	(79,007)
Principal payments on debt	(24,868)	-	(24,868)
Interest payments on debt	(1,082)	-	(1,082)
Net cash provided by (used for) capital and related financing activities	4,807	-	4,807
Cash flows from investing activities:			
Interest income	-	62	62
Net increase (decrease) in cash and cash equivalents	17,150	(12,952)	4,198
Cash and cash equivalents at beginning of the year	-	30,941	30,941
Cash and cash equivalents at end of year	17,150	17,989	35,139
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	(458,080)	2,775	(455,305)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	307,511	-	307,511
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	8,783	-	8,783
Increase (decrease) in inventory	(22,615)	-	(22,615)
(Increase) decrease in accrued payroll costs	(671)	-	(671)
Increase (decrease) in accounts payable	31,279	(310)	30,969
Increase (decrease) in sales tax payable	(22)	-	(22)
Increase (decrease) in prepaid rent	645	-	645
Increase (decrease) in compensated absences payable	1,000	-	1,000
Total adjustments	14,468	(310)	14,158
Net cash provided by (used for) operating activities	\$ (136,101)	\$ 2,465	\$ (133,636)

Supporting Schedules



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COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

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:				
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 11,209,811	\$ 11,209,811	\$ 11,538,240	\$ 328,429
Real and personal public service taxes	557,218	929,985	878,999	(50,986)
Personal property taxes	7,573,826	7,100,177	7,079,993	(20,184)
Machinery and tools taxes	531,000	1,004,649	1,652,021	647,372
Penalties - all taxes	284,375	284,375	324,087	39,712
Interest - all taxes	284,375	284,375	437,303	152,928
Total general property taxes	20,440,605	20,813,372	21,910,643	1,097,271
Other local taxes:				
Local sales and use taxes	2,604,006	2,604,006	2,863,318	259,312
Consumers' utility and consumption taxes	1,082,000	1,019,000	1,043,339	24,339
Public service corporation license taxes	83,000	83,000	92,372	9,372
Communications tax	1,065,000	965,000	987,303	22,303
Motor vehicle licenses	284,777	284,777	321,196	36,419
Bank stock taxes	24,000	24,000	43,396	19,396
Taxes on recordation and wills	231,429	231,429	250,302	18,873
Hotel and motel room taxes	453,000	453,000	414,872	(38,128)
Business, professional and occupational license taxes	63,000	63,000	63,500	500
Other local taxes	88,000	21,000	22,694	1,694
Total other local taxes	5,978,212	5,748,212	6,102,292	354,080
Permits, Privilege Fees and Licenses:				
Animal licenses	7,000	7,000	15,233	8,233
Building permits	300,000	390,000	323,521	(66,479)
Health department permits	60,000	28,470	38,365	9,895
Land use application fees	36,000	36,000	10,700	(25,300)
Zoning permits	35,000	35,785	27,655	(8,130)
Erosion & sediment control	40,500	40,500	18,033	(22,467)
Other licenses and permits	12,560	12,560	9,572	(2,988)
Total permits, privilege fees and licenses	491,060	550,315	443,079	(107,236)
Fines and forfeitures	75,000	75,000	74,527	(473)
Revenue from use of money and property:				
From use of money	81,000	81,000	4,112	(76,888)
From use of property	333,540	333,540	335,714	2,174
Total revenue from use of money and property	414,540	414,540	339,826	(74,714)
Charges for services:				
General government administration charges	237,100	237,100	236,430	(670)
Judicial administration charges	15,500	15,500	5,910	(9,590)
Public safety charges	56,605	56,605	95,366	38,761
Public works charges	85,425	85,425	83,156	(2,269)
Health and welfare charges	-	15,000	15,000	-
Total charges for services	394,630	409,630	435,862	26,232
Miscellaneous revenue	-	81,307	286,870	205,563

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010 (continued)

Schedule 1
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Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Revenue from local sources:				
Recovered costs:				
General government administration	\$ 15,800	\$ 15,800	\$ 41,725	\$ 25,925
Judicial administration	18,044	18,044	17,231	(813)
Public safety	33,708	33,708	22,338	(11,370)
Public works	3,000	36,294	46,011	9,717
Health and welfare	-	-	1,769	1,769
Community development	-	-	23,093	23,093
Nondepartmental (Insurance recoveries)	-	10,311	25,704	15,393
Total recovered costs	70,552	114,157	177,871	63,714
Total revenue from local sources	27,864,599	28,206,533	29,770,970	1,564,437
Revenue from the Commonwealth:				
Noncategorical aid:				
Motor vehicle carrier's tax	7,000	7,000	6,208	(792)
Rolling stock tax	3,000	3,000	2,155	(845)
Mobile home titling tax	80,000	80,000	37,482	(42,518)
Tax on deeds (grantor)	80,000	80,000	87,215	7,215
Personal Property Tax Relief Act	2,904,000	2,904,000	2,866,212	(37,788)
Total noncategorical aid	3,074,000	3,074,000	2,999,272	(74,728)
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	335,078	312,127	312,061	(66)
Sheriff	2,386,997	2,060,481	2,044,286	(16,195)
Commissioner of the revenue	119,787	110,856	109,416	(1,440)
Treasurer	140,284	126,863	125,795	(1,068)
Medical examiner	500	500	-	(500)
Registrar / electoral board	47,943	47,943	49,543	1,600
Clerk of circuit court	271,851	281,311	282,248	937
Jail	304,000	256,814	165,471	(91,343)
Total shared expenses	3,606,440	3,196,895	3,088,820	(108,075)
Other categorical aid:				
Litter control	-	21,605	21,605	-
"Four for Life" program	-	31,662	31,662	-
Juvenile crime control act	-	49,418	46,947	(2,471)
Victim / witness assistance grant	-	49,834	49,834	-
Community corrections grant	-	88,453	88,543	90
Hazards mitigation grant	-	-	81,352	81,352
Coastal Zone management grant	-	-	23,777	23,777
Other	4,000	4,291	13,911	9,620
Total other categorical aid	4,000	245,263	357,631	112,368
Total revenue from the Commonwealth	6,684,440	6,516,158	6,445,723	(70,435)
Revenue from the Federal Government:				
Payments in lieu of taxes	15,000	15,000	25,085	10,085

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010 (continued)

Schedule 1
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Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Revenue from the Federal Government:				
Noncategorical aid:				
Refuge revenue sharing	\$ 130,000	\$ 130,000	\$ 95,372	\$ (34,628)
Indirect costs	60,000	60,000	40,580	(19,420)
Total noncategorical aid	190,000	190,000	135,952	(54,048)
Categorical aid:				
Summer food service program	-	97,492	67,958	(29,534)
Emergency management assistance	-	-	6,782	6,782
Homeland security related grants	-	316,349	230,615	(85,734)
C.O.P.S. grants	-	195,527	190,050	(5,477)
Selective enforcement grant	-	23,967	14,303	(9,664)
USDA grants	-	25,000	25,000	-
Hazards mitigation grants	-	1,592,357	322,385	(1,269,972)
Septic pump out notification grant	-	53,500	27,483	(26,017)
ARRA stimulus funding	-	140,568	140,568	-
Other	-	1,940	2,000	60
Total categorical aid	-	2,446,700	1,027,144	(1,419,556)
Total revenue from the Federal Government	205,000	2,651,700	1,188,181	(1,463,519)
Total General Fund	34,754,039	37,374,391	37,404,874	30,483
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Revenue from the Commonwealth:				
Categorical aid:				
Welfare	1,448,486	1,477,810	1,320,688	(157,122)
Revenue from the Federal Government:				
Categorical aid:				
ARRA stimulus funding	-	-	85,599	85,599
Welfare	2,302,388	2,272,117	1,910,944	(361,173)
Total categorical aid	2,302,388	2,272,117	1,996,543	(275,574)
Total Virginia Public Assistance Fund	3,750,874	3,749,927	3,317,231	(432,696)
Comprehensive Youth Services Fund:				
Revenue from local sources:				
Miscellaneous revenue:				
From Northampton County	109,598	109,598	230,662	121,064
Other	-	-	-	-
Total miscellaneous revenue	109,598	109,598	230,662	121,064
Revenue from the Commonwealth:				
Categorical aid:				
Comprehensive Services Act pooled services grants	1,552,677	1,552,677	1,876,192	323,515
Comprehensive Services Act Trust Fund grant	19,621	19,621	19,620	(1)
Teen pregnancy prevention grant	49,077	49,077	45,343	(3,734)
Healthy families initiative grant	-	46,738	45,430	(1,308)
Total categorical aid from the Commonwealth	1,621,375	1,668,113	1,986,585	318,472
Total Comprehensive Youth Services Fund	1,730,973	1,777,711	2,217,247	439,536
Emergency 911 Systems Fund:				
Revenue from local sources:				
Miscellaneous revenue:				
From the E911 Commission	-	8,980	8,249	(731)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010 (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)				
Emergency 911 Systems Fund (continued):				
Revenue from the Federal Government:				
Categorical aid:				
USDA grant	\$ -	\$ 10,970	\$ 10,970	\$ -
Total Emergency 911 Systems Fund	-	19,950	19,219	(731)
Law Library Fund:				
Revenue from local sources:				
Other local taxes:				
Taxes on recordation and wills	7,000	7,000	8,319	1,319
Drug Seizures Fund:				
Revenue from the Commonwealth:				
Categorical Aid:				
Drug forfeitures and seizures	2,000	2,000	4,525	2,525
Courthouse Security Fund:				
Revenue from local sources:				
Other local taxes:				
Court security fees	-	67,000	74,797	7,797
Total Courthouse Security Fund	-	67,000	74,797	7,797
Fire Programs Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	340	340
Miscellaneous revenue:				
Contributions	-	35,887	34,292	(1,595)
From Northampton County	6,700	6,700	13,700	7,000
Total revenue from local sources	6,700	42,587	48,332	5,745
Revenue from the Commonwealth:				
Categorical Aid:				
Fire programs grant	-	11,070	59,734	48,664
Total Fire Programs Fund	6,700	53,657	108,066	54,409
Hazardous Materials Response Fund:				
Revenue from the Commonwealth:				
Categorical aid:				
Hazardous materials response grants	5,000	5,000	5,000	-
Total Hazardous Materials Response Fund	5,000	5,000	5,000	-
Rehabilitation Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From use of money	-	-	69	69
Miscellaneous revenue	-	-	12,383	12,383
Recovered costs:				
Grant project income	-	-	56,461	56,461
Total revenue from local sources	-	-	68,913	68,913
Revenue from the Federal Government:				
Categorical aid:				
Community development block grants	-	569,330	73,975	(495,355)
Total Rehabilitation Projects Fund	-	569,330	142,888	(426,442)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010 (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	\$ 61,588	\$ 61,588	\$ 61,342	\$ (246)
Penalties - all taxes	-	-	751	751
Interest - all taxes	-	-	760	760
Total Greenbackville Mosquito Control Fund	61,588	61,588	62,853	1,265
Consolidated Emergency Medical Services Fund				
Revenue from local sources:				
General property taxes:				
Real property taxes	1,362,122	1,437,146	1,487,035	49,889
Public service taxes	89,071	153,435	150,450	(2,985)
Personal property taxes	119,277	119,277	167,244	47,967
Machinery and tools taxes	10,000	10,000	39,788	29,788
Penalties - all taxes	13,000	13,000	24,070	11,070
Interest - all taxes	13,000	13,000	27,232	14,232
Total general property taxes	1,606,470	1,745,858	1,895,819	149,961
Miscellaneous revenue:				
Donations from volunteer fire and rescue companies	134,132	134,132	125,871	(8,261)
Other	-	-	11,627	11,627
Total miscellaneous revenue	134,132	134,132	137,498	3,366
Total revenue from local sources	1,740,602	1,879,990	2,033,317	153,327
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	48,422	48,422	64,618	16,196
Total Consolidated Emergency Medical Services Fund	1,789,024	1,928,412	2,097,935	169,523
Election District 2 Fire and Rescue Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	290,296	290,296	281,554	(8,742)
Public service taxes	32,325	66,633	66,147	(486)
Personal property taxes	32,559	32,559	43,958	11,399
Machinery and tools taxes	4,500	4,500	10,158	5,658
Penalties - all taxes	4,000	4,000	6,983	2,983
Interest - all taxes	5,000	5,000	11,144	6,144
Total revenue from local sources	368,680	402,988	419,944	16,956
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	17,612	17,612	16,312	(1,300)
Total Election District 2 Fire and Rescue Fund	386,292	420,600	436,256	15,656
Election District 3 Fire and Rescue Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	109,259	109,259	103,709	(5,550)
Public service taxes	3,700	3,791	3,244	(547)
Personal property taxes	10,654	10,654	16,555	5,901
Machinery and tools taxes	600	600	1,605	1,005
Penalties - all taxes	2,000	2,000	2,405	405
Interest - all taxes	2,000	2,000	3,862	1,862
Total revenue from local sources	128,213	128,304	131,380	3,076
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	8,107	8,107	7,462	(645)
Total Election District 3 Fire and Rescue Fund	136,320	136,411	138,842	2,431

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
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FOR THE YEAR ENDED JUNE 30, 2010 (continued)

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Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Special Revenue Funds: (continued)				
Election District 4 Fire and Rescue Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 198,275	\$ 198,275	\$ 167,228	\$ (31,047)
Public service taxes	6,896	9,449	9,900	451
Personal property taxes	17,335	17,335	26,631	9,296
Machinery and tools taxes	5,500	5,500	12,619	7,119
Penalties - all taxes	1,000	1,000	2,667	1,667
Interest - all taxes	2,500	2,500	3,516	1,016
Total revenue from local sources	231,506	234,059	222,561	(11,498)
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	10,895	10,895	9,287	(1,608)
Total Election District 4 Fire and Rescue Fund	242,401	244,954	231,848	(13,106)
Election District 5 Fire and Rescue Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	241,118	241,118	234,192	(6,926)
Public Service taxes	5,289	5,983	5,921	(62)
Personal property taxes	16,284	16,284	23,921	7,637
Machinery and tools taxes	150	150	1,640	1,490
Penalties - all taxes	2,500	2,500	3,938	1,438
Interest - all taxes	2,500	2,500	4,660	2,160
Total revenue from local sources	267,841	268,535	274,272	5,737
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	10,342	10,342	8,955	(1,387)
Total Election District 5 Fire and Rescue Fund	278,183	278,877	283,227	4,350
Total Special Revenue Funds	8,396,355	9,322,417	9,148,253	(174,164)
Capital Projects Funds:				
County Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	-	-	3,820	3,820
Revenue from the Commonwealth:				
Categorical aid:				
Harbor improvement grants	-	451,375	391,375	(60,000)
Revenue from the Federal Government:				
Categorical aid:				
Community development block grants	-	6,474	11,901	5,427
Total County Capital Projects Fund	-	457,849	407,096	(50,753)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
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FOR THE YEAR ENDED JUNE 30, 2010 (continued)

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Fund, Major and Minor Revenue Source	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
Debt Service Funds:				
School Debt Service Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 2,659,045	\$ 2,659,045	\$ 3,016,019	\$ 356,974
Public service taxes	132,059	223,346	221,565	(1,781)
Personal property taxes	175,630	175,630	226,848	51,218
Machinery and tools taxes	10,500	10,500	47,359	36,859
Penalties - all taxes	30,000	30,000	43,286	13,286
Interest - all taxes	30,000	30,000	48,346	18,346
Total general property taxes	3,037,234	3,128,521	3,603,423	474,902
Miscellaneous Revenue:				
Other	-	-	32,757	32,757
Total revenue from local sources	3,037,234	3,128,521	3,636,180	507,659
Revenue from the Commonwealth:				
Noncategorical aid:				
Personal Property Tax Relief Act	56,199	56,199	82,362	26,163
Total revenue from the Commonwealth	56,199	56,199	82,362	26,163
Total School Debt Service Fund	3,093,433	3,184,720	3,718,542	533,822
Total revenue-Primary Government	46,243,827	50,339,377	50,678,765	339,388
School Board Component Unit:				
Special Revenue Funds:				
School Operating Fund:				
Revenue from local sources:				
Charges for services:				
Tuition - driver education	25,000	25,000	34,440	9,440
Health services	-	100,000	-	(100,000)
Total charges for services	25,000	125,000	34,440	(90,560)
Miscellaneous revenue:				
Miscellaneous	18,000	18,000	484,917	466,917
Recovered costs	269,776	269,776	457,512	187,736
Revenue from local government:				
Contribution from Accomack County, Virginia	14,838,959	14,812,272	14,812,272	-
Total revenue from local sources	15,151,735	15,225,048	15,789,141	564,093
Revenue from the Commonwealth:				
Categorical aid:				
Sales tax contribution	5,608,364	5,608,364	5,295,774	(312,590)
Basic school aid	14,037,916	14,535,407	12,958,390	(1,577,017)
Education of the gifted	139,680	139,680	139,530	(150)
Remedial education	640,707	640,707	679,904	39,197
Enrollment loss	87,053	87,053	93,381	6,328
Special education	2,007,145	2,007,145	2,004,979	(2,166)
Textbooks	359,889	724,739	-	(724,739)
Vocational education	528,356	528,356	527,786	(570)
Social Security	886,666	886,666	885,709	(957)
Retirement	1,141,735	1,141,735	855,377	(286,358)
Group life insurance	30,365	30,365	24,266	(6,099)
Governor's School	7,101	7,101	7,101	-
Special Education - homebound	42,237	42,237	22,866	(19,371)
Special Education - private tuition	58,909	58,909	20,766	(38,143)

COUNTY OF ACCOMACK, VIRGINIA
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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):				
Special Revenue Funds (continued):				
School Operating Fund (continued):				
Revenue from the Commonwealth (continued):				
Vocational education-equipment	\$ -	\$ -	\$ 8,680	\$ 8,680
Vocational education-occupational	58,560	58,560	42,123	(16,437)
Industry based certification	5,000	5,000	12,553	7,553
At risk	930,012	930,012	911,108	(18,904)
Trans courses	15,717	15,717	15,717	-
Lottery	270,433	1,407,215	350,189	(1,057,026)
Four year old preschool program	307,161	307,161	337,392	30,231
Mentor teacher program	5,788	5,788	2,225	(3,563)
First robotics	-	5,258	-	(5,258)
English as a second language	334,908	334,908	256,668	(78,240)
Reading excellence	-	512,431	-	(512,431)
K-3 initiative	-	204,835	820,324	615,489
Educational technology grant	-	388,000	297,103	(90,897)
Reading intervention	103,515	103,515	109,266	5,751
Tobacco settlement	-	33,646	19,449	(14,197)
Hard to staff schools	-	2,410	2,410	-
SOL algebra readiness	-	85,045	74,404	(10,641)
Title I-Migrant education	-	23,156	-	(23,156)
Other	-	-	307	307
Total revenue from the Commonwealth	27,607,217	30,861,121	26,775,747	(4,085,374)
Revenue from the Federal Government:				
Categorical aid:				
Vocational Education	182,730	182,730	148,111	(34,619)
Title I-Migrant education	-	219,496	205,633	(13,863)
Title I-School improvement	-	2,767,153	2,344,973	(422,180)
Title II	-	439,208	258,380	(180,828)
Title III	-	59,907	63,345	3,438
Title VI	-	130,565	113,806	(16,759)
Title VI-Drug free schools	-	31,542	26,999	(4,543)
Title VI-B Special Education	-	2,024,066	1,164,342	(859,724)
Title X	-	9,000	8,169	(831)
Reading first	-	-	401,977	401,977
Even start grant	-	158,440	158,440	-
State fiscal stabilization	1,692,205	1,692,205	1,632,420	(59,785)
Other	-	8,424	8,424	-
Total revenue from the Federal Government	1,874,935	7,722,736	6,535,019	(1,187,717)
Total School Operating Fund	44,633,887	53,808,905	49,099,907	(4,708,998)
School Cafeteria Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From the use of money	11,000	11,000	1,978	(9,022)
Charges for services:				
Meal charges	675,000	675,000	649,131	(25,869)
Total revenue from local sources	686,000	686,000	651,109	(34,891)
Revenue from the Commonwealth:				
Categorical aid:				
School food payments	38,422	38,422	42,463	4,041

COUNTY OF ACCOMACK, VIRGINIA
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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):				
Special Revenue Funds (continued):				
School Cafeteria Fund (continued):				
Revenue from the Federal Government:				
Categorical aid:				
School food payments	\$ 1,575,578	\$ 1,575,578	\$ 1,860,620	\$ 285,042
Total School Cafeteria Fund	2,300,000	2,300,000	2,554,192	254,192
Total Special Revenue Funds	46,933,887	56,108,905	51,654,099	(4,454,806)
Capital Projects Fund:				
School Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
From the use of money	-	-	838	838
Total School Capital Projects Fund	-	-	838	838
Total revenue-School Board Component Unit	46,933,887	56,108,905	51,654,937	(4,453,968)
Grand total revenue-Primary Government and School Board Component Unit	\$ 93,177,714	\$ 106,448,282	\$ 102,333,701	\$ (4,114,581)

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
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Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government:				
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 209,512	\$ 209,512	\$ 205,751	\$ 3,761
General and financial administration:				
County administrator	492,650	539,708	486,657	53,051
Legal services	210,670	210,926	205,892	5,034
Commissioner of the revenue	277,599	277,815	255,584	22,231
County assessor	819,899	743,700	602,626	141,074
Treasurer	440,888	510,888	479,852	31,036
Central accounting	263,914	318,970	292,813	26,157
Information technology	508,652	460,163	436,217	23,946
Risk management	142,450	142,450	126,539	15,911
Total general and financial administration	3,156,722	3,204,620	2,886,180	318,440
Board of elections:				
Electoral board	48,628	56,628	52,380	4,248
Registrar	113,768	114,048	105,977	8,071
Total board of elections	162,396	170,676	158,357	12,319
Total general government administration	3,528,630	3,584,808	3,250,288	334,520
Judicial administration:				
Courts:				
Circuit court	78,823	79,455	63,144	16,311
General district court	9,971	9,971	9,606	365
Chief magistrate	12,637	12,637	11,068	1,569
Juvenile and domestic relations court	13,650	13,650	11,024	2,626
Clerk of the circuit court	353,995	390,729	389,640	1,089
Sheriff court services	555,048	458,354	423,619	34,735
Commissioner of accounts	214	214	214	-
Victim and witness assistance	4,983	54,817	52,020	2,797
Total courts	1,029,321	1,019,827	960,335	59,492
Commonwealth's attorney	403,097	403,097	395,190	7,907
Total judicial administration	1,432,418	1,422,924	1,355,525	67,399
Public safety:				
Law enforcement and traffic control:				
Sheriff law enforcement	1,683,626	2,033,559	1,987,364	46,195
Fire and rescue services:				
Volunteer fire and rescue	263,510	295,172	257,014	38,158
Emergency medical services	163,976	243,288	230,718	12,570
Total fire and rescue services	427,486	538,460	487,732	50,728
Correction and detention:				
Jail	2,150,845	2,139,361	1,850,756	288,605
Juvenile probation	80,866	130,284	97,515	32,769
Community correction	-	88,453	88,487	(34)
Total correction and detention	2,231,711	2,358,098	2,036,758	321,340

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
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FOR THE YEAR ENDED JUNE 30, 2010 (Continued)

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Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
Primary Government: (continued)				
General Fund: (continued)				
Public safety: (continued)				
Other protection:				
Building and zoning	\$ 459,257	\$ 462,797	\$ 444,376	\$ 18,421
Ordinance enforcement	62,075	8,837	79	8,758
Animal control	101,304	101,304	99,696	1,608
Regional animal control facility	98,932	98,932	74,174	24,758
S.P.C.A. supplement	921	1,212	1,212	-
Emergency management	89,121	337,796	244,679	93,117
Medical examiner	-	-	1,690	(1,690)
Total other protection	811,610	1,010,878	865,906	144,972
Total public safety	5,154,433	5,940,995	5,377,760	563,235
Public works:				
Maintenance of streets, bridges and sidewalks:				
Storm drainage	152,003	219,586	133,249	86,337
Sanitation and waste removal:				
General operations	176,983	178,832	177,770	1,062
Refuse disposal	1,255,509	1,161,709	1,086,234	75,475
Refuse collection	602,801	603,488	429,824	173,664
Maintenance garage	169,936	203,887	191,993	11,894
Litter control	185,085	207,145	191,568	15,577
Total sanitation and waste removal	2,390,314	2,355,061	2,077,389	277,672
Maintenance of buildings and grounds:				
Buildings and grounds	884,774	892,194	880,051	12,143
Total public works	3,427,091	3,466,841	3,090,689	376,152
Health and welfare:				
Health:				
Local health department supplement	477,319	492,319	492,319	-
Rural health dental program supplement	4,971	4,971	4,971	-
Total health	482,290	497,290	497,290	-
Mental health and mental retardation:				
Community services board supplement	134,995	134,995	134,995	-
Welfare:				
Property tax relief for the elderly	142,025	142,025	109,788	32,237
Area agency on aging supplement	18,430	18,430	18,430	-
Total welfare	160,455	160,455	128,218	32,237
Total health and welfare	777,740	792,740	760,503	32,237
Education:				
Contribution to School Board component unit	14,812,272	14,812,272	14,812,272	-
Community College supplement	41,028	41,028	41,028	-
Total education	14,853,300	14,853,300	14,853,300	-

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SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
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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	\$ 298,677	\$ 300,917	\$ 298,870	\$ 2,047
Summer food program	-	92,138	90,098	2,040
Boating facilities	44,713	44,713	35,690	9,023
Total parks and recreation	343,390	437,768	424,658	13,110
Cultural enrichment:				
Translator television	74,457	74,457	74,437	20
Contribution to Public Library component unit	319,259	319,259	319,259	-
Total cultural enrichment	393,716	393,716	393,696	20
Total parks, recreation and cultural	737,106	831,484	818,354	13,130
Community development:				
Planning and community development:				
Economic development	98,181	94,919	80,589	14,330
Contribution to Planning Dist. Commission component unit	63,123	63,123	63,123	-
Housing/Redevelopment Corp. supplement	9,215	9,215	9,215	-
Planning	399,631	426,965	407,101	19,864
Tourism Commission supplement	64,058	64,058	64,058	-
Chamber of Commerce supplement	921	-	-	-
Star Transit public transportation supplement	29,524	29,524	29,524	-
Transportation District Commission supplement	6,704	6,704	6,704	-
Contribution to Airport Commission component unit	174,099	174,715	174,715	-
Small Business Development Center supplement	4,607	4,607	4,607	-
Total planning and community development	850,063	873,830	839,636	34,194
Environmental management:				
Johnsongrass/gypsy moth control program	10,000	10,000	10,014	(14)
Soil and Water Conservation District supplement	21,154	21,154	21,154	-
Contribution to Planning Dist. Commission component unit	19,721	19,721	19,721	-
Wallops Research Park	-	18,000	21,548	(3,548)
Hazard mitigation projects	-	1,592,357	523,650	1,068,707
Resource Conservation and Dev. Council supplement	8,883	8,883	8,883	-
Total environmental management	59,758	1,670,115	604,970	1,065,145
Cooperative extension program	128,129	132,128	121,616	10,512
Total community development	1,037,950	2,676,073	1,566,222	1,109,851
Nondepartmental:				
Contingency	168,846	45,324	-	45,324
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	313,434	446,450	388,874	57,576
Total debt service	313,434	446,450	388,874	57,576
Total General Fund	31,430,948	34,060,939	31,461,515	2,599,424

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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	\$ 2,967,322	\$ 2,956,077	\$ 2,836,292	\$ 119,785
Public assistance	1,142,505	1,154,706	878,303	276,403
Fuel administration	47,338	47,338	40,160	7,178
Local only administration	116,754	116,197	73,894	42,303
CDC quality initiative program	10,558	10,558	10,009	549
Eligibility pass-through	16,317	16,317	-	16,317
Total welfare/social services	4,300,794	4,301,193	3,838,658	462,535
Comprehensive Youth Services Fund:				
Health and welfare:				
Welfare:				
CSA trust-family support project	159,890	159,890	98,338	61,552
Teen pregnancy prevention	49,076	49,076	45,198	3,878
Healthy families initiative	-	46,738	45,430	1,308
CSA pooled services for youth and families	2,244,083	2,244,083	2,462,407	(218,324)
Total welfare	2,453,049	2,499,787	2,651,373	(151,586)
Law Library Fund:				
Judicial administration:				
Courts:				
Law library books	7,000	7,000	126	6,874
Drug Seizures Fund:				
Public safety:				
Law enforcement and traffic control:				
Sheriff	2,000	2,000	2,247	(247)
Emergency 911 Systems Fund:				
Public safety:				
Fire and rescue service:				
Payments to 911 commission	433,494	421,914	423,049	(1,135)
Fire Programs Fund:				
Public safety:				
Fire and rescue services:				
Payments to fire companies	24,000	24,000	24,000	-
Fire training center and other	17,250	69,507	40,418	29,089
Total fire and rescue services	41,250	93,507	64,418	29,089

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
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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)				
Hazardous materials cleanup fund:				
Public safety:				
Other protection:				
Cleanup/disposal of hazardous materials	\$ 21,000	\$ 15,500	\$ 15,061	\$ 439
Rehabilitation Projects Fund:				
Community development:				
Planning and community development:				
Savagetown/Cats Bridge program income costs	-	-	568	(568)
Lead Safe Homes program income costs	-	-	220	(220)
Locust Mount program income costs	-	-	61	(61)
Metompkin Rehabilitation project	-	569,330	61,091	508,239
Truss Tech Grant	-	-	12,383	(12,383)
Total planning and community development	-	569,330	74,323	495,007
Captains Cove/Greenbackville Mosquito Control				
Health and welfare:				
Health:				
Contribution to mosquito control commission	61,588	61,588	65,344	(3,756)
Consolidated Emergency Medical Services:				
Public safety:				
Fire and Rescue Services:				
Emergency Medical Services	1,870,485	1,870,485	1,847,902	22,583
Election District 2 Fire and Rescue Fund:				
Public safety:				
Fire and Rescue Services:				
Payments to volunteer fire and rescue companies	386,292	420,600	419,464	1,136
Election District 3 Fire and Rescue Fund:				
Public safety:				
Fire and Rescue Services:				
Payments to volunteer fire and rescue companies	136,320	136,411	131,842	4,569
Election District 4 Fire and Rescue Fund:				
Public safety:				
Fire and Rescue Services:				
Payments to volunteer fire and rescue companies	242,401	244,954	203,875	41,079
Election District 5 Fire and Rescue Fund:				
Public safety:				
Fire and Rescue Services:				
Payments to volunteer fire and rescue companies	278,183	278,877	273,979	4,898
Courthouse Security Fund:				
Judicial Administration:				
Courts:				
Court security	-	67,000	24,246	42,754
Total Special Revenue Funds	10,233,856	10,990,146	10,035,907	954,239

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010 (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)				
Capital Project Funds:				
County Capital Projects Fund:				
General government administration:				
Software upgrades	\$ 246,989.00	\$ 361,641.00	\$ 279,051.00	\$ 82,590.00
Total general government administration	246,989	361,641	279,051	82,590
Public works:				
Convenience center construction	-	1,283,434	167,002	1,116,432
Total public works	-	1,283,434	167,002	1,116,432
Parks, recreation and cultural				
Boating facilities	-	560,216	411,454	148,762
Total parks, recreation and cultural	-	560,216	411,454	148,762
Planning and community development:				
Wallops research park	-	77,793	83,871	(6,078)
Total planning and community development	-	77,793	83,871	(6,078)
Total County capital projects fund	246,989	2,283,084	941,378	1,341,706
Debt Service Funds:				
School Debt Service Fund:				
Debt Service:				
Principal	2,354,292	2,354,292	2,357,292	(3,000)
Interest and fiscal charges	1,871,311	1,871,311	1,901,713	(30,402)
Total School Debt Service Fund	4,225,603	4,225,603	4,259,005	(33,402)
Total expenditures-Primary Government	46,137,396	51,559,772	46,697,805	4,861,967
School Board Component Unit:				
Special Revenue Funds:				
School Operating Fund:				
Education:				
Instruction Costs:				
Classroom instruction	26,526,556	34,721,472	31,539,861	3,181,611
Guidance services	1,225,253	1,240,253	1,244,885	(4,632)
Homebound instruction	114,448	114,448	75,525	38,923
Improvement of instruction	1,713,694	2,290,588	2,631,300	(340,712)
Media services	813,120	813,120	790,265	22,855
Office of the principal	3,331,004	3,331,004	2,846,012	484,992
Total instruction costs	33,724,075	42,510,885	39,127,848	3,383,037

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010 (Continued)

Schedule 2
Page 7 of 7

Fund, Function, Activity, and Elements	Budgeted Amounts		Actual	Variance from Final Budget Positive (Negative)
	Original	Final		
School Board Component Unit: (continued)				
Special Revenue Funds: (continued)				
School Operating Fund: (continued)				
Education: (continued)				
Administration of schools:				
Board services	\$ 58,137	\$ 58,137	\$ 66,411	\$ (8,274)
Executive administration services	406,041	436,992	377,981	59,011
Personnel services	273,882	273,882	204,495	69,387
Fiscal services	365,775	365,775	288,210	77,565
Total administration of schools	1,103,835	1,134,786	937,097	197,689
Attendance and health services:				
Attendance services	149,130	158,130	140,357	17,773
Health services	502,759	602,759	600,712	2,047
Psychological services	195,369	195,369	241,934	(46,565)
Speech/audiology services	388,992	388,992	242,756	146,236
Total attendance and health services	1,236,250	1,345,250	1,225,759	119,491
Operation and maintenance services:				
Management and direction	122,934	122,934	62,963	59,971
Building services	5,085,425	5,255,598	4,701,634	553,964
Grounds services	134,677	134,677	341,061	(206,384)
Equipment services	9,497	9,497	2,763	6,734
Vehicle services (other than pupil transportation)	46,500	46,500	60,147	(13,647)
Total operation and maintenance services	5,399,033	5,569,206	5,168,568	400,638
Pupil transportation services:				
Management and direction	62,537	62,537	128,123	(65,586)
Vehicle operation services	2,334,063	2,536,313	2,252,700	283,613
Vehicle maintenance services	499,094	499,094	502,960	(3,866)
Total pupil transportation services	2,895,694	3,097,944	2,883,783	214,161
Food Services:				
Food services	-	41,370	41,370	-
Total school operating fund	44,358,887	53,699,441	49,384,425	4,315,016
School Cafeteria Fund:				
Education:				
School Food Services:				
Operating costs	2,300,000	2,300,000	2,330,147	(30,147)
Total expenditures-School Board Component Unit	46,658,887	55,999,441	51,714,572	4,284,869
Grand total expenditures-Primary Government and School Board Component Unit	\$ 92,796,283	\$ 107,559,213	\$ 98,412,377	\$ 9,146,836

Statistical Section



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Statistical Section

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.	150
Revenue Capacity These schedules contain information to help the reader assess the county's most significant local revenue source, the property tax.	155
Debt Capacity These schedules present information to help the reader assess the affordability of the county's current levels of outstanding debt and the county's ability to issue additional debt in the future. Note that no legal debt margin information is presented as the Code of Virginia only sets legal debt limits for towns and cities. Counties have no legal debt limit imposed by law. Also note that pledged revenue information is not presented as the County has not issued any revenue backed debt.	160
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place.	162
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the county's financial report relates to the services the county provides and the activities it performs.	164

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 ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS¹
(accrual basis of accounting)

Table 1

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities:								
Invested in capital assets, net of related debt	\$ 5,703,715	\$ 5,054,178	\$ 4,588,098	\$ 4,996,030	\$ 5,695,836	\$ 5,309,326	\$ 4,553,418	\$ 3,495,270
Restricted	1,114,097	2,265,149	2,094,566	1,318,113	2,006,864	1,517,064	1,362,128	859,741
Unrestricted	6,927,282	6,985,058	8,423,849	9,155,264	8,676,001	6,991,452	5,749,276	11,496,365
Total governmental activities net assets	<u>\$ 13,745,094</u>	<u>\$ 14,304,385</u>	<u>\$ 15,106,513</u>	<u>\$ 15,469,407</u>	<u>\$ 16,378,701</u>	<u>\$ 13,817,842</u>	<u>\$ 11,664,822</u>	<u>\$ 15,851,376</u>
Business-type activities:								
Invested in capital assets, net of related debt	\$ (205,289)	\$ (180,437)	\$ 893,786	\$ 1,749,947	\$ 2,254,741	\$ 2,994,885	\$ 2,960,129	\$ 2,441,845
Unrestricted	(2,461,307)	(2,560,758)	(2,926,220)	(3,198,558)	(2,809,545)	(3,617,763)	(3,218,137)	(2,832,415)
Total business-type activities net assets	<u>\$ (2,666,596)</u>	<u>\$ (2,741,195)</u>	<u>\$ (2,032,434)</u>	<u>\$ (1,448,611)</u>	<u>\$ (554,804)</u>	<u>\$ (622,878)</u>	<u>\$ (258,008)</u>	<u>\$ (390,570)</u>
Primary government:								
Invested in capital assets, net of related debt	\$ 5,498,426	\$ 4,873,741	\$ 5,481,884	\$ 6,745,977	\$ 7,950,577	\$ 8,304,211	\$ 7,513,547	\$ 5,937,115
Restricted	1,114,097	2,265,149	2,094,566	1,318,113	2,006,864	1,517,064	1,362,128	859,741
Unrestricted	4,465,975	4,424,300	5,497,629	5,956,706	5,866,456	3,373,689	2,531,139	8,663,950
Total primary government net assets	<u>\$ 11,078,498</u>	<u>\$ 11,563,190</u>	<u>\$ 13,074,079</u>	<u>\$ 14,020,796</u>	<u>\$ 15,823,897</u>	<u>\$ 13,194,964</u>	<u>\$ 11,406,814</u>	<u>\$ 15,460,806</u>

¹ This table reports financial information based on the accrual basis of accounting. The County implemented GASB 34, the new reporting standard, in fiscal year 2003. Therefore, ten years of data is not available but will be accumulated over time.

COUNTY OF ACCOMACK, VIRGINIA
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS¹
(accrual basis of accounting)

Table 2
Page 1 of 2

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Primary Government:								
Expenses								
Governmental activities:								
General government	\$ 2,832,645	\$ 2,563,462	\$ 2,735,038	\$ 2,778,205	\$ 3,721,445	\$ 3,580,942	\$ 3,384,895	\$ 3,442,672
Judicial 1,171,358		1,193,487	1,232,697	1,314,413	1,445,432	1,527,924	1,611,685	1,513,759
Public safety	5,775,470	6,288,902	6,496,203	7,096,501	8,180,462	8,789,314	9,328,794	8,958,985
Public works	2,585,191	2,584,404	2,701,241	3,252,085	3,236,614	3,454,908	3,390,696	3,416,523
Health and welfare	6,145,665	6,605,823	7,359,153	8,260,567	8,013,244	8,086,910	8,145,021	7,491,729
Education	13,942,204	14,356,110	15,157,208	17,405,759	16,228,512	16,641,938	17,749,642	17,431,304
Parks, recreation and cultural	662,587	720,923	807,517	954,097	888,283	1,017,040	889,457	901,358
Community development	1,917,524	1,645,533	1,485,057	2,113,031	1,508,436	2,525,015	3,405,964	1,832,561
Interest on long-term debt	1,215,120	1,953,433	2,157,264	2,299,638	2,401,860	2,336,032	2,218,681	2,178,880
Total governmental activities expenses	36,247,764	37,912,077	40,131,378	45,474,296	45,624,288	47,960,023	50,124,835	47,167,771
Business-type activities:								
Landfill	2,456,341	2,391,930	2,039,570	2,506,013	2,350,625	3,271,543	2,409,034	3,006,263
Water and Sewer	-	-	-	-	-	-	63,189	246,816
Parks and recreation expenses	58,110	66,767	82,048	62,827	63,085	56,322	66,903	74,618
Total business-type activities expenses	2,514,451	2,458,697	2,121,618	2,568,840	2,413,710	3,327,865	2,539,126	3,327,697
expenses	38,762,215	40,370,774	42,252,996	48,043,136	48,037,998	51,287,888	52,663,961	50,495,468
Program Revenues								
Governmental activities:								
Charges for services:								
General government	404,120	542,398	350,334	339,472	346,970	377,763	317,584	304,994
Judicial 77,182		44,984	76,666	184,174	153,144	146,069	105,652	99,318
Public safety	283,310	275,091	369,647	396,733	841,787	835,719	561,323	650,444
Public works	31,148	31,553	52,403	107,766	111,011	101,685	112,334	129,267
Health and welfare	163,227	159,924	203,271	415,219	417,954	370,942	345,336	308,474
Education	-	-	-	-	199,909	-	-	-
Parks, recreation and cultural	50,050	-	50,050	53,759	99,919	80,146	84,709	81,704
Community development	185,896	206,628	192,802	364,260	55,262	204,832	121,442	188,553
Operating grants and contributor	8,968,771	9,675,027	10,205,520	11,549,379	11,329,693	11,500,081	12,240,597	10,180,279
Capital grants and contributions	178,850	257,919	264,480	1,763,748	359,685	-	-	398,973
Total governmental activities program revenues	10,342,554	11,193,524	11,765,173	15,174,510	13,915,334	13,617,237	13,888,977	12,342,006
Business-type activities:								
Charges for services:								
Landfill	1,736,768	2,234,899	2,364,664	2,877,386	3,002,824	2,887,533	2,687,525	2,719,422
Water and Sewer	-	-	-	-	-	-	47,751	194,458
Parks and recreation	62,941	68,740	76,048	71,033	66,748	63,979	62,611	62,750
Total business-type activities program revenues	1,799,709	2,303,639	2,440,712	2,948,419	3,069,572	2,951,512	2,797,887	2,976,630
Total primary government program revenues	12,142,263	13,497,163	14,205,885	18,122,929	16,984,906	16,568,749	16,686,864	15,318,636
Net (Expense)/Revenue²								
Governmental activities	(26,904,661)	(28,366,205)	(30,299,786)	(31,708,954)	(34,342,786)	(36,235,858)	(34,825,765)	
Business-type activities	(714,742)	(155,058)	319,094	379,579	655,862	(376,353)	258,761	(351,067)
Total primary government net expense	(27,619,403)	(28,047,111)	(29,920,207)	(31,053,092)	(34,719,139)	(35,977,097)	(35,176,832)	

COUNTY OF ACCOMACK, VIRGINIA
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS¹
(accrual basis of accounting)

Table 2
Page 2 of 2

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Primary Government:								
General Revenues and Other								
Changes in Net Assets								
Governmental activities:								
Taxes:								
General property taxes	16,429,587	17,782,739	18,883,630	19,143,135	21,985,812	21,354,527	23,360,447	29,221,909
Local sales and use taxes	2,443,653	2,674,849	2,761,611	2,808,207	3,036,498	2,966,467	2,998,382	2,863,318
Consumer utility taxes	1,491,038	1,613,718	1,639,299	1,671,949	1,269,586	916,728	941,541	1,043,339
Communication taxes	-	-	-	-	389,331	1,077,981	1,012,995	987,303
Other local taxes	1,687,148	1,715,271	1,973,002	2,156,184	2,003,950	1,762,776	1,664,831	1,291,448
Grants and contributions not restricted to specific programs	3,359,625	3,418,462	3,693,035	3,815,820	3,446,722	3,531,512	3,454,660	3,349,305
Investment earnings	174,212	117,154	179,784	343,247	532,916	253,241	80,515	8,272
Gain on sale of capital assets	-	-	-	551,206	-	-	-	-
Other revenue	20,524	19,304	93,497	286,082	74,060	71,468	536,582	368,768
Transfers	(631,909)	(63,653)	(55,525)	(113,150)	(120,627)	(152,773)	32,885	(121,343)
Total governmental activities	24,973,878	27,277,844	29,168,333	30,662,680	32,618,248	31,781,927	34,082,838	39,012,319
Business-type activities:								
Investment earnings	28,775	16,806	47,215	90,894	112,375	105,506	37,129	7,047
Gain on sale of capital assets	-	-	-	200	4,943	-	-	90,115
Other revenue	-	-	879	-	-	-	151,865	-
Transfers	631,909	63,653	55,525	113,150	120,627	152,773	(32,885)	121,343
Total business-type activities	660,684	80,459	103,619	204,244	237,945	258,279	156,109	218,505
Total primary government	25,634,562	27,358,303	29,271,952	30,866,924	32,856,193	32,040,206	34,238,947	39,230,824
Change in Net Assets								
Governmental activities	(931,332)	559,291	802,128	362,894	909,294	(2,560,859)	(2,153,020)	4,186,554
Business-type activities	(54,058)	(74,599)	422,713	583,823	893,807	(118,074)	414,870	(132,562)
Total primary government	\$ (985,390)	\$ 484,692	\$ 1,224,841	\$ 946,717	\$ (2,807,108)	\$ (4,053,952)	\$ (4,053,952)	\$ (4,053,952)

¹ This table reports financial information based on the accrual basis of accounting. The County implemented GASB 34, the new reporting standard, in fiscal year 2003. Therefore, ten years of data is not available but will be accumulated over time.

² 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

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Fund:										
Reserved	\$ 1,025,000	\$ 1,035,000	\$ 44,700	\$ 412,630	\$ 369,556	\$ 414,287	\$ 431,215	\$ 382,947	\$ 377,885	\$ 129,700
Unreserved:										
Designated	3,995,349	3,770,924	3,873,458	4,050,551	4,973,656	5,469,587	5,387,749	4,271,765	2,472,109	4,949,832
Undesignated	1,997,456	1,514,670	1,941,805	2,423,458	2,010,838	2,020,833	983,821	-	1,307,812	2,751,457
Total general fund	<u>7,017,805</u>	<u>6,320,594</u>	<u>5,859,963</u>	<u>6,886,639</u>	<u>7,354,050</u>	<u>7,904,707</u>	<u>6,802,785</u>	<u>4,654,712</u>	<u>4,157,806</u>	<u>7,830,989</u>
All Other Governmental Funds:										
Reserved	5,686,780	4,561,011	14,377,277	3,979,794	1,932,035	2,122,742	4,514,295	3,268,097	2,399,475	1,985,991
Unreserved, reported in:										
Special revenue funds	629,654	779,774	765,888	818,590	1,029,550	1,069,938	1,190,540	1,201,522	747,598	1,278,387
Capital project funds	1,431,559	2,541,451	(55,818)	-	298,419	320,047	303,965	146,987	121,865	101,786
Total all other governmental funds	<u>7,747,993</u>	<u>7,882,236</u>	<u>15,087,347</u>	<u>4,798,384</u>	<u>3,260,004</u>	<u>3,512,727</u>	<u>6,008,800</u>	<u>4,616,606</u>	<u>3,268,938</u>	<u>3,366,164</u>
Total governmental funds	<u>\$ 14,765,798</u>	<u>\$ 14,202,830</u>	<u>\$ 20,947,310</u>	<u>\$ 10,614,054</u>	<u>\$ 11,417,434</u>	<u>\$</u>	<u>\$ 12,811,585</u>	<u>\$ 9,271,318</u>	<u>\$ 7,426,744</u>	<u>\$ 11,197,153</u>

Notes:

Beginning in fiscal year 2003, the County began accounting for waste disposal services in an enterprise fund. Prior to this fiscal year, these services were accounted for in governmental funds. Fund balance for fiscal years 2000 to 2002 has been restated to include School Debt Service Fund Balance. This fund was previously reported with the School Board component unit.

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

Table 4

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
General property taxes	\$ 15,439,572	\$ 16,715,121	\$ 17,853,441	\$ 18,644,966	\$ 19,158,773	\$ 20,359,076	\$ 20,689,469	\$ 23,190,998	\$ 28,520,895	\$
Other local taxes	4,683,113	4,850,452	5,621,839	6,003,838	6,373,912	6,636,340	6,699,365	6,723,952	6,617,749	6,185,408
Permits, fees and licenses	228,465	259,974	309,153	363,562	337,349	555,337	479,797	485,367	441,802	443,079
Fines and forfeitures	37,432	41,625	46,302	38,873	52,864	40,420	58,090	81,648	66,245	74,527
Revenue from the use of money and property	663,118	572,616	271,650	214,258	325,375	631,594	886,586	587,270	441,458	344,055
Charges for services	980,206	1,053,345	524,382	556,465	616,311	790,119	787,281	705,018	490,462	435,862
Miscellaneous	204,718	292,733	179,778	526,744	537,938	314,766	650,369	522,304	923,529	756,411
Recovered costs	325,448	275,847	213,358	192,883	126,700	158,488	173,434	335,331	194,925	234,332
Intergovernmental	11,670,097	13,194,738	12,337,386	12,988,603	13,700,332	16,878,323	14,876,814	14,709,267	15,465,434	13,684,196
Total revenues	33,962,569	35,972,941	36,218,969	38,738,667	40,715,747	45,164,160	44,970,812	44,839,626	47,832,602	50,678,765
Expenditures										
General government administration	2,164,070	2,793,547	2,764,918	2,547,990	2,778,295	2,821,809	3,693,455	3,625,175	3,231,156	3,529,339
Judicial administration	3,765,700	1,798,830	1,107,483	1,096,919	1,145,685	1,221,627	1,350,755	1,463,896	1,524,039	1,379,897
Public safety	5,358,464	5,640,975	5,788,975	6,732,957	6,722,409	7,480,178	7,966,410	8,632,187	8,931,578	8,759,597
Public works	2,359,420	2,895,041	2,548,552	2,588,261	2,849,099	3,800,114	3,971,185	4,301,146	3,875,609	3,257,691
Health and welfare	5,446,489	6,213,796	6,291,921	7,912,916	8,979,402	8,129,866	7,868,626	7,947,256	7,917,925	7,315,878
Education	10,597,156	11,325,159	13,687,079	38,197,927	13,204,268	18,893,969	13,528,120	13,975,115	15,124,559	14,853,300
Parks, recreation and cultural	887,557	601,125	703,476	715,839	765,244	888,541	876,450	968,194	882,326	1,229,808
Community development	1,573,493	2,157,508	1,921,029	1,625,056	1,474,781	2,290,764	2,256,961	2,400,500	3,337,174	1,724,416
Debt service:										
Principal	1,660,554	1,667,720	5,417,469	1,366,345	1,761,990	1,812,043	2,237,395	2,528,867	2,616,138	2,357,292
Interest	1,432,090	1,442,207	1,168,483	1,435,438	2,295,105	1,987,037	2,514,418	2,384,784	2,269,556	2,290,587
Total expenditures	35,244,993	36,535,908	41,577,013	64,219,648	41,976,278	49,325,948	46,263,775	48,227,120	49,710,060	46,697,805
Excess of revenues over (under) expenditures	(1,282,424)	(562,967)	(5,358,044)	(25,480,981)	(1,260,531)	(4,161,788)	(1,292,963)	(3,387,494)	(1,877,458)	3,980,960
Other Financing Sources (Uses)										
Issuance of debt (includes premiums/discounts)	3,950,000	-	14,963,555	16,282,346	245,087	11,888,518	2,807,741	-	-	4,314,000
Sale of capital assets	-	-	108,975	-	-	689,800	-	-	-	-
Payments to refunded bond escrow agents	-	-	-	-	-	(7,500,000)	-	-	-	(4,403,208)
Transfers in	3,429,425	2,534,756	2,700,588	2,406,526	2,024,579	10,795,281	3,812,738	4,175,569	3,327,871	2,753,223
Transfers out	(3,439,424)	(2,534,756)	(3,332,495)	(2,470,179)	(2,080,104)	(10,908,431)	(3,933,365)	(4,328,342)	(3,294,987)	(2,874,566)
Total other financing sources (uses)	3,940,001	-	14,440,623	16,218,693	189,562	4,965,168	2,687,114	(152,773)	32,884	(210,551)
Net change in fund balances	\$ 2,657,577	\$ (562,967)	\$ 9,082,579	\$ (9,062,266)	\$ 803,380	\$	\$ 1,394,151	\$ (3,540,264)	\$ 3,770,409	\$
Debt service as a % of noncapital expenditures	*	*	16.1%	4.5%	10.3%	8.0%	10.7%	10.5%	10.0%	10.2%

Notes:

The County implemented GASB 34 in fiscal year 2003. Fiscal years 2001 and 2002 have been restated to allow comparability with post GASB 34 information.

Beginning in fiscal year 2003, the County began accounting for waste disposal services in an enterprise fund. Prior to this fiscal year, these services were accounted for in governmental funds.

*Data not available

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 Taxable Value	Assessed Value as a Percentage of Actual Value
2001	967,219,000	213,735,846	229,595,200	46,827,400	1,363,722,646	0.85	1,410,550,046	96.68%
2002	990,649,100	217,907,112	230,371,500	45,785,200	1,393,142,512	0.85	1,438,927,712	96.82%
2003	1,403,388,600	379,950,303	310,729,800	85,504,800	2,008,563,903	0.71	2,094,068,703	95.92%
2004	1,436,618,500	420,064,497	299,783,100	89,073,700	2,067,392,397	0.71	2,156,466,097	95.87%
2005	1,493,602,522	398,769,694	300,482,030	92,941,990	2,099,912,256	0.71	2,192,854,246	95.76%
2006	1,562,047,822	381,463,096	301,208,730	90,126,180	2,154,593,468	0.77	2,244,719,648	95.98%
2007	1,644,028,102	253,967,441	300,592,990	90,746,130	2,107,842,403	0.77	2,198,588,533	95.87%
2008	3,347,392,430	401,704,706	676,800,600	291,567,300	4,134,330,436	0.38	4,425,897,736	93.41%
2009	3,375,157,810	527,353,676	660,766,200	292,741,800	4,270,535,886	0.45	4,563,277,686	93.58%
2010	3,363,432,110	660,176,147	657,001,700	290,503,900	4,390,106,057	0.48	4,680,609,957	93.79%

Source: Accomack County Central Accounting Office

Notes: Real Property is assessed annually at actual market value. Property is assessed at 100 percent of estimated actual 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. The County reassessed real property values in 2008 marking the first reassessment since 2003.

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

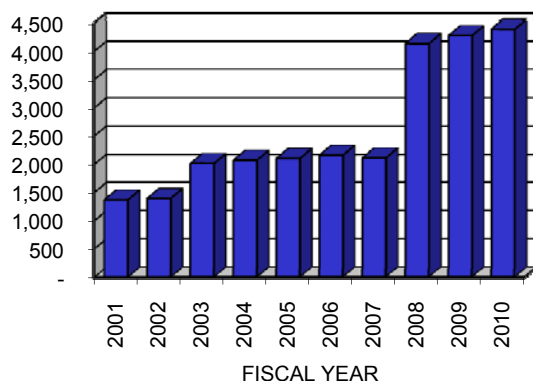
Table 5B

Fiscal Year Ending June 30,	Motor Vehicles & Other	Mobile Homes	Machinery & Tools	Total Taxable Assessed Value	Total Direct Personal Property Tax Rate
2001	190,612,766	31,620,536	10,571,637	232,804,939	3.26
2002	193,006,445	31,476,295	28,047,036	252,529,776	3.26
2003	197,270,307	29,755,601	15,490,813	242,516,721	3.26
2004	213,309,403	33,045,031	16,778,502	263,132,936	3.26
2005	215,549,860	36,302,255	19,777,993	271,630,108	3.26
2006	236,835,630	38,233,114	19,728,462	294,797,206	3.26
2007	250,925,206	37,176,644	17,818,455	305,920,305	3.30
2008	270,757,469	35,525,219	20,052,659	326,335,347	3.30
2009	281,876,699	37,296,708	20,079,299	339,252,706	3.30
2010	238,849,342	41,811,733	19,133,642	299,794,717	3.75

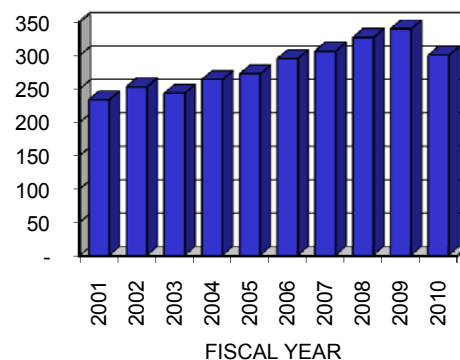
Source: Accomack County Central Accounting Office

Notes: Personal Property is assessed annually at actual market value. Property is assessed at 100 percent of estimated actual 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.

Taxable Assessed Value of Real Property
(in millions)



Taxable Assessed Value of Personal Property
(in millions)



COUNTY OF ACCOMACK, VIRGINIA

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

LAST TEN FISCAL YEARS

Type of tax	2001					2002					2003					2004				
	District Number					District Number					District Number					District Number				
	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6
Real Property																				
County Direct Rates:																				
General	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
Debt Service	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11
Emergency Medical Service	0.06	0.09	0.04	0.07	-	0.06	0.09	0.04	0.07	-	0.05	0.07	0.04	0.04	-	0.05	0.07	0.04	0.04	-
Fire and Rescue	0.06	0.05	0.05	0.04	-	0.06	0.05	0.05	0.04	-	0.05	0.04	0.04	0.04	-	0.05	0.04	0.04	0.04	-
Mosquito Control ²	0.05	-	-	-	-	0.05	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-
Total real property direct rates	0.85	0.82	0.77	0.79	0.68	0.85	0.82	0.77	0.79	0.68	0.71	0.68	0.65	0.65	0.57	0.71	0.68	0.65	0.65	0.57
Overlapping Governments:																				
Town of Chincoteague	-	-	-	-	0.18	-	-	-	-	0.18	-	-	-	-	0.13	-	-	-	-	0.13
Town of Saxis	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-
Town of Hallwood	0.14	-	-	-	-	0.14	-	-	-	-	0.14	-	-	-	-	0.14	-	-	-	-
Town of Bloxom	-	0.12	-	-	-	-	0.12	-	-	-	-	0.12	-	-	-	-	0.12	-	-	-
Town of Parksley	-	0.35	-	-	-	-	0.35	-	-	-	-	0.27	-	-	-	-	0.35	-	-	-
Town of Tangier	n/a	-	-	-	-	n/a	-	-	-	-	0.50	-	-	-	-	0.45	-	-	-	-
Town of Accomac	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.07	-	-
Town of Onley	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-
Town of Onancock	-	-	0.43	-	-	-	-	0.43	-	-	-	-	0.31	-	-	-	-	0.31	-	-
Town of Melfa	-	-	-	0.05	-	-	-	-	0.05	-	-	-	-	0.03	-	-	-	-	0.07	-
Town of Wachapreague	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.18	-	-	-	-	0.18	-
Town of Keller	-	-	-	0.10	-	-	-	-	0.20	-	-	-	-	0.13	-	-	-	-	0.13	-
Town of Painter	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.04	-	-	-	-	0.04	-
Town of Belle Haven	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-
Personal Property																				
County Direct Rates:																				
General	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07
Debt Service	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Emergency Medical Service	0.05	0.08	0.04	0.05	-	0.05	0.08	0.04	0.05	-	0.05	0.08	0.04	0.05	-	0.05	0.08	0.04	0.05	-
Fire and Rescue	0.06	0.05	0.05	0.04	-	0.06	0.05	0.05	0.04	-	0.06	0.05	0.05	0.04	-	0.06	0.05	0.05	0.04	-
Total personal prop. direct rates	3.24	3.26	3.22	3.22	3.13	3.24	3.26	3.22	3.22	3.13	3.24	3.26	3.22	3.22	3.13	3.24	3.26	3.22	3.22	3.13
Overlapping Governments:																				
Town of Chincoteague	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85
Town of Saxis	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-
Town of Hallwood	0.45	-	-	-	-	0.45	-	-	-	-	0.45	-	-	-	-	0.45	-	-	-	-
Town of Bloxom	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-
Town of Parksley	-	0.80	-	-	-	-	0.80	-	-	-	-	0.80	-	-	-	-	0.80	-	-	-
Town of Tangier	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town of Accomac	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-
Town of Onley	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-
Town of Onancock	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-
Town of Melfa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town of Wachapreague	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town of Keller	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-
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.

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

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

Table 6

2005					2006					2007					2008					2009					2010				
District Number					District Number					District Number					District Number					District Number					District Number				
2	3	4	5	6	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6
0.46	0.46	0.46	0.46	0.46	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.25	0.25	0.25	0.25	0.25	0.28	0.28	0.28	0.28	0.28	0.30	0.30	0.30	0.30	0.30
0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.05	0.05	0.05	0.05	0.05	0.07	0.07	0.07	0.07	0.07	0.08	0.08	0.08	0.08	0.08
0.05	0.05	0.05	0.05	-	0.06	0.06	0.06	0.06	-	0.06	0.06	0.06	0.06	-	0.03	0.03	0.03	0.03	-	0.05	0.05	0.05	0.05	-	0.05	0.05	0.05	0.05	-
0.05	0.04	0.04	0.04	-	0.07	0.04	0.04	0.05	-	0.07	0.04	0.04	0.05	-	0.03	0.02	0.02	0.03	-	0.03	0.02	0.02	0.03	-	0.03	0.02	0.02	0.03	-
0.04	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.02	-	-	-	-	0.02	-	-	-	-	0.02	-	-	-	-
0.71	0.66	0.66	0.66	0.57	0.77	0.70	0.70	0.71	0.60	0.77	0.70	0.70	0.71	0.60	0.38	0.35	0.35	0.36	0.30	0.45	0.42	0.42	0.43	0.35	0.48	0.45	0.45	0.46	0.38
-	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.06
0.10	-	-	-	-	0.20	-	-	-	-	0.20	-	-	-	-	0.20	-	-	-	-	0.20	-	-	-	-	0.12	-	-	-	-
0.14	-	-	-	-	0.14	-	-	-	-	0.14	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.09	-	-	-	-
-	0.12	-	-	-	-	0.12	-	-	-	-	0.12	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.10	-	-	-
-	0.35	-	-	-	-	0.35	-	-	-	-	0.35	-	-	-	-	0.18	-	-	-	-	0.18	-	-	-	-	0.25	-	-	-
0.45	-	-	-	-	0.45	-	-	-	-	0.45	-	-	-	-	0.25	-	-	-	-	0.25	-	-	-	-	0.35	-	-	-	-
-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.05	-	-	-	-	0.05	-	-	-	-	0.05	-	-
-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.08	-	-	-	-	0.05	-	-	-	-	0.05	-	-	-	-	0.08	-	-
-	-	0.31	-	-	-	-	0.34	-	-	-	-	0.34	-	-	-	-	0.20	-	-	-	-	0.20	-	-	-	-	0.20	-	-
-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.07	-	-	-	-	0.03	-	-	-	-	0.03	-	-	-	-	0.05	-
-	-	-	0.19	-	-	-	-	0.22	-	-	-	-	0.22	-	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.15	-
-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.13	-	-	-	-	0.06	-	-	-	-	0.06	-	-	-	-	0.06	-
-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.06	-
-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.04	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	####	-
3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.48	3.48	3.48	3.48	3.48	
0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.10	0.10	0.10	0.10	0.06	
0.05	0.08	0.04	0.05	-	0.05	0.08	0.04	0.05	-	0.06	0.06	0.06	0.06	-	0.06	0.06	0.06	0.06	-	0.06	0.06	0.06	0.06	-	0.09	0.09	0.09	0.09	-
0.06	0.05	0.05	0.04	-	0.06	0.05	0.05	0.04	-	0.08	0.05	0.05	0.05	-	0.08	0.05	0.05	0.05	-	0.08	0.05	0.05	0.05	-	0.08	0.05	0.05	0.05	-
3.24	3.26	3.22	3.22	3.13	3.24	3.26	3.22	3.22	3.13	3.30	3.27	3.27	3.27	3.16	3.30	3.27	3.27	3.27	3.16	3.30	3.27	3.27	3.27	3.16	3.75	3.72	3.72	3.72	3.54
-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-	0.85
0.25	-	-	-	-	0.25	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-
0.45	-	-	-	-	0.45	-	-	-	-	0.45	-	-	-	-	0.45	-	-	-	-	0.45	-	-	-	-	0.48	-	-	-	-
-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.30	-	-	-
-	0.80	-	-	-	-	0.80	-	-	-	-	0.80	-	-	-	-	0.80	-	-	-	-	0.80	-	-	-	-	0.80	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-
-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.15	-	-	-	-	0.30	-	-
-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-	-	-	2.00	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	0.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-	-	-	-	0.10	-
-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-	-	-	-	0.30	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

Table 7

Taxpayer	2010			2001		
	Total Assessed Valuation	Rank	Percentage of Total Assessed Value ¹	Total Assessed Valuation	Rank	Percentage of Total Assessed Value ¹
Commonwealth Chesapeake Company	\$ 185,810,572	1	3.73%	\$ -	-	-
A&N Electric Cooperative	68,451,811	2	1.37%	16,560,449	4	1.04%
Verizon Virginia Inc.	35,027,795	3	0.70%	-	-	-
Perdue Farms Inc.	29,387,686	4	0.59%	17,227,601	3	1.08%
Shore Land Investments LLC	26,357,999	5	0.53%	-	-	-
Captains Cove Group LLC	22,764,100	6	0.46%	-	-	-
Tyson Foods Inc.	21,708,705	7	0.44%	14,760,501	5	0.92%
Old Dominion Electric Cooperative	10,357,623	8	0.21%	3,522,600	10	0.22%
Madonia, Batista or Evelyn Madonia	10,152,840	9	0.20%	10,409,416	6	0.65%
Delmarva Power	10,023,512	10	0.20%	-	-	-
Bell Atlantic	-	-	-	27,163,447	1	1.70%
Conectiv	-	-	-	26,772,348	2	1.68%
The Nature Conservancy	-	-	-	5,242,300	8	0.33%
First Charter Land Corporation	-	-	-	5,881,600	7	0.37%
Eastern Shore Seafood Products	-	-	-	3,604,441	9	0.23%

Source: Accomack County Central Accounting Office.

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

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

Table 8

Fiscal Year Ending June 30,	Total Tax Levy	Personal Property Tax Relief Act Credits ⁽³⁾	Adjusted Tax Levy	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percent of Adjusted Levy		Amount	Percent of Adjusted Levy
Real Estate Taxes:								
2001	10,301,783	-	10,301,783	9,335,565	90.62%	944,171	10,279,736	99.79%
2002	10,548,067	-	10,548,067	9,442,876	89.52%	1,072,584	10,515,460	99.69%
2003	12,323,839	-	12,323,839	11,313,006	91.80%	938,607	12,251,613	99.41%
2004	13,162,264	-	13,162,264	12,159,094	92.38%	921,531	13,080,625	99.38%
2005	13,149,338	-	13,149,338	12,107,697	92.08%	943,609	13,051,306	99.25%
2006	13,959,366	-	13,959,366	12,824,636	91.87%	997,880	13,822,515	99.02%
2007	14,441,421	-	14,441,421	13,100,144	90.71%	1,204,876	14,305,020	99.06%
2008	14,587,494	-	14,587,494	12,498,041	85.68%	1,578,258	14,076,299	96.50%
2009	15,860,887	-	15,860,887	14,204,453	89.56%	876,362	15,080,815	95.08%
2010	18,407,802	-	18,407,802	16,804,990	91.29%	-	16,804,990	91.29%
Personal Property Taxes:								
2001	6,488,137	(1,915,586)	4,572,552	3,944,765	86.27%	404,542	4,349,307	95.12%
2002	7,174,096	(2,782,974)	4,391,122	3,895,819	88.72%	251,583	4,147,402	94.45%
2003	7,007,773	(2,803,401)	4,204,372	3,642,888	86.65%	246,546	3,889,434	92.51%
2004	7,568,164	(2,904,983)	4,663,180	3,977,981	85.31%	285,482	4,263,463	91.43%
2005	7,772,875	(2,820,715)	4,952,160	4,259,666	86.02%	258,270	4,517,936	91.23%
2006	8,406,000	(3,014,681)	5,391,319	4,570,749	84.78%	357,053	4,927,802	91.40%
2007	8,943,981	(2,673,704)	6,270,277	5,526,354	88.14%	320,021	5,846,375	93.24%
2008	9,272,941	(2,728,454)	6,544,487	5,510,543	84.20%	442,468	5,953,011	90.96%
2009	9,173,062	(2,832,095)	6,340,967	5,554,130	87.59%	491,331	6,045,460	95.34%
2010 ⁴	15,911,251	(4,609,338)	11,301,913	7,247,272	64.12%	-	7,247,272	64.12%

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

⁽²⁾ Does not include penalty or interest.

⁽³⁾ The Personal Property Tax Relief Act (PPTRA) was passed by the Commonwealth of Virginia in 1998. This legislation provides personal property tax relief to owners of personal use vehicles via a tax credit that appears on the citizen's local tax assessment as a reduction to taxes due. Localities receive a fixed amount of Commonwealth aid restricted for this program which is intended to reimburse the County for tax relief granted. Additional information on this legislation is found in the notes to the financial statements.

⁽⁴⁾ Beginning in fiscal year 2010, personal property taxes were levied in two installments due 6/25 and 12/5. Taxes were previously due in one installment.

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

Table 9

Fiscal Year	Governmental Activities						Business-type Activities				
	General Obligation Bonds			Revenue/ Bond Anticipation	Lease Revenue Bonds	Capital Leases	General Total		Primary Government	Per Capita ¹	Percentage of Personal Income ¹
	Literary Fund Loans	Va. Public School Authority Bonds	Qualified Zone Academy Bonds				Obligation Bonds ²	Capital Leases			
2001	\$ 8,804,446	\$ 15,218,538	\$ -	\$ 3,950,000	\$ -	\$ 300,920	\$ 4,410,000	\$ -	\$ 32,683,904	\$ 850	4.14%
2002	8,230,957	14,377,186	-	3,950,000	-	265,042	4,160,000	-	30,983,185	803	3.85%
2003	7,657,468	19,787,249	942,510	7,500,000	-	231,000	3,900,000	-	40,018,227	1,038	4.71%
2004	7,083,979	31,252,554	887,348	7,500,000	3,740,000	198,000	3,625,000	-	54,286,881	1,404	6.05%
2005	6,610,493	30,143,870	1,075,619	7,500,000	3,650,000	165,000	3,340,000	-	52,484,982	1,356	5.66%
2006	6,137,001	40,305,984	1,007,951	-	3,555,000	132,000	3,040,000	-	54,177,936	1,404	5.67%
2007	5,676,492	38,727,015	938,032	-	6,125,000	99,000	2,725,000	-	54,290,539	1,412	5.27%
2008	5,215,983	37,073,904	865,787	-	5,815,000	66,000	2,395,000	-	51,431,674	1,340	4.79%
2009	4,755,474	35,350,933	791,129	-	5,490,000	33,000	2,045,000	-	48,465,536	1,260	*
2010	4,294,965	33,567,305	713,974	-	5,748,000	-	2,112,000	-	46,436,244	1,206	*

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

* Unavailable

¹ See Table 11 for population and personal income data.

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

COUNTY OF ACCOMACK, VIRGINIA
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Table 10

Fiscal	General Bonded Debt Outstanding ¹				Less: Amounts	Net	Percentage of Estimated	
Year	General	Revenue/Bond	Lease		Available	General	Actual	
Ending	Obligation	Anticipation	Revenue		in Debt	Bonded	Taxable Value	Per
June 30,	Bonds	Notes	Bonds	Total	Service Fund	Debt	of Property ^{2,3}	Capita ³
2001	\$ 24,022,984	\$ 3,950,000	\$ -	\$ 27,972,984	\$ 1,804,711	\$ 26,168,273	1.64%	\$ 680
2002	22,608,143	3,950,000	-	26,558,143	1,266,402	25,291,741	1.54%	655
2003	28,387,227	7,500,000	-	35,887,227	1,010,899	34,876,328	1.55%	905
2004	39,223,881	7,500,000	3,740,000	50,463,881	1,843,672	48,620,209	2.09%	1,257
2005	37,829,982	7,500,000	3,650,000	48,979,982	1,736,301	47,243,681	1.99%	1,220
2006	47,450,935	-	3,555,000	51,005,935	2,122,742	48,883,193	2.00%	1,267
2007	45,341,539	-	6,125,000	51,466,539	1,746,995	49,719,544	2.06%	1,293
2008	43,155,674	-	5,815,000	48,970,674	1,263,817	47,706,857	1.07%	1,243
2009	40,897,536	-	5,490,000	46,387,536	1,113,942	45,273,594	0.98%	1,177
2010	38,576,244	-	5,748,000	44,324,244	859,741	43,464,503	0.93%	1,129

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

¹ Excludes general obligation bonds of business-type activities and capital leases.

² Includes real and personal property estimated actual taxable value.

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

COUNTY OF ACCOMACK, VIRGINIA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Table 11

Year	Population ¹	Personal Income (expressed in thousands) ²	Per Capita Personal Income ²	Unemployment Rate ⁴	School Enrollment ³
2001	38,473	\$788,818	\$20,503	3.40%	5,340
2002	38,593	\$804,584	\$20,848	4.10%	5,378
2003	38,556	\$850,517	\$22,054	4.30%	5,445
2004	38,669	\$897,320	\$23,205	4.60%	5,390
2005	38,716	\$927,850	\$23,966	4.60%	5,385
2006	38,580	\$955,309	\$24,762	4.20%	5,414
2007	38,455	\$1,029,511	\$26,772	4.00%	5,370
2008	38,395	\$1,073,813	\$27,968	5.00%	5,193
2009	38,462	N/A	N/A	6.60%	5,016
2010	38,500	N/A	N/A	7.00%	5,056

N/A - Not available

¹ Source: Years 2001-2009 U.S. Census Bureau/Year 2010 estimated

² Source: U.S. Bureau of Economic Analysis

³ Source: Accomack County School Board

⁴ Source: Virginia Employment Commission/2010 unemployment rate as of June 2010

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

Table 12

Employer	2010			2001		
	Employees	Rank	Percentage of Total County Employment ¹	Employees	Rank	Percentage of Total County Employment ¹
Perdue Farms, Inc.	1000+	1	5.77%	1000+	1	5.91%
Tyson Foods, Inc.	1000+	2	5.77%	1000+	2	5.91%
Accomack County School Board	500-999	3	2.88%	500-999	3	2.95%
Kings Choice	250-499	4	1.44%	100-249	9	1.48%
County of Accomack	250-499	5	1.44%	250-499	6	1.48%
National Aeronautics & Space Administration	100-249	6	1.44%	250-499	7	1.48%
The Cube Corporation	100-249	7	0.58%	-	-	-
Eastern Shore Community Services	100-249	8	0.58%	-	-	-
Northrup Grumman Technical Services	100-249	9	0.58%	-	-	-
Shore Memorial Hospital	100-249	10	0.58%	-	-	-
Kuzzens	-	-	-	500-999	4	2.95%
Leos Job Service Inc.	-	-	-	250-499	5	1.48%
Byrd Food	-	-	-	100-249	8	0.59%
Able Body Temps	-	-	-	100-249	10	0.59%
			<u>21.06%</u>			<u>24.21%</u>

Source: Virginia Employment Commission

¹Percentage of total County employment based on total employment as of December 31 of preceding year.

COUNTY OF ACCOMACK, VIRGINIA
 AUTHORIZED FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION
 LAST SIX FISCAL YEARS^{1,2}

Table 13

Function/Program	2005	2006	2007	2008	2009	2010
General government						
Constitutional Officers and employees (funded in part by the Commonwealth of Virginia)	9.0	9.0	9.0	11.0	11.0	11.0
Elections	2.0	2.0	2.0	2.0	2.0	2.0
Other	25.0	25.0	27.0	27.0	27.5	33.5
Judicial administration						
Constitutional Officers and employees (funded in part by the Commonwealth of Virginia)	17.8	18.3	18.3	18.3	19.8	19.8
Other	2.0	2.0	3.0	3.0	3.0	2.0
Public Safety						
Constitutional Officers and employees (funded in part by the Commonwealth of Virginia)	64.7	64.7	64.7	64.7	63.7	62.7
Firefighters and emergency medical personnel	20.0	22.5	22.5	28.5	31.5	31.5
Other	12.5	12.5	12.5	14.5	14.0	13.0
Public Works						
Refuse collection and litter control	17.0	19.0	21.8	22.3	23.2	23.2
Refuse disposal	13.7	14.7	15.4	15.4	14.5	14.5
Building and grounds	14.3	14.8	14.8	14.8	14.8	14.8
Wastewater treatment	0.0	0.0	0.0	0.0	0.0	1.0
Storm drainage	1.0	1.0	1.0	1.0	1.0	1.0
Health and welfare						
Social services and welfare	63.0	64.0	64.0	64.0	64.0	64.0
Other	6.0	6.0	6.0	6.0	5.0	3.0
Parks, recreation and cultural	6.0	6.0	6.0	6.0	5.0	5.0
Community development	4.0	5.0	7.0	8.0	8.0	9.0
Total primary government	<u>278.0</u>	<u>286.5</u>	<u>295.0</u>	<u>306.5</u>	<u>308.0</u>	<u>311.0</u>

Source: Accomack County Central Accounting Office

¹Ten years of data is not available but will be accumulated over time.

²Temporary and seasonal employees are excluded from this table.

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

Table 14

Function/Program	2006	2007	2008	2009	2010
General Government					
Assessor					
Taxable real estate number of parcels	38,021	38,689	39,134	39,440	39,620
Tax-exempt real estate number of parcels	892	898	917	921	932
Number of parcels enrolled in land use program	1,543	1,569	1,642	1,720	1,970
Commissioner of Revenue					
Mobile homes	4,230	4,219	4,214	4,214	3,512
Personal Property Tax Relief Act (PPTRA) qualifying vehicles	34,235	35,831	33,206	34,886	34,551
PPTRA tax credit percentages (vehicle value <\$1000;\$1000-\$20,000)	100% ; 51%	100% ; 51%	100% ; 51%	100%;51%	100%;51%
Finance					
Vendor checks issued	11,793	11,131	10,542	10,149	10,203
Annual County payroll checks/direct deposits	7,902	7,766	8,236	8,323	8,736
Annual School Board payroll checks/direct deposits	29,716	25,721	25,402	26,220	26,886
Treasurer					
Real estate bills created	72,535	74,014	76,178	76,617	77,399
Personal property bills created	38,314	38,540	35,365	37,419	65,899
Judicial Administration					
Clerk of Court					
Deed book recordings	8,684	7,588	5,886	5,611	5,311
Judgments	2,612	4,364	2,648	3,264	2,922
Public Safety					
Fire and Emergency Services					
Emergency responses ²	3,001	2,979	3,230	2,605	3,798
Patients transported ²	2,125	2,134	2,264	1,751	2,597
Fire responses ²	325	322	387	253	343
Fire investigations	60	17	N/A	N/A	N/A
Fire inspections	25	23	21	23	26
EMS turn-out time when fully staffed ²	2 minutes	2 minutes	2 minutes < 2 minutes	< 2 minutes	< 2 minutes
EMS drive time when fully staffed ²	14 minutes	12 minutes < 12 minutes	< 7 minutes	< 7 minutes	< 7 minutes
EMS response time when fully staffed ²	15 minutes	14 minutes < 15 minutes	< 7 minutes	< 7 minutes	< 7 minutes
Jail					
Average daily inmate population	99	116	104	96	96
Sheriff's Office					
Physical arrests	786	788	837	864	671
Traffic violations	364	629	436	478	456
Health and Welfare					
Comprehensive Services Act					
Youth receiving services through Comprehensive Services Act	106	121	121	121	67
Social Services					
Medicaid Recipients	6,559	6,882	5,838	5,942	8,300
Food Stamp Recipients	3,890	4,042	4,290	4,326	5,506
Households receiving Heating Assistance	1,698	1,631	3,414	3,217	3,231
Households receiving Cooling Assistance	491	394	453	426	739
Community Development					
Building permits issued	1,109	1,073	924	918	861
Recorded sellable subdivisions lots	356	372	273	186	27
Total acreage of recorded sellable subdivision lots	868	924	638	625	178
Other Funds					
Landfills					
Tons of refuse disposed	54,673	53,777	52,179	43,188	39,144
Tons of recycled materials ³	6,251	7,931	11,656	17,425	8,769

Sources: Various county departments.

¹ Ten years of data is not available but will be accumulated over time.

² Accomack County fire and rescue services are provided by county career staff and volunteers. The data above excludes volunteers.

³ This information is reported on a calendar year basis.

COUNTY OF ACCOMACK, VIRGINIA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST EIGHT FISCAL YEARS¹

Table 15

	2003	2004	2005	2006	2007	2008	2009	2010
Function								
Public Safety								
Police Stations	1	1	1	1	1	1	1	1
Patrol units (includes process server vehicle)	33	35	35	35	35	38	41	43
Fire training centers	-	-	1	1	1	1	1	1
Animal control facilities	-	-	-	1	1	1	1	1
Public Works								
County owned buildings	21	23	29	29	30	31	33	33
Square foot in buildings	158,523	160,551	192,790	186,749	186,893	187,037	187,373	187,373
Refuse collection sites (staffed) ²	1	1	1	1	2	3	4	5
Refuse collection sites (unstaffed) ²	18	18	18	18	16	14	4	4
Refuse collection vehicles ²	4	4	4	4	4	4	4	4
Parks, Recreation and Cultural								
Athletic fields	8	8	18	18	18	18	18	18
Tennis courts	1	1	1	1	1	1	1	1
Fishing/boating facilities:								
Dock and/or ramp facilities	15	15	15	15	15	15	15	15
Low impact water access site	9	9	9	9	9	9	9	9
Pier or bulkhead only	3	3	3	3	3	3	3	3
Education								
Elementary schools	5	5	5	5	5	5	5	5
Elementary school capacity	2,775	2,775	2,775	2,775	2,775	2,775	2,775	2,775
Secondary schools	5	4	4	4	4	4	4	4
Secondary school capacity	n/a	n/a	2,750	2,750	2,750	2,750	2,750	2,750
Combined schools	2	2	2	2	2	2	2	2
Combined school capacity	500	525	525	525	525	525	525	525
School buses	109	109	109	109	108	107	110	109
Component Units								
Airport								
Number of T-hangar buildings	2	2	2	2	2	2	2	2
Number of T-hangar units	18	18	18	18	18	18	18	18
Length of runway	5000'	5000'	5000'	5000'	5000'	5000'	5000'	5000'
Industrial Development Park								
Acreage available for sale	261.25	264.25	261.28	261.28	261.28	261.28	261.28	261.28

Sources: Various county departments.

¹Ten years of data is not available but will be accumulated over time.

²This information does not include the county's two active landfills.

Compliance Section



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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

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

**To The Honorable Members of Board of Supervisors
County of Accomack
Accomack, Virginia**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Accomack, Virginia, as of and for the year ended June 30, 2010, which collectively comprise the County of Accomack, Virginia's basic financial statements and have issued our report thereon dated December 21, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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 County's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the County of Accomack, Virginia, in a separate letter dated December 21, 2010.

This report is intended solely for the information and use of the Board of Supervisors, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Robinson, Farmer, & Associates

Charlottesville, Virginia
December 21, 2010

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 Independent Auditor's Report

**To The Honorable Members of Board of Supervisors
County of Accomack
Accomack, Virginia**

Compliance

We have audited the County of Accomack, Virginia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. The County of Accomack, Virginia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of County of Accomack, Virginia's management. Our responsibility is to express an opinion on County of Accomack, Virginia's compliance based on our audit.

County of Accomack, Virginia's basic financial statements include the operations of the Accomack-Northampton Planning District Commission, which received \$884,255 in federal awards which is not included in the schedule during the year June 30, 2010. 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 in accordance with OMB Circular A-133

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 OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County 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. Our audit does not provide a legal determination of the County of Accomack, Virginia's compliance with those requirements.

In our opinion, the County of Accomack, Virginia complied, in all material respects, with the 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, 2010.

Internal Control Over Compliance

Management of the County of Accomack, Virginia is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County of Accomack, Virginia's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Supervisors, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Robinson, Turner, Co. Associates
Charlottesville, Virginia
December 21, 2010

COUNTY OF ACCOMACK, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT
FOR THE YEAR ENDED JUNE 30, 2010

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Federal Grantor Pass Through Grantor Program or Cluster Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
PRIMARY GOVERNMENT:			
Department of Housing and Urban Development:			
<u>Pass Through Payments:</u>			
Department of Housing and Community Development Community development block grants/Entitlement grants	N/A	14.228	\$ 85,876
Department of Commerce National Oceanic and Atmosphere Administration:			
<u>Pass Through Payments:</u>			
Department of Environmental Quality Coastal Zone Management Administration Awards	NA09NOS4190163	11.419	\$ 27,483
Department of Justice:			
<u>Direct Payments:</u>			
Inmate social security bounty	N/A	16.000	\$ 2,000
<u>Pass Through Payments:</u>			
Department of Justice Edward Byrne Memorial justice assistance grant program	2009-DJ-BX-0772	16.738	10,485
Public safety partnership and community policing grants	2008CKWX0436	16.710	124,915
ARRA-Edward Byrne Memorial justice assistance grant program/grants to units of local government	2009-G4887-VA-SB	16.804	54,650
Virginia Compensation Board: ARRA-Edward Byrne Memorial justice assistance grant program/grants to states and territories	2009-SU-B9-0033	16.803	140,568
Total Department of Justice			<u>332,618</u>
Department of Transportation:			
<u>Pass Through Payments:</u>			
State and community highway safety	SC0959100/SC1050348	20.600	\$ 14,303
Department of Homeland Security:			
<u>Pass Through Payments:</u>			
Virginia Department of Emergency Services: State homeland security program	N/A	97.073	\$ 230,615
Hazard mitigation grant	N/A	97.039	322,385
Emergency management performance grant	N/A	97.042	6,782
Total Department of Homeland Security			<u>\$ 559,782</u>
Department of Agriculture:			
<u>Direct Payments:</u>			
Summer food service program for children	N/A	10.559	\$ 67,958
Food distribution	N/A	10.559	\$ 513
Community Facilities Loans and Grants	N/A	10.766	35,970
<u>Pass Through Payments:</u>			
Department of Social Services: SNAP Cluster: ARRA-State administrative matching grants for supplemental nutrition assistance programs	0010109/0010110/0040109/0040110	10.561	\$ 18,184
State administrative matching grants for supplemental nutrition assistance programs	0010109/0010110/0040109/0040110	10.561	480,515
Total Department of Agriculture			<u>\$ 603,140</u>
Department of Health and Human Services:			
<u>Pass Through Payments:</u>			
Department of Social Services: Promoting safe and stable families	0950109/0950110	93.556	\$ 22,312
Temporary assistance for needy families	0400109/0400110	93.558	446,907
Refugee and entrant assistance - state administered programs	0500109/0500110	93.566	1,058
Low-income home energy assistance	0600409/0600410	93.568	30,563
Child care and development block grant (Child care cluster)	0770109/0770110	93.575	167,313

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, 2010**

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Federal Grantor Pass Through Grantor Program or Cluster Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
Department of Health and Human Services - continued :			
<u>Pass Through Payments - continued:</u>			
Department of Social Services - continued:			
Child care mandatory and matching funds of the child care and development fund (Child care cluster)	0760109/0760110	93.596	75,124
Chafee education and training vouchers	9160109	93.599	915
Child welfare services - state grants	0900109/0900110	93.645	1,401
Foster care-Title IV-E (Foster care cluster)	1100109/1100110	93.658	165,225
ARRA-Foster care-Title IV-E (Foster care cluster)	1100109/1100110	93.658	6,890
Adoption assistance (Adoption assistance cluster)	1120109/1120110	93.659	88,327
ARRA-Adoption assistance (Adoption assistance cluster)	1120109/1120110	93.659	9,385
Social services block grant	1000109/1000110	93.667	171,486
Chafee foster care independence program	9150108/9150110	93.674	4,980
ARRA-Child care and development block grant (Child care cluster)	0740109/0780109	93.713	51,140
Children's health insurance program	0540109/0540110	93.767	21,966
Medical assistance program	1200109/1200110	93.778	273,432
Total Department of Social Services			1,538,424
Total Department of Health and Human Services			\$ 1,538,424
Department of the Interior:			
<u>Direct Payments:</u>			
Bureau of Land Management-Public Law Number 97-258 (National forest acreage payment)	N/A	15.226	\$ 25,085
Chincoteague wildlife refuge	N/A	15.000	95,372
Total Department of the Interior			\$ 120,457
TOTAL PRIMARY GOVERNMENT			\$ 3,282,083
COMPONENT UNIT-SCHOOL BOARD:			
Department of Agriculture:			
<u>Pass Through Payments:</u>			
Virginia Department of Agriculture and Consumer Services: Food distribution (Child nutrition cluster)	10.555/2009/2010	10.555	\$ 162,117
Department of Education:			
School breakfast program (Child nutrition cluster)	10.553/2009/2010	10.553	508,798
National school lunch program (Child nutrition cluster)	10.555/2009/2010	10.555	1,351,820
Total Department of Agriculture			\$ 2,022,735
Department of Education:			
<u>Pass Through Payments:</u>			
Department of Education:			
Title I Grants to local educational agencies (Title I, Part A cluster)	S010A080046/S010A090046	84.010	\$ 2,029,077
ARRA-Title I Grants to local educational agencies (Title I, Part A cluster)	S389A090046	84.389	339,990
Migrant education - state grant program	S011A080047/S011A070047	84.011	167,549
Special education - grants to states (Special education cluster)	H027A080107/H027A090107	84.027	935,707
ARRA-Special education - grants to states (Special education cluster)	H391A090107	84.391	170,190
Career and technical education - basic grants to states	V048A090046/V048A090046	84.048	148,111
Special education - preschool grants (Special education cluster)	H173A080112/H173A090112	84.173	32,222
ARRA-Special education - preschool grants (Special education cluster)	H392A090112	84.392	26,223
Safe and drug-free schools and communities - state grants	Q186A080048/Q186B070049	84.186	35,423
Even start - state educational agencies	S213C070047/S213C080047	84.213	158,440
Title X Project Hope	NA	84.282	8,169
Migrant education - coordination program	S144F080047	84.144	13,992
ARRA-State fiscal stabilization program - education state grants	S394A090047	84.394	1,632,420
Education technology state grants (Education technology cluster)	S318X090046	84.318	13,539
ARRA-Education technology state grants (Education technology cluster)	S386A090046	84.386	20,383
Rural education	S358B080046	84.358	113,806
Reading first	S357A070048/S357A080048	84.357	401,977
English language acquisition grants	T365A080046	84.365	63,345
Improving teacher quality state grants	S367A070044/S367A080044/S367A090044	84.367	224,458
Total Department of Education			\$ 6,535,021
TOTAL COMPONENT UNIT-SCHOOL BOARD			\$ 8,557,756
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 11,839,839

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

COUNTY OF ACCOMACK, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2010

Note 1 - Basis of Accounting

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the County of Accomack, Virginia under programs of the federal government for the year ended June 30, 2010. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. 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 assets, 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 OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, 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 - 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	\$ 1,188,181
Virginia Public Assistance Fund	1,996,543
Emergency 911 Systems Fund	10,970
Rehabilitation Projects Fund	73,975
County Capital Projects Fund	<u>11,901</u>

Total primary government	\$ <u>3,281,570</u>
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Component Unit Public Schools:

School Operating Fund	\$ 6,535,019
School Cafeteria Fund	<u>1,860,620</u>
Total component unit public schools	\$ <u>8,395,639</u>

Total federal expenditures per basic financial statements	\$ <u>11,677,209</u>
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Non-cash expenditures - value of donated commodities	\$ <u>162,630</u>
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Total federal expenditures per the Schedule of Expenditures of Federal Awards	\$ <u><u>11,839,839</u></u>
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COUNTY OF ACCOMACK, VIRGINIA

Schedule of Findings and Questioned Costs
Year Ended June 30, 2010

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiencies identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weaknesses identified? No

Significant deficiencies identified? None reported

Type of auditor's report issued on compliance
for major programs: Unqualified

Any audit findings disclosed that are required to be
reported in accordance with Section .510(a)
of OMB Circular A-133? No

Identification of major programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
84.027/84.173/84.391/84.392	Special Education Cluster
84.010/84.389	Title I Part A Cluster
84.394	ARRA-State Fiscal Stabilization Fund - education state grants
10.561	SNAP Cluster
16.803	ARRA-Edward Byrne Memorial justice assistance grant program/ grants to states and territories
93.558	Temporary Assistance to Needy Families

Dollar threshold used to distinguish between Type A
and Type B programs \$355,195

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.